



Home Finance

IKF Home Finance Limited

(Formerly IKF Housing Finance (P) Ltd.)

40-1-144, Corporate Centre, M.G. Road, VIJAYAWADA – 520 10

Email – info@ikfhomefinance.com **CIN: U65922AP2002PLC039417**

October 01, 2020

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Sir/Madam,

Sub.: Submission of AGM Notice & Annual Report for the year ended on March 31, 2020

Pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the AGM Notice & Annual Report along with the Auditors Report and Audited Financials thereof for the year ended on March 31, 2020. The signed version of reports is available for inspection at Office of the Company.

Kindly take the Same on record.

Yours faithfully,
For **IKF Home Finance Limited**

VISHAL
KUMAR JOSHI

Digitally signed by
VISHAL KUMAR JOSHI
Date: 2020.10.01
23:28:29 +05'30'

Vishal Kumar Joshi
Company Secretary

Encl: a/a

Corporate Office

1st Floor, # 6-3-902/A, Central Plaza, Near Yashoda Hospital,
Raj Bhavan Road, Somajiguda, Hyderabad – 500 082
Ph.: 91-40-23412083

IKF HOME FINANCE LIMITED

(Formerly Known as IKF Home Finance Private Limited)

18th Annual Report

2019 - 2020

Board of Directors

- | | | |
|---------------------------------------|---|----------------------|
| 1. Mrs. Vupputuri Vasantha Lakshmi | : | Managing Director |
| 2. Mr. Vupputuri Gopala Kishan Prasad | : | Director |
| 3. Mrs. Vasumathi Devi Koganti | : | Director |
| 4. Mr. Radheyshyam Garg | : | Independent Director |
| 5. Mr. Purnachandra Rao Vankineni | : | Independent Director |

Key Managerial Personnel

- | | | |
|--------------------------------|---|-------------------------|
| 1. Mrs. V.Vasantha Lakshmi | : | Managing Director |
| 2. Mr. Sreepal GulabChand Jain | : | Chief Financial Officer |
| 3. Mr. Vishal Kumar Joshi | : | Company Secretary |

Senior Executives

- | | | |
|----------------------------|---|--|
| 1. Mr. Anand Srinivasan | : | Business Head |
| 2. Mr. Sunil Kumar Pradhan | : | Head Operations |
| 3. Mr. CH. Lakshmikanth | : | Head Risk & Credit Compliance (AP & Telangana) |
| 4. Mr. Mohan Naidu | : | Credit Head (TN, KA, MH) |

Board Committees

Audit Committee:

- | | | |
|---------------------------------------|---|----------|
| 1. Mr. Purna Chandra Rao Vankineni | - | Chairman |
| 2. Mr. Vupputuri Gopala Kishan Prasad | | |
| 3. Mrs. Vasumathi Devi Koganti | | |

Nomination & Remuneration Committee:

- | | | |
|---------------------------------------|---|----------|
| 1. Mr. Vupputuri Gopala Kishan Prasad | - | Chairman |
| 2. Mr. Purna Chandra Rao Vankineni | | |
| 3. Mrs. Vasumathi Devi Koganti | | |

Asset Liability Management, Asset Classification & Risk Management Committee:

- | | | |
|---------------------------------------|---|----------|
| 1. Mr. Purna Chandra Rao Vankineni | - | Chairman |
| 2. Mr. Vupputuri Gopala Kishan Prasad | | |
| 3. Mrs. Vupputuri Vasantha Lakshmi | | |
| 4. Mrs. K. Vasumathi Devi | | |

Customer Service and Grievance Redressal Committee

- | | | |
|-------------------------------|---|----------|
| 1. Vupputuri Vasantha Lakshmi | - | Chairman |
| 2. Sunil Kumar Pradhan | | |
| 3. Anand Srinivasan | | |



Home Finance

CIN: U65922AP2002PLC039417

Share Transfer Agents:

M/s. Bigshare Services Private Limited
306, 3rd Floor, Right Wing, Amrutha Ville
Opp. Yashoda Hospital, Rajbhavan Road
Somajiguda, Hyderabad- 500 082

Statutory Auditors:

Hanumaiah & Co.,
Chartered Accountants
1 & 2 Ground, RAM'S VSR Apartments
Mogalrajpuram, Vijayawada – 520 010
Andhra Pradesh, India

Trustee for Debentures

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

Catalyst Trusteeship Limited
(Erstwhile GDA Trusteeship Limited)
Address: Windsor, 6th floor, Office No.604,
C.S.T. Road, Kalina, Santacruz (East) Mumbai 400098

Bankers:

The Federal Bank Limited
The South Indian Bank Limited
Cosmos Co-Operative Bank Ltd
Coastal Local Area Bank Limited
AU Small Finance Bank Limited
DCB Bank Ltd
ICICI Bank Limited

Registered Office:

40-1-44, 1st Floor, Corporate Centre,
M.G. Road, Vijayawada- 520 010
Andhra Pradesh, India

Website: www.ikfhomefinance.com ,

Share holder can access the Reports & Policies through the above Website link of the Company.

Internal Auditors

M/s Brahmayya & Co
Chartered Accountants
No 33-25-33/3, Govinda Rajulu Naidu
Street,
Surya Rao Pet, Vijayawada – 520010
Andhra Pradesh

Trustee for Securitization/Direct Assignment

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

Catalyst Trusteeship Limited
(Erstwhile GDA Trusteeship Limited)
Address: Windsor, 6th floor, Office No.604,
C.S.T. Road, Kalina, Santacruz (East)
Mumbai 400098

Beacon Trusteeship Limited
4C&D Sidhivinayak Chambers, Gandhi
Nagar, Opp MIG Cricket Club, Bandra
(EAST),
Mumbai - 400051

Corporate Office:

6-3-902/A, 1st Floor
Central Plaza, Near Yashoda Hospital
Raj Bhavan Road, Somajiguda,
Hyderabad- 500 082, Telangana
Phone: 040 – 23412083

Corporate Identity Number :
U65922AP2002PLC039417

18th Annual General Meeting

Date : October 05th, 2020
Time : 12.00 PM
Day : Monday
Venue : Registered Office of the Company
40-1-44, 01st Floor, Corporate Centre,
M.G. Road, Vijayawada- 520 010
Krishna District, Andhra Pradesh, India

S No	Content	Page Nos
1.	Notice to the Share Holders	06 –11
2.	Highlights	12-13
3.	Directors' Report	14 – 64
4.	Auditor's Report	65 – 75
5.	Balance Sheet	76
6.	Profit and Loss Account	77
7.	Cash Flow Statement	79
8.	Schedules to the Accounts	80-125

NOTICE

SHORTER NOTICE IS HEREBY GIVEN THAT THE 18TH ANNUAL GENERAL MEETING OF IKF HOME FINANCE LIMITED WILL BE HELD ON MONDAY, THE 05TH DAY OF OCTOBER 2020, 12.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT # 40-1-44, CORPORATE CENTRE, M.G. ROAD, VIJAYAWADA- 520 010, ANDHRA PRADESH, INDIA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. **To receive, consider, approve and adopt the audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of the Directors and Auditors thereon for the year ended 31st March, 2020 and in this regard to pass the following resolution as an ordinary resolution.**

“**RESOLVED THAT** the audited Financial Statements of the Company for the year ended 31st March 2020 together with the reports of the auditors and directors thereon of the Company for the year ended 31st March 2020 be and are hereby received, considered, approved and adopted”

2. **Re-appointment of mr. V.g.k prasad, din:01817992 as director of the company, liable to retire by rotation.**

“**RESOLVED THAT** Mr. V.G.K Prasad, DIN:01817992 who retires by rotation in accordance with section 152 of the Companies, Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation.”

Special Business: -

3. **Authorization to issue of non-convertible debentures (NCD)/Tier ii debt(s)/commercial papers/bonds on private placement basis upto Rs. 300 crore.**

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

“**RESOLVED THAT** pursuant to the provisions of section 42 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Companies Act, 2013, to the extent notified, and as applicable and the Companies Act, 1956, as amended and in force, in accordance with the memorandum and articles of association, the Board of Directors of the Company be and is hereby authorized to issue, offer or invitation and allot secured / unsecured, redeemable, non-convertible, listed / unlisted, senior / subordinated bonds / debentures / Commercial Paper / Tier II Debt/ Other debt securities (“Bonds”) of value aggregating upto Rs. 300 Cr (Rupees Three Hundred Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/provident funds and individuals, as the case may be or such other person/persons as the board of directors may decide so.”

“RESOLVED FURTEHR THAT the Board be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps”

4. To Increase the Overall Managerial Remuneration and in this regard to Consider and if thought fit, to pass the Special resolution.

“RESOLVED THAT in accordance with the Provisions of Section 197 of the Companies act, 2013 as amended by the Companies (amendment) Act, 2017, read with Schedule V and Other Applicable Provisions, if any, of the Companies Act, 2013 and the rules made there under (Including any Statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, Approval of the Members of the Company be and is hereby accorded to increase the Overall Limit of Managerial Remuneration payable by the Company in respect of any financial year from 11% (eleven Percent) to 40% (Fourty Percent) of the Net Profit of the Company Computed in the manner laid down in section 198 of the Companies Act, 2013.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and to do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution”

For and by the order of the Board of
IKF Home Finance Limited

Sd-
(Vishal Kumar Joshi)
Company Secretary
M.No: ACS43209

Place: Vijayawada
Date : 01.10.2020

NOTES

1. The statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out in the notice and Secretarial Standard on General Meetings (SS-2), wherever applicable, are annexed hereto
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll in the meeting instead of such member. The proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company. A member holding more than ten (10) 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 member or shareholder.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for this Annual General Meeting is enclosed.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company by such intending person.
6. Members are requested to quote their Registered Folio Numbers in all their Correspondence with the Company and notify change in their registered address, if any.
7. Members/proxies should bring the Attendance slips duly signed to the meeting and hand it over at the entrance. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting. Xerox copy of attendance slips will not be accepted at the entrance of the Meeting Hall. Members are requested to bring their copy of the Annual Report to the Meeting.
8. Additional information, Pursuant to Secretarial Standard on General Meeting (SS- 2) in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment.

Annexure to the Notice

Additional information on directors recommended for appointment / re-appointment as required under Secretarial Standard-2 notified under Section 118 (10) of the Companies Act, 2013

Name of the Director	Mr. V.G.K Prasad
DIN	01817992
Date of Birth	02.09.1947
Date of first Appointment on the Board	05.08.2002
Age	73 Years
Qualification	Graduate
Experience	Mr. Prasad is a veteran in the finance field in Andhra Pradesh with over three decades of experience in Hire Purchase and Leasing of Automobiles. Before promoting IKF Finance Limited, he was associated with various finance firms as Managing Partner. He served as President of Krishna District Auto Financiers Association and also served as the Member of the Governing Council, Vice President, Secretary General and President of Federation of Indian Hire Purchase Associations (FIHPA), the apex body of Asset Financing NBFCs.
Terms and conditions of appointment	Liabile to Retire by Rotation
Remuneration sought to be paid	Nil
Remuneration last drawn	Nil
Relationship with other director/Manager and other KMP	Father of Mrs. V. Vasantha Lakshmi & K. Vasumathi Devi
No of Meeting of the Board Attended during the FY-2019-20	10
No of Shares held in the Company	4,737,881
Directorships of other Board	3
Membership/Chairmanship of Committees of other Board	4

STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

Item no. 3

As mentioned in Item No. 3, and the rules of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed under Section 42 and other applicable provisions, if any, of the Companies Act, 2013 of the Act deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures, Tier II Debt, Commercial Paper or other debt instruments on private placement, the company shall obtain previous approval of its members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 deals with issue of secured debentures. In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Board, which term shall include any Committee constituted by the Board, may at an appropriate time, offer or invite subscriptions for NCDs, Bonds, Tier II Debt, Commercial Paper or any other debt securities on a private placement basis, in one or more tranches, upto an amount not exceeding Rs.300 Crore (Rupees Three Hundred Crore Only) within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price, of the NCDs, Tier II Debt, Commercial Paper or any other Debt Instruments.

Accordingly, consent of the members is sought for passing the Special Resolution as set out at Item No. 3 of the Notice. This resolution is an enabling resolution and authorizes the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, Tier II Debt, Commercial Paper or any other Debt Instruments as may be required by the Company, from time to time for a year from the date of passing this resolution.

The proposed borrowings, along with the existing borrowings of the Company, would not exceed the aggregate outstanding borrowings of the Company approved by the Members, from time to time.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

4. To Increase the Overall Managerial Remuneration and in this regard to Consider and if thought fit, to pass the **Special resolution.**

As per Section 197 of the Companies Act, 2013 as amended from time to time total Managerial Remuneration payable by the Company to its Directors, including Managing Director and Whole time Director and its Manager in the respect of any financial year may exceed 11 % (Eleven Percent) of the Net Profits of the Company calculated as per the Section 198 of the Companies Act, 2013, Provided that the same has been approved by the Shareholders of the Company by way of Ordinary Resolution/Special Resolution.

Pursuant to the Recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company in its meeting Held 30.09.2020 recommended to increase in overall limit of Managerial Remuneration payable by the Company from 11% to 40% of the net Profit of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Accordingly, the Board Recommends the Special Resolutions set out at Item No 04 for Approval of Members. Except Mrs. V. Vasantha Lakshmi, Managing Director none of the Other Directors or Key Managerial personnel of the Company including relatives are Concerned or interested in the Resolution, Financially or Otherwise, Except to the extent of their Shareholding, if any, in the Company.

For and on Behalf of the Board
IKF Home Finance Limited

Place: Vijayawada
Date: 01.10.2020

(Vishal Kumar Joshi)
Company Secretary
M.No: ACS43209

HIGHLIGHTS

(Amount in Rs. Crores)

	2019-20	2018-19
OPERATIONAL HIGHLIGHTS	Ind AS	
Approvals	132.93	123.3
Disbursements	114.01	113.11
Loans outstanding	228.32	151.00
Loans under Management (including assets sold)	228.32	151.00
FINANCIAL HIGHLIGHTS		
Paid-up capital	41.11	39.36
Reserves and surplus	8.64	0.43
Net-worth	49.76	39.79
Total borrowings (Including Fixed Deposits)	95.64	112.85
Fixed Deposits	0	0
Profit before tax	10.04	0.83
Profit after tax (before exceptional item)	7.94	0.45
Profit after tax (after exceptional item)	7.94	0.45
Total Comprehensive Income for the period comprising Profit and other comprehensive income for the period	7.94	0.45
Dividend (%)	0	0
Dividend (including tax) - Amount in Crore	NA	NA
Return on average net worth (%)	17.35%	1.28%
Book value (₹)		
Earnings per share (₹)	2.02	0.15

Capital Adequacy Ratio (%)	47.96%	53.57%
Cost-to-income ratio (%)	74.73%	95.37%
Gross non-performing loans (%)	0.98%	0.15%
Net non-performing loans (%)	0.59%	0.12%

Directors' Report

To
The members of
IKF Home Finance Limited

Your Directors have pleasure in presenting the 18th Annual Report together with the Audited Accounts for the financial period ended 31st March, 2020. The summarized financial results of the Company are as given hereunder:

Financial Results:

(Amount in Rs.Crores)

	Year ended 31st March 2020	Year ended 31st March 2019
Income from Operations	39.17	17.40
Other income	0.54	0.53
Total Revenue	39.72	17.92
Less: Total Expenses	29.68	17.09
Profit Before Tax	10.04	0.83
Profit After Tax before Exceptional Item	7.94	0.45
Exceptional Item	0	0
Profit After Tax after Exceptional Item	7.94	0.45
Other comprehensive income	7.94	0.45
Total Profit & Other comprehensive income	7.94	0.45
Add: Balance brought forward from the previous year	(0.20)	(0.31)
Amount available for appropriation	7.74	0.15

Appropriations		(₹ in Crore)
	Year ended 31st March 2020	Year ended 31st March 2019
Transfer to Special Reserve under Section 36(1)(viii) of the Income-tax Act, 1961	0.27	0.14
Transfer to Special Reserve relating to earlier years	0	0
Transfer to Additional Reserve under Section 29C of National Housing Bank Act, 1987	0.91	0.35
Transfer to COVID Reserve (net of deferred tax)	0	0
Other Comprehensive Income	0	0
Final Dividend – 2017-18	0	0
Final Dividend paid for FY 2018-19	0	0
Interim Dividend paid for FY 2019-20	0	0
Dividend Distribution Tax	0	0
Transfer to General Reserve	0	0
Surplus carried to the Balance Sheet	0	0
Total	8.64	0.43

DIVIDEND

Your Directors have not recommended payment of dividend for the financial year ended 31st March 2020 since it is proposed to retain the same in the business.

Review of Operations:

Gross income of the Company during the year ended 31st March 2020 amounted to Rs. 39.72 crore, as against Rs. 17.92 crore in the previous year. Profit before tax was Rs 10.04 crore, as against to Rs. 0.83 Crore in the previous year. profit after tax for the year was Rs. 7.94 Crore as compared to Rs. 0.45 Crore in the previous year. The Company's net worth stood at Rs. 49.75 crore as on 31st March 2020 as compared to Rs. 39.79 Crores in the previous Year. As on date of 31st March 2020, the regulatory capital adequacy ratio (CRAR) was 47.96%, well above the regulatory requirement of minimum 12%.

The Company's Loan Approval and Disbursement details are as below.

S.No	Loan Approved	Loan Disbursement
HL	82.58	71.61
LAP	50.36	42.40
Total	132.93	114.01

** The loans Disbursed in FY 2019-20 includes spillover of FY 2018-19 Amounting to Rs. 20.40 Cr HL & Rs. 14.78 LAP.

The Company approved loans totaling 132.93 crores during the year, as compared to corresponding figure of 123.3 crores in FY19. Disbursements during the year amounted to `114.01 crore as against`113.11 crore in FY19,

The average size of home loans disbursed to individuals during the year was 9.56 lakhs.

Accounts continuing default for more than 90 days) amounted to `1.42 crore as on 31st March 2020 which constituted 0.98% of the total loans, more from 0.15%, a year ago. Net NPA after provisioning were 0.59%, more from 0.12% last year.

Your Company's performance for the year ended March 31, 2020 continues to be encouraging and has registered a growth of 121.59% in its Gross Revenue to Rs.39.72 Cr as against Rs. 17.92 Cr and Net Profit was increased to Rs.7.94 Cr from Rs.0.45 Cr registering a growth of 1676.13% for the corresponding previous year. During the year, the Loan Book has grown by 51.21% from Rs.151.00 Cr to 228.32 Cr.

Risk Management & Credit Monitoring:

As per the Directions of National Housing Bank vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated 9th February 2017, the Company has adopted Risk Management Policy and Accordingly constituted an Asset Liability Management, Risk Management & Asset Classification Committee.

Your Company is proactive in assessing the risk associated with its various loan products and has evolved a variety of Risk management and monitoring tools while dealing with a wide spectrum of retail customers. The Risk Management Policy of the Company encompasses various risk tools such as Credit, Operational, Market, Liquidity and Interest Rate Risk and has put in place appropriate mechanism to effectively mitigate the risk factors.

As risk is inevitable fallout of the lending business, your Company has to manage various risks like credit risk. Liquidity risk, interest rate risk, operational risk, market risk etc. The Audit Committee, and the Asset Liability Management, Risk Management & Asset Classification Committee review and monitor these risks at periodic intervals. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the assets & liabilities maturity profiles. The Company monitors ALM periodically to mitigate the liquidity risk. The Company also measures the interest rate risk by the duration gap method. Operational risks arising from inadequate or failed internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored at regular intervals.

During the year 2019-20, there were no instances of frauds that are required to be reported by the Statutory Auditors with respect to Sub-Section 3(ca) of Section 134 of the Companies Act, 2013.

Corporate Governance

As per the Guidelines of National Housing Bank and Other Statutory Regulation, your company is adhered to comply with the Corporate Governance with best practices of Corporate Governance.

The Company is adhered to Comply with the Guidelines as mandated by the National Housing Bank to all the Housing Finance Companies vide Notification No. NHB.HFC.CG-DIR.1/ MD&CEO/2016 to Follow the Corporate Governance (NHB) Directions, 2016. The Board regularly reviews the Management's reports on statutory and regulatory compliances. A detailed report on Corporate Governance forms part of the Annual Report.

Management's Discussion and Analysis:

ECONOMIC SCENARIO

Reflecting the global situation, the Indian economy too finds itself in the throes of the COVID-19 pandemic. A nation-wide lockdown was announced towards the end of March which is still in force, has resulted in an abrupt stoppage of all economic activity. Businesses, big and small, have remained shut for many months, barring essential commodities and services, severely affecting livelihoods. The Annual GDP growth estimate of 5% released in February 2020 is at risk considering the impact of the pandemic. Current predictions however range from 0 to -2%. In view of the uncertainties surrounding.

the economy on account of the pandemic and the unprecedented disruptions in the global economy forecasts of any kind are perilous.

The portents, leading up to the end of financial year 2019-20, seemed favourable with a healthy rabi harvest, higher food prices during 2019-20, the transmission of past reductions in the policy rates, reductions in the goods and services tax (GST) rates on select goods, corporate tax rate cuts in September 2019 and a raft of measures to boost rural and infrastructure spending directed at boosting domestic demand. Sadly, the COVID-19 pandemic has rendered the growth outlook for 2020-21, which was cautiously optimistic at the beginning of the calendar year, markedly negative.

The Government and the RBI have announced a slew of measures aimed at alleviating the immediate economic distress as well as stimulate the resumption of economic activity, especially in the MSME sector. However, economic recovery is completely dependent on how the pandemic is contained and the early resumption of economic activities.

Housing Finance Sector

As per ICRA studies, GNPA's in the HFC home loan segment are likely to increase to around 1.2-1.5% over the medium term from the current level of 1.2%. Moreover, given the tight liquidity faced by some developers with delayed projects, reduced fund availability to the developers could lead to some stress in the construction finance portfolios. Asset quality could therefore come under some pressure due to the challenging operating environment.

While the profitability indicators of the housing finance industry, in general are likely to remain range bound for FY20, with Return On Equity estimated at 13-15%, a prolonged slowdown in growth of this sector could impact the operating expense ratios and the quality of some asset classes, which could lead to a moderation in the profitability indicators of the sector over the medium term.

In September 2019, in order to infuse liquidity into the Housing Finance system and also to cater to the demand of HFCs to address the housing finance requirements in the affordable housing finance sector, Liquidity Infusion Facility (LIFt) Scheme amounting ₹ 30,000 crore for Housing Finance Companies was launched by NHB. The fund will be used by HFCs for financing individual housing loans only, up to the individual loan size which fall under the Priority Sector as defined by Reserve Bank of India (₹ 35 lakhs in Metropolitan centres and up to 25 lakhs in other centres).

Considering the extreme uncertainties and the heightened risk perceptions due to COVID-19, your Company will continue to exercise utmost prudence in its growth plans, underpinned by a robust underwriting framework. The focus on Growth with Quality and Profitability will continue to be the guiding philosophy of your Company.

Regulatory updates by National Housing Bank and Other regulators

Major regulatory changes

1. The Finance Act (No.2), 2019 has amended the National Housing Bank Act, 1987 and vide Official Gazette dated 09th August 2019, certain powers for regulation of Housing Finance Companies (HFCs) has been conferred to Reserve Bank of India.
 - i. HFC's will be treated as Non-Banking Financial Companies for Regulatory Purposes.
 - ii. Reserve Bank of India will Come out with a Frame work for HFC's and Guidelines.
 - iii. NHB will continue to Carry out Supervision of the HFC's
2. The National Housing Bank (NHB) has tightened its rules on leverage and capital adequacy ratio where it has mandated HFCs to bring down their total borrowings in a phased manner to not more than 14 times by March 2020, 13 times by March 2021 and 12 times of their net-owned funds as on 31 March, 2022, compared to the existing 16 times.
3. The capital adequacy ratio for HFCs has been increased to 13% by March 2020, 14% by March 2021 and 15% by March 2022. Tier I capital should not be less than 10% as against the present 6%.

Resource Mobilization:

Deposits:

The Company has not accepted any deposits during the year under review and it continues to be a Non-deposit taking Non Housing Finance Company in conformity the guidelines of the NHB and Companies (Acceptance of Deposits) Rules, 2014

Term Loans:

Your Company has mobilized Term Loan of Rs.95.64 Cr from various Banks & NBFCs on multiple banking arrangement during the year under review in line with the Management's overall business plan to have a judicious mix of resources.

Tier II Capital / Sub Debt:

During the year under review, your Company has not raised any Tier- II Debt.

Borrowing Profile:

Total borrowings of the Company for the year under review stood at Rs.95.64 Cr, of which borrowings from Banks constituted 27.16%, borrowings from Financial Institutions and Other 72.84 %, Your Company is continuously exploring all options to access low cost funds, mostly by way of Term Loans in the current financial year, to further expand the operations.

Capital Adequacy:

The Capital to Risk Assets Ratio of your company is 47.96 % as on 31.03.2020, well above the minimum of 12% prescribed by the National Housing Bank, of which Tier I Capital constituted 100%

Credit Rating:

During the Year under Review, Care Ratings Limited, has rated on Long term Bank Loan as “A-” signifying adequate degree of safety regarding timely payment of interest and principle.

Dividend

Your Directors have not recommended payment of dividend for the financial year ended 31st March 2020 to retain the same in the business.

Share Capital

a. Authorized Share Capital

During the year under Report there is no Change in the Authorized Share Capital of the Company, the present Authorized Capital of Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 5,00,00,000/- (Five Crore) Equity Shares of Rs.10/- (Rupees Ten only) each

b. Paid up Share Capital.

The paid up share capital of the Company is Rs 411,147,530 (Rupees Forty One Crores Eleven Lakhs Forty-Seven Thousands Five Hundred and Thirty Only) consisting of 44,614,753 (Four Crore Forty Six Lakhs Fourteen Thousand Seven Hundred and Fifty Three) equity shares divided into 37,614,753 (Three Crore Sixty One Lakhs Fourteen Thousand Seven Hundred and Fifty Three) Fully paid up Equity Shares of Rs. 10/- (Rupees Ten only) each amounting to Rs. 376,147,530 (Thirty-seven Crores Sixty-One Lakhs Forty Seven Thousand Five Hundred and Thirty) and Partly paid up 70,00,000 (Seventy Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) Each, partly paid to the tune of Rs. 5/- Each, amounting to Rs.3,50,00,000/- (Rupees Three Crore Fifty Lakhs Only).

C. Allotment

The Company has not issued any Shares during the period under review.

D. Issue of Shares with differential voting rights

The Company has not issued any Shares with differential voting rights during the period under review.

E. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

F. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

G. Bonus Shares

The Company has not issued any bonus shares during the year under review.

H. Employees Stock Option

The Company has not provided any Stock Option Scheme to the employees.

Reserves

The General Reserves and Surplus is Accumulated to Rs. 8.64Cr as on 31.03.2020 as compared to Rs. 0.43Cr as on 31.03.2019. Further your Directors propose to transfer Rs.0.91Cr as against Rs.0.35 during the Financial Year 2018-19 to Statutory Reserve @ 25% profit after tax as required under Section 29C of The National Housing Bank Act, 1987.

Details of Holding and Subsidiary Companies

Pursuant to the Acquisitions of Majority Stake by IKF Finance Limited during the FY 2018-19, Your Company has become Subsidiary of IKF Finance Limited, which is related to the Promoter of the Company,

Your Company has no Subsidiary Company.

Auditors

Statutory Auditors

M/s. Kondepati & Co; Chartered Accountants, (ICAI Reg No. 012912S) are appointed as the Statutory Auditor of the Company at the Annual General meeting of the Company held on September 12, 2019.

Auditors Report

The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

Secretarial Auditor

The Provisions of Section 204 of the Companies Act, 2013, is not applicable to your Company for the Period under Reporting.

Internal Audit and Auditor:

As part of the effort to evaluate the effectiveness of the internal control systems, and to maintain its objectivity and independence and on recommendations of the Audit Committee your directors have appointed M/s. Brahmaiah & Co, Chartered Accountant as internal auditor of the Company for the year ended 31st March, 2020 who shall report to the Audit Committee / Board. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon were presented to the Audit Committee / Board.

Internal Financial Controls

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds / errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board has adopted Whistle Policy. This policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. The policy also provided adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that during the year no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received.

Corporate Social Responsibility Committee:

The Provisions of Section 135 of the Companies Act, 2013, is not applicable to your Company for the period under Reporting.

Extract of the Annual Return

In accordance with Section 134(3)(a) of the Companies Act, 2013, details in Form MGT-9, forming part of the extract of the Annual Return, as provided under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is annexed as part of this Board's Report (**Annexure III**).

Material Changes and Commitments, if any

Post the end of Financial Year 2019-20, Your Company has raised funds through Issue of Listed Non-Convertible Debenture under TLTRO Scheme of RBI and Refinance facilities from National Housing Bank Amounting to Rs.90 Crore. (Rupees Ninety Crore) as detailed below.

Listed Non-Convertible Debentures

S.No	Instrument	Date of Issue	Allottee	Amount	Tenure
01	Non-Convertible Debenture	12.06.2020	Bank of Maharashtra	200,000,000	36 Months
02	Non-Convertible Debenture	29.06.2020	Union Bank of India	250,000,000	36 Months
03	Non-Convertible Debenture	23.07.2020	Canara Bank	100,000,000	36 Months
04	Non-Convertible Debenture	31.07.2020	Bank of Baroda	250,000,000	36 Months
05	Non-Convertible Debenture	31.07.2020	Indian Bank	100,000,000	36 Months
Total				900,000,000	

Refinance from National Housing Bank

S.No	Scheme	Bank Name	Amount	Tenure
01	Annual Refinance Scheme	National Housing Bank	50,000,000	7 Years
02	LiFt Scheme	National Housing Bank	100,000,000	5 Years
03	SRF Scheme	National Housing Bank	42,000,000	12 Months
Total			192,000,000	

Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

Directors and Key Managerial Personnel

Changes in Directors and Key Managerial Personnel during the Period under Report

S.NO	Name	Designation	Event	Date
01	Mr. Vishal Kumar Joshi	Company Secretary	Appointment	09.04.2019
02	Mr.P Chandrasekhar	CFO	Appointment	09.04.2019
03	Mr. Purna Chandra Rao Vankineni	Independent Director	Appointment	12.09.2019
04	Mr.P Chandrasekhar	Director & CFO	Resignation	01.02.2020
05	Mr. Sreepal Gulabchand Jain	CFO	Appointment	01.02.2020
06	Mr. Radhey Shyam Garg	Independent Director	Appointment	25.02.2020

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act 2013.

Independent Directors

The Independent Directors of the Company have submitted their declarations as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per sub-section (6) of Section 149 of the Act.

Familiarization programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Board Evaluation:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Policy On Remuneration of Directors, Key Managerial Personnel and other Employees

The Nomination & Remuneration Committee formulates the criteria for determining qualifications, positive attributes and independence of a Director and its policy on remuneration of Directors, Key Managerial Personnel and other employees and ensures that: the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to Directors, Key Managerial Personnel and

Senior Management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Number of meetings of the Board of Directors:

During the financial year 2019-20 the Board of Directors has met Thirteen times viz 09/04/2019, 01/07/2019, 05/08/2019, 17/08/2019, 29/09/2019, 09/10/2019, 31/10/2019, 12/12/2019, 28/12/2019, 31/12/2019, 10/01/2020, 01/02/2020, 10/02/2020

The details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard-1

Audit Committee

The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee

The Composition of the Nomination and Remuneration Committee is provided in the Corporate Governance Report forming part of this report.

Particulars of loans, guarantees or investments under section 186:

The Company, being a Housing finance company registered with the National Housing Bank Limited and engaged in the business of giving Housing loans, is exempt from complying with the provisions of section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

Remuneration ratio of the Directors / Key Managerial Personnel (KMP)

The provisions of Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in annexure IV to this Report.

Particulars of Employees

There are no employees whose information as required under the provisions of Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Listing with Stock Exchanges

The Company's Debentures Are Listed on BSE Limited and the Company has paid listing fees to the Stock Exchange.

Particulars of contracts or arrangements with related parties:

All transactions entered by the Company with Related Parties were in the Ordinary course of Business and are at Arm's Length pricing basis. The Audit Committee granted approvals for the transactions and the same were reviewed by the Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the financial year 2019-20 which were in conflict with the interest of the Company. The details of contracts and arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 were given as *Annexure – I (i)* to the Board's Report in form No: AOC-2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

Further, as mandated under the Directions issued by the National Housing Bank vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated 9th February 2017, the Company has formulated a Policy on Related Party Transactions and the Policy is annexed as *Annexure – I (ii)* part of this Board's Report

STATUTORY AND REGULATORY COMPLIANCE

The Company has complied with the applicable statutory provisions, including those of the Companies Act, 2013, the Income-tax Act, 1961 and other laws related to Goods and Services Tax (GST). Further, the Company has complied with the NHB's Housing Finance Companies Directions, 2010, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Accounting Standards issued by the Ministry of Corporate Affairs (MCA), Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), Anti-Money Laundering guidelines, applicable labour laws and forex laws.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- (a) in the preparation of the annual accounts for the period 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 at the end of the financial year and of the profit and 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 accounts on a going concern basis; and
- (e) the directors 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.

Company's Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace

The Company prohibits any form of sexual harassment and any such incidence is immediately investigated and appropriate action taken in the matter against the offending employee(s) based on the nature and the seriousness of the offence. The Company has a policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at

Workplace (the Policy) and matters connected therewith or incidental thereto covering all the aspects as contained under the “The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013” notified by the Government of India vide Gazette Notification dated 23rd April, 2013.

The Company has also submitted and registered the Policy with Telangana State Police Department.

There was no case of sexual harassment reported during the year under review.

Share Transfer Agency

The Company has appointed M/s. Bigshare Services Private Limited situated at Plot No-306, 3rd Floor, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Rajbhavan Road Somajiguda, Hyderabad- 500 082, as its share transfer agency for handling both physical and electronic transfers.

Human Resources

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Awards and recognition

The Company has not received any award during the Financial Year.

Cautionary Statement

Statements in these reports describing company’s projections statements, expectations and hopes are forward looking. Though, these expectations are based on reasonable assumption, the actual results might differ.

Conservation of Energy, Technology Absorption and

The Company, being a Housing Finance Company, does not have any manufacturing activity. The directors, therefore, have nothing to report on conservation of energy and technology absorption’.

Foreign Exchange Earnings and Outgo

Total foreign exchange earned	NIL
Total foreign exchange used	NIL

Code of conduct

The Company has adopted Code of Conduct, Fit & Proper Criteria for the Board and for the Senior level employees of the Company and they are complying with the said code.

Industrial Relations

Industrial relations continued to be cordial throughout the year under review.

Acknowledgements

Your Directors wish to place on record their Gratitude to Customers, employees and Bankers and other Stake holders for their Continued Support to the Company. It has been a mutually beneficial relationship and looks forward to their continued support.

For and Behalf of the Board of Directors IKF Home Finance Limited

(V. Vasantha Lakshmi)	(K. Vasumathi Devi)
Managing Director	Director
DIN:03610979	DIN:03161150

Place: Vijayawada

Date: 01.10.2020

REPORT ON CORPORATE GOVERNANCE

This section on Corporate Governance forms part of the Report of the Directors to the Members.

1. Company's Philosophy on Code of Governance:

Our Corporate Governance policies recognise the accountability of the Board and the importance of its decisions to all our constituents, including Customers, Investors and the Regulatory Authorities. The strong foundation of the Company is supported by the pillars of Customer faith, Stake holders Confidence, Bankers Trust, Investor Steadfastness and Employee Loyalty. The Company has been growing over the past 4 years on the principles of dedicated customer service, fair business practices, efficient and trusted financial policies. It continues to maintain high standards of integrity through excellence in service to all its stakeholders.

The Board is fully aware of its fiduciary responsibilities and recognises its responsibilities to shareholders and other stakeholders to uphold the highest standards in economic, social and ethical matters by ensuring that the company conducts its activities in accordance with corporate governance best practices.

2. Board of Directors:

Directors possess the highest personal and professional ethics, integrity and values, and are committed to representing the long-term interests of the stakeholders. The basic responsibility of the Board is to provide effective governance over the company's affairs exercising its reasonable business judgement on behalf of the Company.

The Board has been constituted in a manner, which will result in an appropriate mix of executive/non-executive and to ensure proper governance and management. The Board comprises Five members who have experience in diverse fields like Finance, Accounts and Management. Non-Executive Directors bring independent judgement in the Board's deliberations and decisions. The Executive Director is Mrs. Vupputuri Vasantha Lakshmi - Managing Director, and Mr. V.G.K Prasad, Mrs. Vasumathi Devi Koganti, Mr. Purna Chandra Rao Vankineni, Mr. Radhey Shyam Garg are Non-Executive Director, the composition of the Board is in conformity with best practice in Corporate Governance.

During the Period under reporting Mr. P. Chandrasekhar* has resigned from the Directorship of the Company w.e.f 01.02.2020. Mr. Purnachandra Rao Vankineni was Appointed as Independent Director w.e.f 12.09.2020 and Mr. RadheyShyam garg was Appointed as Independent Director w.e.f 25.2.2020.

DIRECTORS TERM

The Company's Articles of Association require that at least One-third of the Directors retire by rotation. However, as per the provisions of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation.

MEMBERSHIP OF OTHER BOARDS

Details of directorships held by the Directors in other Indian Companies as on 31st March 2020 are given below:

Sl. No.	Director	DIN	Directorships*		Chairmanship/ Membership of Committees of other Companies*
			Chairman	Director	Member
1.	Mr. V.G.K Prasad	01817992	-	4	4
2.	Mrs. V.Vasantha Lakshmi	03610979	-	3	0
3.	Mrs. K.Vasumathi Devi	03161150	-	2	3
4.	Mr. Radhey Shyam Garg *	08650678	-	1	0
5.	Mr. Purna Chandra Rao Vankineni **	00391733	-	1	0
6.	Mr. P Chandrasekhar***	03598591	-	-	-

*** Mr. P Chandrasekhar has resigned w.e.f 01.02.2020

* Mr. Radhey Shyam Garg appointed as Independent Director w.e.f 25.02.2020

** Mr. Purna Chandra Rao Vankineni appointed as Independent Director w.e.f 12.09.2020

BOARD PROCEDURE AND RESPONSIBILITIES

The Board plays a key role in ensuring that the Company adopts good corporate governance practices.

The Board has a formal schedule of matters reserved for its consideration and decision. Amongst other things, the Board considers and approves:

- operational and financial policies;
- annual business strategy, plans and budgets;
- loan proposals exceeding the delegated authority of the Management Committee of the Board;
- strategy and plans for mobilization of resources and larger borrowing arrangements; and

The Board takes decisions after careful consideration of the issues involved with inputs from the Management, wherever needed, and ensures that appropriate action is taken by the Company to implement Board decisions and directions.

The Board also reviews periodically the Company's compliance with various statutory and regulatory requirements.

In accordance with the code of corporate governance and to facilitate closer attention to particular facets of the Company's operations, systems and practices, the Board has constituted Committees with appropriate delegated authority.

The day-to-day operations of the Company are looked after by the Managing Director under the overall superintendence, guidance and control of the Board. The Managing Director is assisted by senior officers with well-defined responsibilities.

2. Board Meetings:

The Board of Directors meets at regular intervals with a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The Board is regularly briefed and updated on the key activities of the business and is provided with briefings on other matters concerning the company on a need basis. The Board of Directors generally meets every quarter to review the business performance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

During the year under review, thirteen meetings of the Board of Directors were held on the following dates.

09/04/2019, 01/07/2019, 05/08/2019, 17/08/2019, 29/09/2019, 09/10/2019, 31/10/2019, 12/12/2019, 28/12/2019, 31/12/2019, 10/01/2020, 01/02/2020, 10/02/2020.

COMMITTEE
The Board Has Constituted the following Committee

The details of attendance at Board Meetings and details of other Directorships, Committee Chairmanships / Memberships held by the Directors during the period from 1st April, 2019 to 31st March, 2020 are as follows:

Name of the Director	Category of Board Directorship	No. of Board Meetings attended	% of total meetings attended	Attendance at the last AGM	No of other Directorships	No of Committee Memberships
Smt. V Vasantha Lakshmi	Managing Director	13	100%	Yes	2	2
Sri. V.G.K Prasad	Director	11	85%	Yes	3	3
Smt. K Vasumathi Devi	Director	12	92%	Yes	2	3
Sri. P. Chandrasekhar*	Director	12	92%	Yes	1	NA
Sri. Purna Chandra Rao Vankinei **	Director	9	69%	NA	1	3
Sri. Radhey Shyam Garg ***	Director	NA	NA	NA	1	NA

* Sri. P. Chandrasekhar resigned w.e.f 01.02.2020

** Sri. Purna Chandra Rao Vankinei Appointed w.e.f 12.09.2020

*** Sri. Radhey Shyam Garg w.e.f. 25.02.2020

3. Audit Committee:

The Audit Committee provides direction to the Audit function and monitors the quality of internal controls and systems. The responsibilities of the Audit Committee include the overseeing of financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of adequacy of internal control systems and the internal audit functions. The Audit Committee comprises Three Non-Executive Directors. The Committee comprises of Shri. Purna Chandra Rao Vankinei as Chairman of the Committee and Sri V.G.K. Prasad and Smt. K. Vasumathi Devi as Members. The Executive Directors, Statutory Auditors, Internal Auditors and other Functional Heads are invitees to the Committee Meetings.

During the year the committee met 5 times on 04-04-2019, 02-08-2019, 12-08-2019, 10-11-2019 and 13.01.2020. The details of members and their attendance at the committee meetings are given below:

Name of the Director	No. of Audit Committee Meetings attended	% of total Meetings attended
Sri. P. Chandrasekhar *	5	100%
Sri. V.G.K Prasad	5	100%

Smt. K. Vasumathi Devi	4	80%
Sri Purnachandra Rao Vankineni**	1	20%

The previous Annual General Meeting (“AGM”) of the Company was held on September 12, 2019 and was attended by Sri. P. Chandrasekhar, then Chairman of the audit committee.

* Sri. P. Chandrasekhar resigned from Directorship of the Company w.e.f 01.02.2020

** Sri Purnachandra Rao Vankineni was appointed as Director of the Company w.e.f 12.09.2019 and Chairman of Audit Committee w.e.f 10.01. 2020..

4. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 comprises of Sri V.G.K Prasad Chairman, Sri. Purnachandra Rao Vankineni and, Smt. K. Vasumathi Devi as Members. The Committee determines the remuneration package of Executive Directors (Whole Time Directors) of the Company and During the year the committee met 5 times on 05.04.2020, 14.08.2019,03.10.2019,31.01.2020,07.02.2020

Attendance of each Director at Nomination and Remuneration Committee Meeting

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Sri. P. Chandrasekhar*	Non Executive	5	4
Sri. V.G.K Prasad	Director	5	5
Smt. K. Vasumathi Devi	Director	5	5
Sri Purnachandra Rao Vankineni**	Director	2	2

Sri. P. Chandrasekhar resigned from Directorship and of the Company w.e.f 01.02.2020

** Sri Purnachandra Rao Vankineni appointed as Director of the Company w.e.f 12.09.2019 and Chairman of Audit Committee w.e.f 10.01.2020.

Criteria for Performance evaluation:

(I) Remuneration Policy:

The Policy inter alia provides for the following:

- attract, recruit, and retain good and exceptional talent;
- list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;

- (c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- (d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- (e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- (f) fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

(II) Remuneration paid to Directors

Remuneration to Executive Directors:

The Managing Director, Director of the company have been appointed on contractual terms, based on the approval of the shareholders. The remuneration package comprises of salary, allowances and perquisites. The details of remuneration paid to Managing Director during the year 2019-2020 are given below:

Name of the Director	Remuneration	Allowances	Incentives
Mrs. V Vasantha Lakshmi	Rs 38,33,335.00	NIL	NIL

The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013.

Remuneration to Non-Executive Directors

Presently, the Non-Executive Directors do not receive any remuneration from the company and are paid sitting fees for attending the meetings of the Board and Committees thereof.

a) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2019-2020

The details of sitting fees paid/payable to Non-Executive Directors during the financial year 2019-2020 is Nil.

Name of the Director	Sitting Fee					Total
	Board Meetings	Audit Committee Meetings	N & R Committee Meetings	ALM, AC & Risk Management Committee Meeting	Customer Service Redressal and Grievance Committee	
-----Nil-----						

5. Customer Service and Grievance Redressal Committee

The Customer Service and Grievance Redressal Committee comprises of Smt. V. Vasantha Lakshmi as Chairman and Sri Anand Srinivasan, Sri. Sunil Kumar Pradhan as Members. The Customer Service and Grievance Redressal Committee was formed to monitor Customer Service related issues and to address the Grievances. During the year there was no complaints received by the Company.

6. Asset Liability Management, Asset Classification & Risk Management Committee:

In accordance with the Directions issued by the National Housing Bank Directions known as the “Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016”, the Risk Management Committee was constituted in 21.07 2017

The Asset Liability Management, Asset Classification and Risk Management Committee comprises of Sri Purna Chandra Rao Vankineni. as Chairman, Sri V.G.K Prasad, Smt. V. Vasantha Lakshmi and K. Vasumathi Devi as Members. The Committee was formed to review and monitor liquidity and interest rate risk arising out of maturity mismatch of assets and liabilities and to address the mismatches, if any, from time to time. During the year 2019-2020 the committee met 2 times on 12-08-2019, 13-01-2020.

Asset Liability Management, Asset Classification and Risk Management Committee

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Shri V.G.K Prasad	Executive	2	2
Smt. V. Vasantha Lakshmi	Non-Executive	2	2
Smt. K. Vasumathi Devi	Non-Executive	2	2
Shri. Purna Chandra Rao Vankineni – Chairman*	Non-Executive	1	1
Shri.P Chandrasekhar**	Non-Executive	2	2

* Sri Purnachandra Rao Vankineni appointed as Director of the Company w.e.f 12.09.2019 and Chairman of Audit Committee w.e.f 10.01.2020.

** Sri. P. Chandrasekhar resigned from Directorship and of the Company w.e.f 01.02.2020

KEY MANAGERIAL PERSONNEL

Details of remuneration paid to the Key Managerial Personnel of the Company for the year 2019-20 are as under:
(` in lakhs)

Particulars	Mrs. V. Vasantha Lakshmi	Mr. Vishal Kumar Joshi
Salary & Allowances	38,33,335.00	6,91,880.00
Commission	0	0
Contribution to Provident, Superannuation, and Gratuity Funds	0	0
Perquisites	0	0
Employee Stock Option	0	0

7. General Body Meetings:

Time and location of last three Annual General Meetings

General Body Meeting	Day	Date	Time	Location
17 th Annual General Meeting	Thursday	12-09-2019	11.30 AM	Registered Office of the Company. 40-1-144, Corporate Centre, M.G. Road Vijayawada-520010, Andhra Pradesh
16 th Annual General Meeting	Saturday	29-09-2018	2.30 PM	Registered Office of the Company. 40-1-144, Corporate Centre, M.G. Road Vijayawada-520010, Andhra Pradesh
15 th Annual General Meeting	Saturday	30-09-2017	2.30 P.M	Registered Office of the Company. 40-1-144, Corporate Centre, M.G. Road Vijayawada-520010, Andhra Pradesh

- No special resolution is proposed to be passed through postal ballot at the ensuing AGM.
- The following Special Resolutions were passed by the members during the past 3 years Annual General Meetings:

17th Annual General Meeting held on 12.09.2019 :

S No	Purpose of Resolution	Content of Resolution
01	Appointment of Independent Director	Appointment of Mr. Purna Chandra Rao Vankineni as Independent Director of the Company
02	To enhance Borrowing Powers of the Company	Enhance Borrowing Powers of the Company from Rs. 500 Crore to Rs. 750 Crore
03	To enhance the Power of the Board of Directors to Lease and Mortgage of the Properties of the Company	To enhance the Power of the Board of Directors to Lease and Mortgage of the Properties of the Company upto Rs. 750 Crores
04	To Authorize	Authorization to issue of non-convertible debentures (NCD)/Tier ii debt(s)/commercial papers/bonds on private placement basis. Upto Rs. 100 Crore

16th Annual General Meeting held on 29.09.2018 : - NIL -

S No	Purpose of Resolution	Content of Resolution
-NIL-		

15th Annual General Meeting held on 30.09.2017 : - NIL -

S No	Purpose of Resolution	Content of Resolution
NIL		

12. Disclosures:

There are no materially significant transactions with related parties i.e. Associate Companies, Promoters, Directors or the key management personnel and their relatives conflicting with the Company's interest.

13. Means of Communication:

Required communications will be sent to Each of the Share Holders Directly.

14. Corporate Identity Number

The Corporate Identity Number (CIN), allotted to the Company by the Ministry of Corporate Affairs, Government of India is U65922AP2002PLC039417.

14. General Information to Shareholder:

General Body Meeting Day Date Time Location

18th Annual General Meeting, Monday 05-10-2020 12.00 PM at Registered Office, # 40-1-144, Corporate Centre, M.G. Road, Vijayawada - 520 010.

15. Financial Calendar

Financial Year - 1st April 2019 to 31st March 2020

16. Share Transfers

M/s. Bigshare Services Private Limited, have been appointed as the Registrar and Share Transfer Agents of the company. The Registrars and Share Transfer Agents can be contacted by the investors at the following address:

M/s. Bigshare Services Private Limited, 306, 3rd Floor, Right Wing, Amrutha Ville, Opp.: Yashoda Hospital, Raj bhavan Road, Somajiguda, Hyderabad – 500 082, Tel.No.: 040-23374967, Fax No.: 040-23374295, Email: bsshyd@bigshareonline.com.

17. Shareholding Pattern as on 31.03.2020:

Fully Paid up

Category	Total Shareholders	% of Shareholders	Total Shares	%
Corporate Bodies	0	0.00%	0	0.00%
Foreign Company	0	0.00%	0	0.00%
Foreign Promoters	0	0.00%	0	0.00%
Nationalized Banks	0	0.00%	0	0.00%
Non Resident Indians	0	0.00%	0	0.00%
Promoters	7	100%	37,614,753	100%
Public	0	0.00%	0	0.00%
Trusts	0	0.00%	0	0.00%
Total	07	100.00	37,614,753	100.0000

Partly Paid Up

Category	Total Shareholders	% of Shareholders	Total Shares	%
Corporate Bodies	0	0.00%	0	0.00%
Foreign Company	0	0.00%	0	0.00%
Foreign Promoters	0	0.00%	0	0.00%
Non Resident Indians	0	0.00%	0	0.00%
Promoters	5	100.00%	70,00,000	100.00%
Public	0	0.00%	0	0.00%
Trusts	0	0.00%	0	0.00%
Total	5	100%	70,00,000	100.00%

Address for correspondence and any assistance/clarification

Compliance Officer:

Mr. Vishal Kumar Joshi, Company Secretary, IKF Home Finance Limited, Corporate Office: # 6-3-902/A, First Floor, Central Plaza, Near Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana, India

Annexure –I (i)

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.

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2019-20.

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

The details of material contracts or arrangements or transactions with related parties during the financial year 2017-18 is enclosed as **Annexure – I (i) (a)**.

For and Behalf of the Board of Directors IKF Home Finance Limited

Sd/-

(V. Vasantha Lakshmi)
Managing Director
DIN:03610979

Sd/-

(K. Vasumathi Devi)
Director
DIN:03161150

Date: 01.10.2020
Place: Vijayawada

Annexure – I (i) (a)

Related parties

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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis - Nil -

Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No	Particulars	Details
01	Name (s) of the related party & nature of relationship Nature of contracts/arrangements/transaction Duration of the contracts/arrangements/transaction Salient terms of the contracts or arrangements or transaction including the value, if any Date of approval by the Board Amount paid as advances, if any	V. Vasantha Lakshmi, Managing Director Salary Paid Not Applicable 38,33,335.00 During the Period 20.07.2017 & 31.10.2019 Nil
02	Name (s) of the related party & nature of relationship Nature of contracts/arrangements/transaction Duration of the contracts/arrangements/transaction Salient terms of the contracts or arrangements or transaction including the value, if any Date of approval by the Board Amount paid as advances, if any	V. Vasantha Lakshmi, Managing Director 2nd call Money Received against Allotment of partly paid up Shares (Rs. 2.5/- paid up) NA Share Capital received Rs. 1,640,900/- 27.03.2019 & 10.02.2020 -NIL-
03	Name (s) of the related party & nature of relationship Nature of contracts/arrangements/transaction Duration of the contracts/arrangements/transaction Salient terms of the contracts or arrangements or transaction including the value, if any Date of approval by the Board Amount paid as advances, if any	V.G.K Prasad, Promoter & Director 2nd call Money Received against Allotment of partly paid up Shares (Rs. 2.5/- paid up) NA Share Capital received Rs.1,75,00,000/- 27.03.2019 & 10.02.2020 -NIL-

04.	Name (s) of the related party & nature of relationship Nature of contracts/arrangements/transaction Duration of the contracts/arrangements/transaction Salient terms of the contracts or arrangements or transaction including the value, if any Date of approval by the Board Amount paid as advances, if any	K. Vasumathi Devi, Director 2 nd call Money Received against Allotment of partly paid up Shares (Rs. 2.5/- paid up) NA Share Capital received Rs. 1,743,280/- 27.03.2019 & 10.02.2020 -NIL-
05	Name (s) of the related party & nature of relationship Nature of contracts/arrangements/transaction Duration of the contracts/arrangements/transaction Salient terms of the contracts or arrangements or transaction including the value, if any Date of approval by the Board Amount paid as advances, if any	V. Indira Devi, Promoter 2 nd call Money Received against Allotment of partly paid up Shares (Rs. 2.5/- paid up) NA Share Capital received Rs. 1,085,340/- 27.03.2019 & 10.02.2020 -NIL-
06	Name (s) of the related party & nature of relationship Nature of contracts/arrangements/transaction Duration of the contracts/arrangements/transaction Salient terms of the contracts or arrangements or transaction including the value, if any Date of approval by the Board Amount paid as advances, if any	V. Raghu ram, Promoter 2 nd call Money Received against Allotment of partly paid up Shares (Rs. 2.5/- paid up) NA Share Capital received Rs. 1,185,780/- 27.03.2019 & 10.02.2020 -NIL-
07	Name (s) of the related party & nature of relationship Nature of contracts/arrangements/transaction Duration of the Contracts/arrangements/transaction Salient terms of the contracts or arrangements or transaction including the value, if any Date of approval by the Board Amount paid as advances, if any	IKF Finance Limited, Holding Company Loan Availed NA 86,30,58,665.00 (Term Loans) During the Period 04.09.2018 -NIL-

08	<p>Name (s) of the related party & nature of relationship</p> <p>Nature of contracts/arrangements/transaction</p> <p>Duration of the Contracts/arrangements/transaction</p> <p>Salient terms of the contracts or arrangements or transaction including the value, if any</p> <p>Date of approval by the Board</p> <p>Amount paid as advances, if any</p>	<p>IKF Finance Limited, Holding Company</p> <p>Direct Assignment Transaction</p> <p>NA</p> <p>25,61,10,357.00 During the Period</p> <p>04.09.2018</p>
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Annexure I (ii)
POLICY ON RELATED PARTY TRANSACTIONS

PREAMBLE:

This Policy is formulated in terms of the Directions issued by the National Housing Bank vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated 9th February 2017 known as the “Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016,” taking into account the provisions of the Companies Act, 2013 as may be amended from time to time.

OBJECTIVE:

The Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its related parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of the Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

DEFINITIONS:

- a. **“Audit Committee or Committee”** means the Committee of the Board constituted from time to time under the provisions of Section 177 of the Companies Act, 2013.
- b. **“Arm’s length”** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest as defined under the Companies Act, 2013.
- c. **“Board”** means the Board of Directors as defined under the Companies Act, 2013.
- d. **“Key Managerial Personnel”** means Key Managerial Personnel as defined under the Companies Act, 2013.
- e. **“Material Related Party Transaction”** means a Related Party Transaction which individually or taken together with previous transactions during the financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such limits as may be prescribed either in the Companies Act, 2013 and / or Regulation/Rules/Guidelines or other Directions.
- f. **“Related Party”** means related party as defined under the Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) 2015 as may be amended from time to time.
- g. **“Related Party Transaction”** means any transaction between the Company and any Related Party for transfer of resources, services or obligations, regardless of whether a price is charged and includes –
 - a. Sale, purchase or supply of any goods or materials;
 - b. Selling or otherwise disposing of, or buying property of any kind;
 - c. Leasing of property of any kind;
 - d. Availing or rendering of any services;
 - e. Appointment of any agent for the purchase or sale of goods, materials, services or property;

- f. Such related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company;
 - g. Underwriting the subscription of any securities or derivatives thereof, of the Company;
 - h. Financing (including loans and equity contributions in cash or kind);
 - i. Providing or obtaining guarantees and collaterals; and
 - j. Deputation of employees.
- h. **“Relative”** means a relative as defined under the Companies Act, 2013 and includes anyone who is related in any of the following manner:
- a. Members of a Hindu Undivided Family
 - b. Husband or Wife;
 - c. Father (including Step-Father);
 - d. Mother (including Step-Mother);
 - e. Son (including Step-Son);
 - f. Son's Wife;
 - g. Daughter;
 - h. Daughter's Husband;
 - i. Brother (including Step-Brother); or
 - j. Sister (including Step-Sister).
- i. **“Transaction”** with a related party shall be construed to include a single transaction or a group of transactions.

POLICY:

All the proposed Related Party Transactions shall be referred to the Audit Committee irrespective of (i) whether or not the Transactions are in the ordinary course of business; (ii) whether or not they are at arm's length basis supported by agreement or formal letter; or (iii) whether or not they are material if the transaction / transactions to be entered into individually or taken together with the previous transactions during a financial year, exceed/s 10% of the annual consolidated turnover of the Company as per its last audited financial statements. The Committee shall accord its approval to such of the Transactions which it considers as in the ordinary course of business and at arm's length basis.

Of the other proposed Related Party Transactions which are not in the ordinary course of business and which are not at arm's length basis shall be referred to the Board. The Board, on due consideration at its meeting of the relevant factors such as the nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transactions accord its approval to the Transactions which it deems fit.

The proposed Related Party Transactions which are material in nature shall be placed before the Shareholders for their consideration and approval by special resolution.

The Company shall submit to its Board a quarterly statement of all the Related Party Transactions which are approved by the Audit Committee, the Board and the Shareholders.

AMENDMENTS:

This Policy may be amended by the Board at any time and is subject to (i) the amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines from the NHB/other applicable regulatory authorities.

Annexure-II

Criteria for Evaluation

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

A. Criteria for evaluation of the Board and Non-Independent Directors at a separate meeting of Independent Directors.

1. Composition of the Board and availability of multi-disciplinary skills Whether the Board comprises Directors with the requisite mix of qualifications and experience as would enable the Company to achieve its corporate objectives, and formulate and implement appropriate business policies, plans and strategies.

2. Commitment to good Corporate Governance Practices.

a) Whether the Company practices high ethical and moral standards.

b) Whether the Company is fair and transparent in dealings with its stakeholders, and in particular whether it deals with its associates at arm's length.

2. Adherence to Regulatory Compliance

Whether the Company complies with the various applicable statutes and regulations, as well as requirements of municipal and other authorities concerned.

a. Track record of financial performance

Whether the Company's operational and financial performance has been satisfactory and has enhanced shareholder value. Whether the Company has duly observed statutory requirements and applicable accounting standards in its financial disclosures.

b. Grievance Redressal mechanism

Whether a proper system is in place to attend to and resolve complaints/grievances from stakeholders, including depositors, customers, employees and others, quickly and fairly.

c. Existence of integrated Risk Management System

Whether the Company has an integrated risk-management system to carefully assess and effectively manage its business risks.

d. Use of Modern technology

Whether the Company has an Integrated IT strategy and whether technology hardware and software are periodically upgraded as necessary.

e. Commitment to Corporate Social Responsibility (CSR).

Whether the Company is committed to social causes and whether it identifies, finances and monitors its CSR commitments.

3. Criteria for evaluation of Chairman at separate meeting of Independent Directors

- a. Integrity
- b. Leadership qualities
- c. Ability to provide a long-range vision for the Company and suggest innovative ideas
- d. Importance attached to corporate governance practices
- e. Willingness to allow other members of the Board to express their views and ability to resolve any disagreement among them
- f. Understanding of the macroeconomic and relevant industry trends
- g. Projection of the Company's external image and public and media relations.

4. Criteria for evaluation of Independent Directors

- a. Integrity
- b. Relevant qualifications and experience
- c. Understanding of the Company's business
- d. Attendance at Board and Committee meetings/annual general meetings
- e. Value addition to Board discussions

5. Criteria for evaluation of the Audit Committee v

- a. Relevant qualifications and experience of members
- b. Review of financial performance and disclosure
- c. Review of external, internal, statutory, tax, and system audits and inspections, and discussion with the auditors and inspectors of their audit plans and findings, and monitoring of follow-up actions on the audit and inspections
- d. Review of statutory and regulatory compliance, and discussion of findings and observations of regulatory inspections and monitoring follow-up action thereon
- e. Monitoring of systems and processes for the prevention and detection of frauds, and of steps taken to deal with frauds that have surfaced.

For and Behalf of the Board of Directors IKF Home Finance Limited

Sd/-

**(V. Vasantha Lakshmi)
Managing Director
DIN:03610979**

Sd/-

**(K. Vasumathi Devi)
Director
DIN:03161150**

**Date: 01.10.2020
Place: Vijayawada**

Annexure-III

Form No. MGT-9

Extract of Annual Return as On the Financial Year Ended 31st March, 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:

i.	CIN	U65992AP2002PLC039417
ii.	Registration Date	02nd August 2002
iii.	Name of the Company	IKF HOME FINANCE LIMITED
iv.	Category / Sub-Category of the Company	Company Limited by Shares/Indian Non-Government Company
v.	Address of the Registered office and contact details	40-1-144, 1 st FLOOR, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520010
vi.	Whether listed company	-No-
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited 306, 3rd Floor, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Rajbhavan Road Somajiguda, Hyderabad- 500 082, Telangana

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	Non-Banking Financial Activity	99711	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S.No	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
01	IKF Finance Limited, 40-1-144,3 rd Floor, Corporate Centre, M.G. Road, Vijayawada, Andhra Pradesh-520010	U65992AP1991PLC012736	Holding Company	95.55%**	2 (87)(ii)

** Diluted Share Holding Considering Partly paid shares also.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

a) Category-wise Share Holding

i) Fully Paid Up

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	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
<i>1) Indian</i>									
a) Individual/ HUF	05	0	05	0	05	0	05	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
Bodies Corp	01	0	01	0	01	0	01	0	0
Banks / FI	37,614,747	0	37,614,747	100	37,614,747	0	37,614,747	100	0
Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	37,614,753	0	37,614,753	100	37,614,753	0	37,614,753	100	0
<i>2) Foreign</i>									

NRIs-Individuals	0	0	0	0	0	0	0	0	0
Other-Individuals	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	37,614,753	0	37,614,753	100	37,614,753	0	37,614,753	100	0
B. Public Shareholding									
I. Institutions									
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FII's	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (specify) Clearing Members	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	0	0	0	0	0	0	0	0

2. Non Institutions	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
(i) Indian									
ii) Overseas									
Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
Others(Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	37,614,753	0	37,614,753	100	37,614,753	0	37,614,753	100	57.06

ii) **Partly Paid up (Rs 5.00/-)**

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	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Promoter									
3) Indian									
d) Individual/ HUF	70,00,000	0	70,00,000	100	70,00,000	0	70,00,000	100	0
e) Central Govt	0	0	0	0	0	0	0	0	0.00
f) State Govt(s)									
Bodies Corp	0	0	0	0	0	0	0	0	0.00
Banks / FI	0	0	0	0	0	0	0	0	0.00
Any Other									
Sub-total(A)(1):-	70,00,000	0	70,00,000	100	70,00,000	0	70,00,000	100	0
4) Foreign									
NRIs- Individuals	0	0	0	0	0	0	0	0	0.00
Other- Individuals	0	0	0	0	0	0	0	0	0.00
Bodies Corp.	0	0	0	0	0	0	0	0	0.00
Banks / FI	0	0	0	0	0	0	0	0	0.00
Any Other....	0	0	0	0	0	0	0	0	0.00
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0.00

D. Public Shareholding									
1. Institutions									
Mutual Funds	0	0	0	0	0	0	0	0	0.00
Banks / FI	0	0	0	0	0	0	0	0	0.00
Central Govt	0	0	0	0	0	0	0	0	0.00
State Govt(s)	0	0	0	0	0	0	0	0	0.00
Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
Insurance Companies	0	0	0	0	0	0	0	0	0.00
FII's	0	0	0	0	0	0	0	0	0.00
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
Others (specify Clearing Members)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1)									
2. Non Institutions									
Bodies Corp. (i) Indian ii) Overseas	0	0	0	0	0	0	0	0	0.00
Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal	0	0	0	0	0	0	0	0	0.00

share capital in excess of Rs 1 lakh									
Others(Specify)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(2)	0	0	0	0	0	0	0	0	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	70,00,000	0	70,00,000	100	70,00,000	0	70,00,000	100	0.00

b) Shareholding of Promoters

i) Fully Paid up Shares

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	IKF Finance Limited	37,614,747	100	NIL	37,614,747	100	NIL	NIL

2	Vupputuri Gopala Kishan Prasad	1	Negligible	NIL	1	Negligible	NIL	NIL
3	Vupputuri Vasantha Lakshmi	1	Negligible	NIL	1	Negligible	NIL	NIL
4	Koganti Vasumathi Devi	1	Negligible	NIL	1	Negligible	NIL	NIL
5	Vupputuri Raghu Ram	1	Negligible	NIL	1	Negligible	NIL	NIL
6	Vupputuri Indira Devi	1	Negligible	NIL	1	Negligible	NIL	NIL
7	IKF Infratech (P) Ltd	1	Negligible	NIL	1	Negligible	NIL	NIL
Total		23,948,593	37,614,753	100	NIL	100	NIL	NIL

ii) Partly Paid up Shares (Rs 5.00)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	IKF Finance Limited	0	0	0	0	0	0	NIL

2	Vupputuri Gopala Kishan Prasad	4,737,880	67.68	NIL	4,737,880	67.68	NIL	67.68
3	Vupputuri Vasantha Lakshmi	656,360	9.37	NIL	656,360	9.37	NIL	9.37
4	Koganti Vasumathi Devi	697,312	9.97	NIL	697,312	9.97	NIL	9.97
5	Vupputuri Raghu Ram	474,312	6.78	NIL	474,312	6.78	NIL	6.78
6	Vupputuri Indira Devi	434,136	6.20	NIL	434,136	6.20	NIL	6.20
7	IKF Infratech (P) Ltd	0	NIL	NIL	0	NIL	NIL	NIL
Total		0	70,00,000	100	NIL	100	NIL	100

3 Change in Promoters' Shareholding (please specify, if there is no change) –

i) Fully Paid up Shares

S.no	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	37,614,753	100	37,614,753	100
	Increase	0	0	0	0
	Decrease	0	0	0	0
	At the End of the year	37,614,753	100	37,614,753	100

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ii) Partly Paid up Shares

S.no	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	70,00,000	100	70,00,000	100
	Changes During the Year	0	0	0	0
	At the End of the year	70,00,000	100	70,00,000	100

(d) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

i) Fully Paid up Shares

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 shareholders				
-NIL-					

(e) Shareholding of Directors and Key Managerial Personnel:

i) Fully Paid up Shares

1. Vupputuri Gopala Kishan Prasad				
Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Particulars	Shareholding at the beginning of the year
	No. of shares	% of total shares of the company		No. of shares
At the beginning of the year	01	0	0	01
Decrease due to transfer during the year	0	0	0	0
At the End of the year	01	Negligible	01	Negligible
2. Vupputuri Vasantha Lakshmi				
At the beginning of the year	01	0	0	01
Decrease due to transfer during the year	0	0	0	0
At the End of the year	01	Negligible	01	Negligible
3. Koganti Vasumathi Devi				
At the beginning of the year	01	0	0	01
Decrease due to transfer during the year	0	0	0	0
At the End of the year	01	Negligible	01	Negligible
P. Chandrasekhar				
At the beginning of the year	0	0	0	0
Changes during the year – No Changes	0	0	0	0

At the End of the year	0	0	0	0
Purna Chandra Rao Vankineni				
At the beginning of the year	0	0	0	0
Changes during the year – No Changes	0	0	0	0
At the End of the year	0	0	0	0
RadheyShaym Garg				
At the beginning of the year	0	0	0	0
Changes during the year – No Changes	0	0	0	0
At the End of the year	0	0	0	0

** Except Managing Director None of the Key Managerial Personnel hold any Share in the Company.

ii) **Partly Paid up Shares**

1. Vupputuri Gopala Kishan Prasad				
Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Particulars	Shareholding at the beginning of the year
	No. of shares	% of total shares of the company		No. of shares
At the beginning of the year	4,737,880	67.8	4,737,880	67.68
Changes during the year – No	0	0	0	0
At the End of the year	4,737,880	67.8	4,737,880	67.68
2. Vupputuri Vasantha Lakshmi				
At the beginning of the year	656,360	9.37	656,360	9.37

Changes during the year – No	0	0	0	0
At the End of the year	656,360	9.37	656,360	9.37
3. Koganti Vasumathi Devi				
At the beginning of the year	697,312	9.97	697,312	9.97
Changes during the year – No	0	0	0	0
At the End of the year	697,312	9.97	697,312	9.97
P. Chandrasekhar				
At the beginning of the year	0	0	0	0
Changes during the year – No Changes	0	0	0	0
At the End of the year	0	0	0	0
Purna Chandra Rao Vankineni				
At the beginning of the year	0	0	0	0
Changes during the year – No Changes	0	0	0	0
At the End of the year	0	0	0	0
Radhey Shyam Garg				
At the beginning of the year	0	0	0	0
Changes during the year – No Changes	0	0	0	0
At the End of the year	0	0	0	0

**** Except Managing Director None of the Key Managerial Personnel hold any Share in the Company.**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year				
i) Principal Amount	107.72	3.00	0	23.06
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0.25	0	0	
Total (i+ii+iii)	107.97	3.00	0	23.06
Change in Indebtedness during the financial year				
- Addition	103.31	0	0	92.42
- Reduction	115.39	3.00	0	4.76
Net Change	12.08	3.00	0	87.66
Indebtedness at the end of the financial year				
i) Principal Amount	95.64	0	0	110.72
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.16	0	0	0.25
Total (i+ii+iii)	95.80	0	0	110.97

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(i) Vupputuri Vasantha Lakshmi - Managing Director

Sl. No.	Particulars of Remuneration	Vupputuri Vasantha Lakshmi, Managing Director	Total Amount
1.	Gross salary	38,33,335.00	38,33,335.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
6.	Total (A)	38,33,335.00	38,33,335.00
	Ceiling as per the Act	42,00,000	42,00,000

B. Remuneration to other directors: Not Applicable –NIL-

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD- -

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
01.	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	6,91, 880	Nil	6,91, 880
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil
02.	Stock Option	Nil	Nil	Nil	Nil
03.	Sweat Equity	Nil	Nil	Nil	Nil
04.	Commission	Nil	Nil	Nil	Nil
05.	Others, please specify	Nil	Nil	Nil	Nil
06.	Total (A)	NIL	NIL	Nil	6,91,880

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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers In Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and Behalf of the Board of Directors IKF Home Finance Limited

Sd/-

Sd/-

(V. Vasantha Lakshmi)
Managing Director
 DIN:03610979

(K. Vasumathi Devi)
Director
 DIN:03161150

Date: 01.10.2020
Place: Vijayawada

Disclosure pursuant to Rule 5 of Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

Annexure-IV

(i) & (ii) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year & the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Names of the Directors / Key Managerial Personnel	Ratio to Median Remuneration	Increase/Decrease in Remuneration
Mr. V.G.K Prasad, Director	–	Not Applicable
Mrs. K. Vasumathi Devi, Director	–	Not Applicable
Mr. P Chandrasekhar , Director *	–	Not Applicable
Mr.Purna Chandra Rao Vankineni \$	–	Not Applicable
Mr. Radhey Shyam Garg, Director #	-	Not Applicable
Mrs. V. Vasantha Lakshmi, Managing Director	29.60	27.8%
Vishal Kumar Joshi, Company Secretary	5.34	11%

* Mr. P. Chandra Sekhar Resigned w.e.f. 01.02.2020

\$ Mr.Purna Chandra Rao Vankineni, Appointed as Director Effective from 12.09.2019

Mr. Radhey Shyam Garg, Director Appointed as Director Effective from 25.02.2020

The percentage increase in the median remuneration of employees in the financial year (21.5) %

(iii) The number of permanent employees on the rolls of the Company – 158

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than managerial personnel in 2019-20 was (9.9%). Percentage increase in the managerial remuneration (including the remuneration paid to Managing Director) for the year was 34.65%.

For & on behalf of IKF Home Finance Limited

**Mrs. V. Vasantha Lakshmi
Managing Director**

**Date: 01.10.2020
Place: Vijayawada**

Independent Auditor's Report

To the Members of *M/s. IKF HOME FINANCE LIMITED*

Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of *M/s. IKF HOME FINANCE LIMITED* ("*the Company*") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Those matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our audit report.

Key Audit Matter	Principle Audit Procedures
<p>Expected Credit Loss: Due to a Pandemic like the present COVID 19 situation and due to its impact on the operations of the borrowers, company has extended Moratorium on repayments of its loans advanced. Pursuant to this, its effect in determination of Expected Credit Loss (ECL) is evaluated. Under Ind AS 109 – Financial Instrument, the company has to assess whether credit risk has increased significantly since initial recognition. Without undue cost or effort. Towards this, the Company needs to judge on the basis of forward-looking information and past due status, Therefore, the assessment of increase in credit risk and recognition of ECL for the same was Significant to our audit.</p>	<p>Our audit procedures include among others examination of Management estimation of significant increase in credit risk that arise pursuant to COVID 19 and consequential lockdown of operations, its impact on the inflow of the borrower and determination of ECL provision, thereon. In the judgement of management, considering the collections done under this ex-ordinary situation, the Probability of Default (PD) in some of stages has been enhanced, though it does not expect big increase in the credit Risk. Accordingly, we found that the process assessment was done and adequate provision for loss is made in the financial statements.</p>

Information other than the Standalone Financial Statements and Auditors’ Report Thereon (“Other Information”)

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our audit report thereon.

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

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

Responsibility of Management for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)¹ and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records,

relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with the governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors Report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “AnnexureB”.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. They did not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Kondepati& Co.,**
Chartered Accountants
FRN: 012912S

Place: Hyderabad
Date: 22.06.2020

(K.Anilkumar)
Proprietor
M.NO.516209

“ANNEXURE A” to the Independent Auditors’ Report on the standalone financial statements of IKF Home Finance Limited for the year ended on 31.03.2020

The Annexure referred to in the Auditor's Report to the Members of *M/s. IKF HOME FINANCE LIMITED* for the year ended 31st March, 2020.

01. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b) The Company has a regular program of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, a portion of fixed asset has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
02. The company has no stock of inventory during the year under audit does not hold any inventory. Therefore, the stock and as such physical verification of the same does not arise. Accordingly, the provisions of clauses 3 (ii) of the order are not applicable.
03. According to the information and the explanations given to us, the company has not granted any loans secured or unsecured to companies, firms or other parties to be listed in the Register to be maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of clauses 3 (iii) (a), (b) & (c) of the order are not applicable to the company for the year.
04. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made any investments, or provided any guarantee or security as envisaged under section 185 and section 186 of the Companies Act, 2013 respectively.
05. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the Order is not applicable.
06. The Central Government has not prescribed the maintenance of cost records for the company under section 148(1) of the Act.
07. a) In our opinion and according to the information and explanations given to us, undisputed statutory dues, including Provident Fund, ESI, Income-tax, Cess, GST & Professional Tax and other material statutory dues, have been regularly deposited during the year with the appropriate authorities.
 - b) In our opinion and according to the information and explanations given to us, there are no dues of Income-tax, GST as on 31.03.2020, which have not been deposited on account of any dispute.

08. The Company has not defaulted the repayment of dues to financial institutions, banks, government or debenture holders.
09. The company has not raised any money by way of initial public offer or further public offer (including debt instruments). The Company has availed loans from different Banks and NBFC during the year under audit. Based on our review the company has utilized the loans for the purpose which it has availed and has not defaulted in repayment.
10. To the best of our knowledge and belief and according to the information and explanations given to us, during the year, no fraud by the company and no material fraud on the company by its employees or officers were noticed or reported during the course of our audit.
11. The Company has complied with the provisions under section 197 read with Schedule V of the Companies Act, 2013 in connection with the payment for managerial remuneration during the year under audit.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. The Company has made a Private Placement of 70,00,000 equity shares of Rs.10/- each issued at par in the Financial Year 2018-19. In respect of those shares an amount of Rs. 2.50 per share has paid as call money in the Financial Year 2019-20 and the amounts collected have been utilized for the purposes of the business.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company has obtained the certificate of registration under section 29A of the National Housing Bank Act 1987, as required.

For **Kondepati& Co.,**
Chartered Accountants
FRN: 012912S

Place: Hyderabad
Date: 22-06-2020.

(K.Anilkumar)
Proprietor
M.NO.516209

“ANNEXURE B” to the Independent Auditors’ Report on the standalone financial statements of IKF Home Finance Limited for the year ended on 31.03.2020

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of *M/s. M/s. IKF HOME FINANCE LIMITED* (“the Company”) as of 31 March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements as of 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Kondepati& Co.,**
Chartered Accountants
FRN: 012912S

(K.Anilkumar)
Proprietor
M.NO.516209

Place: Hyderabad
Date: 22.06.2020.

Auditors (Additional) Report to the Board of Directors of M/s. IKF Home Finance Ltd in accordance with the “ Housing Finance Companies – Auditor’s Report (National Housing Bank) Directions, 2016”.

01. The Company originally has obtained the Certificate of Registration Vides Registration No.04.0133.16 dated 19.04.2016 from the National Housing Bank for the commencement of its business activities and further the Revised Certificate of Registration Vides Registration No. 05.0170.18 dated 16-05-2018 has been obtained consequent to the change in the name of the Company into IKF Home Finance Ltd. The Company is not entitled for the acceptance of the public deposits.
02. The Company has complied with the minimum Net Owned Fund requirement of Rs.1000.00 lakhs as at 31.03.2020 as prescribed under Section 29A of the National Housing Bank Act, 1987.
03. The Company has created a statutory reserve fund and transferred Twenty Five (25%) percent of the net profits before declaration of any dividend in accordance with the provisions of Section 29C of the National Housing Bank Act, 1987.
04. The Board of Directors of the Company has passed a resolution specifying for not to accept the public deposits in their Board Meeting held on 09.04.2019
05. The Company did not accept any public deposits during the financial year 2019-20.
06. The Company has outstanding loans or borrowings to the tune of Rs.96,00,14,776/- as per Ind AS Financial Statements as on 31.03.2020 and the total borrowings are within the limits (1.93 times of NOF) prescribed under paragraph 3(2) of the Housing Finance Companies (NHB) Directions, 2010.
07. The Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in the Housing Finance Companies (NHB) Directions, 2010.
08. The Capital Adequacy Ratio disclosed in the Schedule-II return submitted to the National Housing Bank in terms of the Housing Finance Companies (NHB) Directions, 2010, has been correctly determined and the ratio (49.73%) is in compliance with the minimum capital to risk weighted asset ratio as prescribed in the directions.
09. The Company has furnished to the NHB the half-yearly returns in Schedule-II as specified in the Directions within the stipulated period during the financial year 2019-20.

(Continued....2)

10. The Company has furnished to the NHB the quarterly returns in Schedule-III as specified in the Directions within the stipulated period during the financial year 2019-20.
11. During the financial year 2019-20 the company has opened 2 new branches within INDIA as stated below. Based on the information given to us, it has been noticed that the company has made the information to the NHB after opening of the branches.

Sl.No.	Name of the Branch	Date of Opening	Date of Intimation to NHB
01.	Pimpri (Pune)	16.09.2019	20.04.2020
02.	Peenya (Bangalore)	18/09/2019	16.08.2019

12. The Company has not extended any loan or finance against the security of its own shares and/or against the security of primary bullion or gold coin or for the purchase of primary gold, gold bullion or gold jewelry, gold coins, units of Exchange Traded Fund (ETF) and units of gold mutual fund as prescribed in paragraph 38 and 38A of the Housing Finance Companies (NHB) Directions, 2010.

For **Kondepati & Co.,**
Chartered Accountants
FRN: 012912S

(K.Anilkumar)
Proprietor
M.NO.516209

Place: Hyderabad
Date: 22.06.2020.

Balance Sheet as at March 31, 2020

Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
ASSETS				
(1) Financial assets				
Cash and cash equivalents	4	7,44,01,811	3,87,57,040	8,99,96,302
Receivables				
(I) Trade receivables	5	-	-	2,02,998
(II) Other receivables		-	-	-
Loans	6	1,37,48,06,368	1,47,27,25,275	58,39,05,676
Other financial assets	7	10,87,84,026	1,39,20,409	52,88,491
		1,55,79,92,205	1,52,54,02,724	67,93,93,468
(2) Non-financial assets				
Current tax assets (Net)		-	18,26,231	-
Deferred tax assets (Net)	8	-	36,50,434	-
Property, plant and equipment	9	86,04,635	61,23,545	54,12,761
Right of use asset	9	16,18,673	29,35,678	42,71,936
Other intangible assets	10	40,29,830	38,12,694	50,75,229
Other non-financial assets	11	45,30,989	23,26,085	3,06,946
		1,87,84,128	2,06,74,666	1,50,66,872
Total assets		1,57,67,76,333	1,54,60,77,390	69,44,60,339
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
Payables				
(I) Trade payables				
(I) total outstanding dues of micro enterprises		-	-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises	12	17,85,199	26,05,378	57,600
Borrowings (other than debt securities)	13	95,63,95,375	1,12,85,24,303	27,80,70,944
Other financial liabilities	14	10,72,59,934	1,14,10,848	12,45,23,485
		1,06,54,40,507	1,14,25,40,529	40,26,52,029
(2) Non-financial liabilities				
Current tax liabilities (Net)		38,68,284	-	-
Provisions	15	22,44,428	10,99,695	10,11,572
Deferred tax liabilities (Net)	8	45,90,886	-	-
Other non-financial liabilities	16	30,67,476	44,94,159	13,37,364
		1,37,71,073	55,93,854	23,48,936
EQUITY				
Equity share capital	17	41,11,47,531	39,36,47,531	29,11,47,531
Other equity	18	8,64,17,221	42,95,475	(16,88,156)
		49,75,64,751	39,79,43,006	28,94,59,374
Total liabilities and equity		1,57,67,76,333	1,54,60,77,390	69,44,60,339

Significant accounting policies and key accounting estimates and
The accompanying notes form an integral part of the standalone financial

As per our report of even date

For KONDEPATI & CO
Chartered Accountants
Firm Reg No : 012912S

**For and on behalf of the Board of Directors of
IKF Home Finance Limited**

(K Anil Kumar)
Proprietor
Membership No: 516209
Place: Hyderabad
Date: 22.06.2020

V Vasantha Lakshmi
Managing Director
DIN: 03610979

V G K Prasad
Director
DIN: 01817992

Sreepal Jain
Chief Financial Officer

Vishal Kumar Joshi
Company Secretary
M.No.A43209

Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note No	Year ended March 31, 2020	Year ended March 31, 2019
Revenue From operations			
Interest income	19	26,95,77,932	16,14,64,222
Fees and commission income	20	3,41,09,144	1,24,90,183
Net gain on derecognition of financial instruments under amortised cost category	21	8,80,54,649	-
(I) Total revenue from operations		39,17,41,724	17,39,54,405
(II) Other income	22	54,44,636	52,93,075
(III) Total income (I + II)		39,71,86,361	17,92,47,480
Expenses			
Finance costs	23	15,63,85,402	8,27,59,203
Impairment on financial instruments	24	4,07,09,490	66,66,883
Employee benefits expenses	25	6,85,58,453	5,69,11,239
Depreciation, amortization and impairment	9-10	45,69,783	38,30,254
Others expenses	26	2,66,02,244	2,07,79,403
(IV) Total expenses		29,68,25,372	17,09,46,982
(V) Profit / (loss) before exceptional items and tax (III - IV)		10,03,60,989	83,00,499
(VI) Exceptional Items		-	-
(VII) Profit before tax (III - IV)		10,03,60,989	83,00,499
(VIII) Tax Expense:			
(1) Current Tax	27	1,27,50,775	75,16,443
(2) Deferred Tax	27	82,19,575	(36,85,804)
(3) Adjustment of tax relating to earlier periods		-	-
(IX) Profit / (loss) for the period from continuing operations (VII-VIII)		7,93,90,639	44,69,860
(X) Profit / (loss) from discontinued operations		-	-
(XI) Profit for the period (V-VI)		7,93,90,639	44,69,860
(XII) Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans		86,396	1,27,142
(ii) Income tax relating to items that will not be reclassified to profit or loss		(21,744)	(35,371)
Subtotal (A)		64,652	91,771
Other comprehensive income / (loss) (A)		64,652	91,771
(XIII) Total comprehensive income for the period (VII + VIII)		7,94,55,291	45,61,631
(XIV) Earnings per equity share			
Basic (Rs.)		2.02	0.15
Diluted (Rs.)		2.02	0.15

Significant accounting policies and key accounting estimates and judgments
The accompanying notes form an integral part of the standalone financial statements
As per our report of even date

For KONDEPATI & CO
Firm Reg No : 012912S
Chartered Accountants

For and on behalf of the Board of Directors of
IKF Home Finance Limited

(K Anil Kumar)
Proprietor
Membership No: 516209

V Vasantha Lakshmi
Managing Director
DIN: 03610979

V G K Prasad
Director
DIN: 01817992

Place: Hyderabad
Date: 22.06.2020

Sreepal Jain
Chief Financial Officer

Vishal Kumar Joshi
Company Secretary
M.No.A43209

IKF Home Finance Limited
Standalone Financial Statements

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity share capital

Particulars	For the year ended March 31, 2020			For the year ended March 31, 2019			
	O/s as on April 1, 2019	Issued during the year	O/s as on March 31, 2020	O/s as on April 1, 2018	Issued during the year	Issued during the year	O/s as on March 31, 2019
Issued, Subscribed and paid up (Equity shares of Rs.10 each, Fully paid-up)	#####	-	37,61,47,531	#####	8,50,00,000	-	37,61,47,531
Issued, Subscribed and paid up (Equity shares of Rs.10 each, partly paid-up of Rs. 2.5 per share)	1,75,00,000	#####	3,50,00,000	-	1,75,00,000	-	1,75,00,000

B Other equity

Particulars	Reserves and Surplus					Total	
	Special Reserve	Securities premium	Special Reserve U/s 36(viia) Income tax Act, 1961	General Reserve	Retained earnings		
Balance at April 1, 2018	13,66,000	-	-	-	-30,54,156	-16,88,156	
Profit for the year	-	-	-	-	44,69,860	44,69,860	
Other comprehensive income for the year	-	-	-	-	91,771	91,771	
Total comprehensive income for the year (net of tax)	-	-	-	-	-	-	
Transfer / utilisations	-	-	-	-	-	-	
Additions during the period	35,49,000	-	14,22,000	-	-	49,71,000	
Utilized during the year	-	-	-	-	-	-	
Transferred to special reserve from retained earnings	-	-	-	-	-35,49,000	-35,49,000	
Transferred to general reserve	-	-	-	-	-	-	
Issue of equity shares	-	-	-	-	-	-	
Balance at March 31, 2019	49,15,000	-	14,22,000	-	-20,41,525	42,95,475	-20.4152498
Profit for the year	-	-	-	-	7,93,90,639	7,93,90,639	
Other comprehensive income for the year	-	-	-	-	64,652	64,652	
Total comprehensive income for the year (net of tax)	-	-	-	-	-	-	
Transfer / utilisations	-	-	-	-	-	-	
Additions during the period	91,11,000	-	26,66,455	-	-	1,17,77,455	
Transferred to special reserve from retained earnings	-	-	-	-	-91,11,000	-91,11,000	-91.11
Balance at March 31, 2020	1,40,26,000	-	40,88,455	-	6,83,02,766	8,64,17,221	

As per our report of even date

For KONDEPATI & CO
Firm Reg No : 012912S
Chartered Accountants

For and on behalf of the Board of Directors of
IKF Home Finance Limited

(K Anil Kumar)
Proprietor
Membership No: 516209

V Vasantha
Lakshmi
Managing Director
DIN: 03610979

V G K Prasad
Director
DIN: 01817992

Place: Hyderabad
Date: 22.06.2020

Sreepal Jain
Chief Financial Officer

Vishal Kumar Joshi
Company Secretary
M.No.A43209

IKF Home Finance Limited
Standalone Financial Statements
Cash Flow Statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Net profit before taxation, and extraordinary item	10,03,60,989	83,00,499
Adjustments to reconcile net profit to net cash generated from / (used in) operating activities		
Net (gain) / loss on derecognition of financial instruments under amortised cost category	(8,80,54,649)	-
Transfer to Special Reserves	26,66,455	14,22,000
Interest income	-	-
Depreciation and amortisation	45,69,783	38,30,254
Effective interest rate on loans and investments	(26,82,976)	1,47,99,875
Effective interest rate on borrowings	5,36,895	(39,51,140)
Gratuity and Leave Salary	12,93,695	7,53,790
Impairment allowance on loans	4,07,09,490	66,66,883
Fair value adjustment on investments	-	-
Provision for diminution in the value of investments	-	-
Operating profit before working capital changes	5,93,99,681	3,18,22,161
Working capital adjustments		
Decrease / (increase) in Loans	5,98,92,393	(91,02,86,357)
Decrease / (increase) in Trade Receivables	-	2,02,998
Decrease / (increase) in other financial assets	(68,08,968)	(86,31,918)
Decrease / (increase) in other non financial assets	(3,78,673)	(38,45,370)
Increase / (Decrease) in other payables	(8,20,179)	25,47,778
Increase / (Decrease) in other financial liabilities	9,59,35,482	(11,29,85,495)
Increase / (Decrease) increase in provisions	37,19,322	(6,65,667)
Increase / (Decrease) Increase in other non financial liabilities	(14,26,683)	31,56,795
Cash generated from operations	15,01,12,693	(1,03,05,07,236)
Income taxes paid (net)	(1,27,50,775)	(75,16,443)
Net cash (used in) operating activities	(1,27,50,775)	(75,16,443)
Cash flow from investing activities		
Purchase of property, plant and equipment	(59,51,005)	(19,42,245)
Proceeds from sale of Property	-	-
Interest income	-	-
Net cash (used in) / generated from investing activities	(59,51,005)	(19,42,245)
Cash flow from financing activities		
Issue of equity shares (including securities premium)	1,75,00,000	10,25,00,000
Increase/(Decrease) in borrowings	(17,26,65,823)	85,44,04,499
Equity component	(26,66,455)	-
Special reserve	26,66,455	-
Net cash generated from financing activities	(15,51,65,823)	95,69,04,499
Net (decrease) in cash and cash equivalents	3,56,44,771	(5,12,39,263)
Cash and cash equivalents at the beginning of the year	3,87,57,039	8,99,96,302
Cash and cash equivalents at the end of the year	7,44,01,810	3,87,57,039

As per our report of even date

For KONDEPATI & CO
Firm Reg No : 012912S
Chartered Accountants

(K Anil Kumar)
Proprietor
Membership No: 516209

Place: Hyderabad
Date: 22.06.2020

**For and on behalf of the Board of Directors of
IKF Home Finance Limited**

V Vasantha Lakshmi **V G K Prasad**
Managing Director *Director*
DIN: 03610979 DIN: 01817992

Sreepal Jain **Vishal Kumar Joshi**
Chief Financial Officer Company Secretary
M.No.A43209

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2020

Note 1. Corporate Information:

IKF Home Finance Limited (“the Company”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 05 August 2002, with its registered office situated at 40-1-144, 1ST FLOOR, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA AP 520010 IN. The Company has been registered as a Housing Finance Company with National Housing Bank [Registration No. 05.0170.18 (Previously 04.0133.16)] with effect from 19.04.2016. The Company is engaged in the business of providing housing loans and other loans to its customers.

Note 2. Significant Accounting Policies And Key Accounting Estimates And Judgements

a) Basis of Preparation of financial statements:

i. Statement of Compliance

These financial statements (herein after referred to as ‘financial statements’) have been prepared in accordance with the Indian Accounting Standard (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013 (the ‘Act’) and other relevant provisions of the Act. The financial statements upto the year ended 31 March 2018 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (previous GAAP), notified under Section 133 of the Act and other relevant provisions of the Act.

As these financial instruments are the first financial statements under Ind AS, Ind AS 101, First-time adoption of Indian Accounting Standards, has been applied. Refer note 3 explaining the transition of financial position, financial performance and cash flows from previous GAAP to Ind AS.

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

i. Basis of measurement and presentation

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer to accounting policies) such as Net defined (asset)/ liability present value of defined benefit obligations, investments carried at fair value through profit or loss and share-based payments. The method used to measure fair value are discussed further in notes to the financial statements.

The balance sheet, the statement of change in equity and the statement of profit and loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time. The statement of cash flows has been presented as per the requirements of Ind AS 7 statement of cash flows.

b) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

1) defined benefit plans – plan assets measured at fair value.

c) Use of estimates and Critical Estimates and judgements

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates are:

- i) Determining inputs into the ECL measurement model - (Refer Note g)
- ii) Estimation of defined benefit obligation - (Refer Note r (II))

The areas involving critical judgements are:

- i) Classification of financial assets : Assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI(to expand) on the principal amount outstanding.
- ii) Derecognition of financial assets and securitization.
- iii) Categorisation of loan portfolios

d) Business Combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

e) Non Financial Assets:

Measurement

i) Property, Plant and Equipment

PPE (Property Plant and Equipment) is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax, if any, less accumulated depreciation. Cost includes professional fees related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy, less GST to the extent credit of tax is availed off. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the statement of profit or loss during the reporting period in which they are incurred.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the opening written down value I-GAAP on the transition date of April 1, 2018.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

ii) Intangible Asset

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the opening written down value I-GAAP on the transition date of April 1, 2018.

iii) Investment Property

Investment Property are measured on initial recognition at cost. Transaction costs are included in the initial measurement. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs. Following initial recognition, after initial recognition, an entity shall measure all of its investment properties in accordance with Ind AS 16's requirements for cost model.

Depreciation/ Amortisation

Depreciation on each item of PPE is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Freehold land is not depreciated.

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life and is recognized in the Statement of Profit and Loss.

Individual assets costing up to Rs.5,000 has been depreciated in full in the year of purchase.

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Leasehold Improvements*	10
Vehicles*	8
Computers & Laptops*	3
Furniture & Fixtures*	5
Office Equipments*	5
Computer Software*	5

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Derecognition

The carrying amount of an item of PPE, Investment Property and Intangible Asset is derecognized (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

f) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

g) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets

Business Model Assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

Initial recognition and measurement:

The company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the company classifies a financial asset in accordance with the below criteria:

- i. The company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans, investments and other financial assets of the company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

ii. Financial assets measured at FVTOCI

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the above category, income by way of interest and dividend, provision for impairment are recognized in profit or loss and changes in fair value (other than on account of above income or expense) are recognized in other comprehensive income and accumulated in other equity.

On disposal of debt instruments at FVOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

iii. Financial assets measured at FVTPL

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the company excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is derecognized (i.e. removed from the company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

The Company recognizes loss allowance for Expected Credit Loss "ECL" on the following financial instruments that are not measured at FVTPL :

- i) Loans

Loans

The Company measures loss allowances at an amount equal to lifetime ECL, except for financial instruments whose credit risk has not increased significantly since initial recognition, for which a 12-month ECL is computed

Life-time ECL is based on the result from all possible default events over the expected life of the financial instrument.

12-month ECL is based on the result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The company categorises loan assets into stages based on the Days Past Due status:

Stage	Past Due	ECL
Stage 1	30 days past due	12 Month ECL
Stage 2	31-90 Days Past Due	Life time ECL
Stage 3	More than 90 Days Past Due	Life time ECL

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows :

Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive);

financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortised cost as a deduction from the gross carrying amount of the assets.

Write off

Loans are written off when there is no reasonable expectation of recovering in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Financial Liabilities

Initial recognition and measurement:

The company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument..Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows (i) recognized at amortised costs (ii) recognized at fair value through profit and loss (FVTPL).

Subsequent measurement:

(i) All financial liabilities of the company categorized as at amortized cost are subsequently measured using the effective interest method.

(ii) All financial liabilities of the company categorized at fair value are subsequently measured at fair value through profit and loss statement.

Derecognition: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

h) Derivative Financial Instruments

During the year company has not entered into any Derivative Financial transactions.

i) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

j) Fair Value

The company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

k) Functional Currency

i) Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e in Indian rupees (INR) and all values are rounded off to nearest Rupees except where otherwise indicated.

ii) Transactions and balances

- a. During the year company has not entered into any Foreign currency transactions.

l) Securitisation transaction

During the year company has not entered into any securitisation transactions, so that Ind AS 109, in case of securitisation is not applicable.

m) Assignment transaction

In accordance with Ind AS 109, in case of assignment with complete transfer of risks and rewards without any retention of residual interest, gain arising on the assignment is recorded upfront in the Statement of Profit and Loss and the loan is derecognised from the Statement of Assets and Liabilities immediately on sale of the loan. However, in cases where the risks and rewards are not transferred completely, then the gain arising on the assignment is amortised over the remaining life of the loan. Loss, if any, is recognised upfront in the Statement of Profit and Loss for all types of Assignment Transactions.

n) Revenue Recognition

i) Income from financing activity:

Interest income is recognized using the Effective Interest Rate (EIR) method for all financial assets measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that are directly attributable to the acquisition of a financial asset.

For financial assets that are not Purchases Originally Credit Impaired "POCI" but have subsequently become credit-impaired (or 'stage-3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

ii) Other revenue from operation:

Fee and commission income that are not integral part of the effective interest rate on the financial asset are recognized as the performance obligation is performed. There is no significant financing component the consideration.

iii) Other Income:

Dividend income is recognized when the right to receive income is established.

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization / collection.

o) Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted on substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the company.

p) Provisions and Contingencies

The company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

q) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

r) Employee Benefits

I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans (such as Provident Fund) under which the company pays fixed contributions into benefit schemes and will have no legal or constructive obligation to pay further contributions. The company's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

II. Defined benefit plans:

Gratuity is post employment benefit and is in the nature of Defined Benefit Plan. The present value of the obligations under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the company recognises related restructuring costs or termination benefits. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method and is recognized in a similar manner as in the case of defined benefit plans. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in long term employee benefit cost is recognised in the Statement of Profit and Loss under finance cost.

IKF Home Finance Limited

CIN No. U65922AP2002PLC039417

D.No.40-1-144, Corporate Centre, M G Road, Labbipet, Vijayawada - 520010, Andhra Pradesh.

2.1 Notes to financial statements for the year ended March 31, 2020**I. Disclosure as per Housing Finance Companies-Corporate Governance (National Housing Bank) Directions, 2016****a. Capital to Risk Assets Ratio ('CRAR'):**

Particulars	31 March, 2020	31 March, 2019
CRAR (%)	48.36%	53.57%
CRAR – Tier I Capital (%)	47.11%	52.74%
CRAR – Tier II Capital (%)	1.25%	0.83%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

b. i. Reserve Fund u/s 29C, of NHB Act 1987: Disclosed separately under Note 1.

ii. Draw down from Reserves : NIL

c. Investments:

The Company has not made any investments in the current.

d. Derivatives:

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure is made for the same.

e. Disclosures relating to Securitization:

The company has not securitization any received during the year.

f. Details of assignment transactions undertaken:

Particulars		31 March, 2020	31 March, 2019
(i)	Total No loan assets under PAR structure	782.00	-
(ii)	Total Book Value of loan assets	89,34,10,417.00	-
(iii)	Sale consideration received	89,34,10,417.00	-

g. Details of non-performing financial assets purchased / sold:

The Company has not purchased / sold non-performing financial assets in the current year.

h. Asset Liability Management:

Maturity pattern of certain Assets and Liabilities as (Rs. In Lakhs)

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Deposits	-	-	-	-	-	-
Advances	-	145.66	499.60	4,065.75	9,790.21	14,501.22
Investments	-	-	-	-	-	-
Borrowings	-	817.72	2,706.29	5,522.51	53.86	9,100.38
Foreign currency assets	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-

IKF Home Finance Limited

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D.No.40-1-144, Corporate Centre, M G Road, Labbipet, Vijayawada - 520010, Andhra Pradesh.

2.1 Notes to financial statements for the year ended March 31, 2020**i. Exposures****a) Exposure to real estate sector and capital market**

(Rs. In Lakhs)

Category	31-Mar-20
Direct Exposure	
i) Residential Mortgages :	
Lending fully Secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	
- Individual Housing loans upto Rs. 15 lakhs	6,353
- Others	8,148
Total	14,501
ii) Commercial Real Estate :	
Lending secured by mortgages on commercial real estates (offices, buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land aquisition, development and construction, etc.). Exposure would also include Non-Fund Based (NFB) limits;	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised	
a) Residential	-
b) Commercial Real Estate	-
Indirect Exposure	
Fund bases and Non-Fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFC's)	-

b) Details of financing of parent company products

This disclosure is not applicable as the Company does not have any holding / parent company.

c) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the NHB.

d) Unsecured Advances– Refer note 13 for unsecured have not explained any unsecured advances.**j. Registration obtained from other financial sector regulators:**

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

- NHB – 04.0133.16
- Ministry of Corporate Affairs – U65922AP2002PLC039417

k. Ratings assigned by credit rating agencies and migration of ratings during the year: -- NIL --**Provisions and Contingencies (shown under the head expenditure in Statement of Profit and Loss)**

Particulars	31 March, 2020	31 March, 2019
Provision made towards income tax	1,27,50,775	75,16,443
Provision towards non-performing assets	56,76,646	4,47,600
Provision for standard assets	4,56,35,649	1,01,55,204
Provision for gratuity	11,90,385	5,82,266
Provision for leave benefits	10,54,043	5,17,429

IKF Home Finance Limited

CIN No. U65922AP2002PLC039417

D.No.40-1-144, Corporate Centre, M G Road, Labbipet, Vijayawada - 520010, Andhra Pradesh.

2.1 Notes to financial statements for the year ended March 31, 2020

i. Breakup of Loans and Advances and Provision thereon 31-03-2020			(Rs. In Lakhs)
Particulars	Housing	Non-Housing	
Standard Assets			
a) Total Outstanding amount	8,909.54	5,449.90	
b) Provision made *	278.17	178.19	
Sub-Standard Assets			
a) Total Outstanding amount	48.76	70.49	
b) Provision made *	19.50	28.20	
Doubtful Assets			
a) Total Outstanding amount	-	22.67	
b) Provision made *	-	9.07	
Loss Assets			
a) Total Outstanding amount	-	-	
b) Provision made	-	-	
Total			
a) Total Outstanding amount	8,958.29	5,543.06	
b) Provision made	297.67	215.45	

*With the applicability of Ind AS 109, credit loss assessment is based on expected credit loss (ECL) model

Note : 1. The total Outstanding amount means principal+accrued interest+other charges pertaining to loans without netting off.

2. The Category of Doubtful Assets will be as under :

m. Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2020.

n. Concentration of Advances, Exposures and NPAs:

(Amount Rupees)

Particulars	31 March, 2020	31 March, 2019
Concentration of Advances		
Total advances to twenty largest borrowers	11,59,97,948	14,06,32,860
(%) of advances to twenty largest borrowers to total advances	7.99%	9.31%
Concentration of Exposures		
Total exposure to twenty largest borrowers/customers	11,59,97,948	14,06,32,860
(%) of exposure to twenty largest borrowers/customers to total exposure	7.99%	9.31%
Concentration of NPAs		
Total exposure to top four NPA accounts	1,15,91,656	22,38,000

o. Sector-wise NPAs*

(Amount Rupees)

Particulars	(%) of NPAs to total advances in that	(%) of NPAs to total advances in that sector
Agriculture and allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

*As certified by the Management and relied upon by Auditors

IKF Home Finance Limited

CIN No. U65922AP2002PLC039417

D.No.40-1-144, Corporate Centre, M G Road, Labbipet, Vijayawada - 520010, Andhra Pradesh.

2.1 Notes to financial statements for the year ended March 31, 2020**p. Movement of NPAs**

(Amount Rupees)

Particulars		31 March, 2020	31 March, 2019
(i)	Net NPAs to Net Advances (%)	0.59%	0.12%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	22,38,000	-
	(b) Additions during the year	1,41,91,614	22,38,000
	(c) Reductions during the year (incl. loans written off)	22,38,000	-
	(d) Closing balance	1,41,91,614	22,38,000
(iii)	Movement of Net NPAs		
	(a) Opening balance	17,90,400	-
	(b) Additions during the year	85,14,968	17,90,400
	(c) Reductions during the year	17,90,400	-
	(d) Closing balance	85,14,968	17,90,400
(iv)	Movement of provisions for NPAs		
	(a) Opening balance	4,47,600	-
	(b) Provisions made during the year	56,76,646	4,47,600
	(c) Write-off / write-back of excess provisions	4,47,600	-
	(d) Closing balance	56,76,646	4,47,600

q. Disclosure of Customer Complaints*

Particulars		For the year ended 31 March, 2020
(i)	Number of complaints pending at the beginning of the year	-
(ii)	Number of complaints received during the year	-
(iii)	Number of complaints redressed during the year	-
(iv)	Number of complaints pending at the end of the year	-

As certified by the Management and relied upon by Auditors*II. The Company does not have any outstanding loan against gold jewellery as at March 31, 2020.**

As per our report of even date

For KONDEPATI & CO**Firm Reg No : 012912S**

Chartered Accountants

(K Anil Kumar)

Proprietor

Membership No: 516209

Place: Hyderabad

Date: 22.06.2020

For and on behalf of the Board of Directors of**IKF Home Finance Limited****V Vasantha Lakshmi**

Managing Director

DIN: 03610979

V G K Prasad

Director

DIN: 01817992

Sreepal Jain

Chief Financial Officer

Vishal Kumar Joshi

Company Secretary

M.No.A43209

IKF Home Finance Limited

Note 3. First time adoption of IND AS

These financial statements, for the year ended March 31, 2020, are the first annual financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2020, together with the comparative period data as at and for the year ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2018 and the financial statements as at and for the year ended March 31, 2019.

Exemption Applied

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2018 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

De-recognition of financial assets and liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2018 (the transition date).

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively.; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101

Deemed cost for property, plant and equipment, investment property and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of April 1, 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Classification and measurement of financial assets

The Company has classified and measured the financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.

The reconciliations of equity and total Comprehensive income in accordance with Previous GAAP to ind AS are explained below.

Particulars	As at March 31, 2019	As at April 1, 2018
Net Worth as reported under Indian GAAP	42,08,28,838	30,27,08,842
Expected credit loss on financial assets	(40,07,418)	(15,37,009)
Effective interest rate on financial assets	(2,66,86,188)	(1,18,86,312)
Reclassification of actuarial gains/losses on post- employment benefits	3,24,726	1,73,853
Effective interest rate on financial liabilities	39,51,140	-
Impact of fair valuation of Lease as per Ind AS 116	(1,73,370)	-
Tax effect on above adjustment	37,05,277	-
Effect of Previous year on the financials	-	-
Interest strip income	-	-
Total effect of transition to Ind AS	(2,28,85,833)	(1,32,49,468)
Equity as per Ind AS	39,79,43,005	28,94,59,374

Reconciliation of total comprehensive income for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019
Net profit after tax as reported under Ind GAAP	1,41,97,996
Ind As Adjustment Increasing / (decreasing) net profit as reported under Indian GAAP:	
Expected credit loss provision	(24,70,409)
Effective interest rate on financial assets	(1,47,99,875)
Effective interest rate on financial liabilities	39,51,140
Impact of fair valuation of lease as per Ind AS 116	(1,73,370)
Share issue Expenses	-
Interest strip amortisation	-
Reclassification of actuarial gains/losses on post- employment benefits to OCI	1,50,873
Fair valuation of financial assets and financial liabilities	-
Tax effect on above adjustment	37,05,277
Total effect of transition to Ind AS	(96,36,365)
Total Comprehensive Income as per Ind AS	45,61,631

Reference note for reconciliation of Equity and Profit & loss**Remeasurements of post-employment benefit obligations**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

Trade receivables /Loans:

Under Previous GAAP the Company has created provision for impairment of receivables and Loans based on incurred losses where as under Ind AS, Impairment allowance has been determined based on Expected credit loss model (ECL).

Lease:

Under Previous GAAP, the Company measure lease payment on straight line basis and recognised it in Statement of profit and loss while under Ind AS, the Company recognises right-of-use assets at the commencement date of the lease and measured it at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities and subsequently depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The Company also recognises lease liabilities measured at the present value of lease payments to be made over the lease term using incremental borrowing rate at the lease commencement date and after the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Effective Interest Rate (EIR)

Under previous GAAP, Loan Processing fees charged to customer was recognised upfront in Statement of profit and loss while under Ind AS, such fees are included in initial recognition amount of financial assets.

Under previous GAAP, transaction cost on borrowings were charged to Statement of profit and loss upfront while under Ind AS, such cost are included in initial recognition amount of financial liability and is amortised over the tenure of the borrowings.

Deferred Tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP

IKF Home Finance Limited
Notes to the Standalone Financial Statements

4 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash on hand	2,87,127	2,15,937	40,132
Balance with bank in current accounts	7,41,14,684	3,85,41,104	8,99,56,170
Total	7,44,01,811	3,87,57,040	8,99,96,302

5 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured - considered good	-	-	2,02,998
Provision for impairment	-	-	-
Total	-	-	2,02,998

6 Loans

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Amortised cost	Amortised cost	Amortised cost
(A) (i) Term loans	(1) 1,45,01,21,873	(7) 1,51,00,14,266	(12) 59,97,27,909
(ii) Loans repayable on demand			
(iii) Effective Interest rate on loans	(2,40,03,211)	(2,66,86,188)	(1,18,86,312)
(v) Others (to be specified)	-	-	-
Total - Gross (A)	1,42,61,18,662	1,48,33,28,079	58,78,41,597
Less: Impairment loss allowance	(5,13,12,294)	(1,06,02,804)	(39,35,920)
Total - Net of impairment loss allowance (A)	1,37,48,06,368	1,47,27,25,275	58,39,05,676
(B) (i) Secured by tangible assets	1,42,61,18,662	1,48,33,28,079	58,78,41,597
(ii) Secured by intangible assets	-	-	-
(iii) Covered by Bank/ Government Guarantees	-	-	-
(ii) Unsecured	-	-	-
Total - Gross (B)	1,42,61,18,662	1,48,33,28,079	58,78,41,597
Less: Impairment loss allowance	(5,13,12,294)	(1,06,02,804)	(39,35,920)
Total - Net of impairment loss allowance (B)	1,37,48,06,368	1,47,27,25,275	58,39,05,676
(C) Loans in India			
(i) Public sectors	-	-	-
Others	1,42,61,18,662	1,48,33,28,079	58,78,41,597
Total - Gross (C)	1,42,61,18,662	1,48,33,28,079	58,78,41,597
Less: Impairment loss allowance	(5,13,12,294)	(1,06,02,804)	(39,35,920)
Total - Net of impairment loss allowance (C)	1,37,48,06,368	1,47,27,25,275	58,39,05,676
(II) Loans outside India			
Total - Gross	-	-	-
Less: Impairment loss allowance	-	-	-
Total - Net of impairment loss allowance	-	-	-
Net of impairment loss allowance	1,37,48,06,368	1,47,27,25,275	58,39,05,676

6.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Term loans			
Stage I	1,36,76,37,016.63	1,47,05,41,292.35	58,45,92,270
Stage II	4,45,30,424.80	1,05,49,787.21	32,49,327
Stage III	1,39,48,421.64	22,38,000.00	
Total	1,42,61,15,863.07	1,48,33,29,079.56	58,78,41,597

IKF Home Finance Limited

Notes to the Standalone Financial Statements

7 Other financial assets

Particulars	As at March 31,2020	As at March 31,2019	As at April 01, 2018
Interest accrued but not due on loan portfolio	1,86,98,960	1,26,41,227	36,88,087
Interest strip Asset on Assignment	8,80,54,649	-	-
Security Deposits	15,35,699	10,56,199	8,46,199
Unamortised ancillary cost of borrowings	35,152	2,04,408	3,73,664
Other -unsecured, considered good	4,59,566	18,575	3,80,541
Total	10,87,84,026	1,39,20,409	52,88,491

8 Deferred tax

Deferred tax Assets/ (liabilities) arising on account of timing differences are as follows:

Particulars	As at March 31,2020
Closing Balance (Asset/(Liabilities))	36,50,434
Recognised in Statement of Profit and Loss	-82,19,575
Recognised in/ reclassified from OCI	-21,744
Closing Balance (Asset/(Liabilities))	-45,90,886

Particulars	As at March 31,2019
Closing Balance (Asset/(Liabilities))	-
Recognised in Statement of Profit and Loss	36,85,804
Recognised in/ reclassified from OCI	-35,371
Closing Balance (Asset/(Liabilities))	36,50,434

Considering future taxable income, the Company has recognized deferred tax assets (net of liabilities) only to the extent it is probable that future taxable income will be available against which unused tax credits / losses will be adjusted.

9 Property, plant and equipment

Particulars	Leasehold Improvements	Vehicles	Computers & Laptops	Furniture and fixtures	Office equipment	Right of Use Assets
As at April 1, 2018	25,67,597.00	-	11,62,668.40	9,46,336.00	14,15,928.00	42,71,935.90
Additions	3,45,117.00	-	10,53,146.24	3,70,188.00	1,73,791.80	-
Disposals	-	-	-	-	-	-
As at March 31, 2019	29,12,714.00	-	22,15,814.64	13,16,524.00	15,89,719.80	42,71,935.90
Additions	-	35,83,235.79	4,78,965.96	1,33,194.11	24,844.00	-
Disposals	3	-	-	-	-	-
As at March 31, 2020	29,12,711.00	35,83,235.79	26,94,780.60	14,49,718.11	16,14,563.80	42,71,935.90
<u>Depreciation and Impairment:</u>						
Opening balance	1,91,850.97	-	2,35,727.79	1,38,932.80	1,13,256.82	-
Add: Depreciation/amortisation for the year	2,78,546.59	-	6,48,771.16	1,26,236.62	1,77,904.86	13,36,257.64
Disposals	-	-	-	-	-	-
As at March 31, 2019	4,70,397.56	-	8,84,498.95	2,65,169.41	2,91,161.68	13,36,257.64
Add: Depreciation/amortisation for the year	2,95,240.60	1,78,439.25	8,22,973.58	2,53,970.62	1,88,522.28	13,17,004.84
Disposals	-	-	-	-	-	-
As at March 31, 2020	7,65,638.16	1,78,439.25	17,07,472.53	5,19,140.03	4,79,683.95	26,53,262.48
<u>Net carrying value</u>						
As at April 1, 2018	23,75,746	-	9,26,941	8,07,403	13,02,671	42,71,936
As at March 31, 2019	24,42,316	-	13,31,316	10,51,355	12,98,558	29,35,678
As at March 31, 2020	21,47,073	34,04,797	9,87,308	9,30,578	11,34,880	16,18,673

IKF Home Finance Limited
Notes to the Standalone Financial Statements

10 Other intangible assets

Particulars	Computer software
Gross Block	
As at April 1, 2018	63,12,681.00
Additions during the year	-
Disposal	-
As at March 31, 2019	63,12,681.00
Additions during the year	17,30,768.00
Disposal	-
As at March 31, 2020	80,43,449.00
Accumulated Amortisation	
As at April 1, 2018	12,37,452.32
Amortisation for the year	12,62,536.20
Disposal	-
Accumulated amortisation as at March 31, 2019	24,99,988.52
Amortisation for the year	15,13,631.67
Disposal	-
Accumulated amortisation as at March 31, 2020	40,13,620.19
Net carrying value	
As at April 1, 2018	63,12,681.00
As at March 31, 2019	38,12,692.48
As at March 31, 2020	40,29,828.81

11 Other non-financial assets

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Prepaid expenses	36,57,868	9,45,968	-
Advances to employees	1,33,658	2,36,138	-
GST input credit	7,39,463	11,43,979	3,06,946
Total	45,30,989	23,26,085	3,06,946

12 Trade Payables

Particulars	As at March 31, 2020	As at March 31,	As at April 01,
Total outstanding dues of :			
(i) total outstanding dues of micro enterprises and small enterprises; (refer note 12.1 below)	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1785198.58	2605377.74	57600
Total	1785198.58	2605377.74	57600

12.1 Disclosure relating to Micro, Small and Medium Enterprises Development Act,

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-
Total	-	-	-

12.2 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the

IKF Home Finance Limited
Notes to the Standalone Financial Statements

13 Borrowings (other than debt securities)

Particulars	As at	As at	As at
	March 31,2020	March 31,2019	April 01,2018
	Amortised cost	Amortised cost	Amortised cost
Term loans from banks	20,99,99,996	32,73,06,901	-
Term Loan from non banking financial companies	70,00,38,209	60,69,83,901	8,06,20,020
Term Loan from financial institutions	-	14,29,18,788	15,00,00,000
Less: Effective Interest rate on financial liabilities	(34,14,245)	(39,51,140)	-
Loans repayable on demand (Secure)			
Cash credit from Bank	4,97,71,415	2,52,65,853	4,74,50,924
Unsecured Loans	-	3,00,00,000	-
Total	95,63,95,375	1,12,85,24,303	27,80,70,944

Nature of security

Term Loans from bank, financial institutions and non-banking financial companies are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

14 Other financial liabilities

Particulars	As at	As at	As at
	March 31,2020	March 31, 2019	April 01, 2018
Current maturities of long term borrowings	-	-	-
Employee benefits payable	34,90,462	19,62,686	14,46,118
Lease Liabilities	18,06,745	31,09,048	42,71,936
Payable towards securitisation / assignment	2,33,23,460	-	-
Expenses payable	-	-	-
Interest accrued but not due on borrowings	37,30,561	24,82,766	-
Other Payable	7,49,08,707	38,56,348	11,88,05,431
Total	10,72,59,934	1,14,10,848	12,45,23,485

15 Provisions

Particulars	As at	As at	As at
	March 31,2020	March 31, 2019	April 01, 2018
Provision for gratuity	11,90,385	5,82,266	2,32,793
Provision for leave benefits	10,54,043	5,17,429	2,72,242
Provision for taxation	-	-	5,06,537
Total	22,44,428	10,99,695	10,11,572

16 Other non-financial liabilities

Particulars	As at	As at	As at
	March 31, 2020	March 31, 2019	April 01, 2018
Other payables	-	-	-
Statutory dues payable	30,67,476	44,94,159	13,37,364
Total	30,67,476	44,94,159	13,37,364

Maturity profile and rate of interest of borrowings from bank and other parties are set out below:

As at March 31, 2020

Term loan from bank and other parties

Terms of repayment of borrowings (other than debt) as on March 31, 2020

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	
Monthly repayment schedule								
1-7 Years	8.00%-9.00%	12.00	4,51,393.00	48.00	22,53,242.00	20.00	11,95,392.00	39,00,027.00
	9.00%-10.50%							-
	10.51%-11.50%	24.00	8,85,71,424.00	18.00	5,07,14,296.00			13,92,85,720.00
	11.51%-12.50%	24.00	8,38,22,848.10	22.00	7,64,48,722.08			16,02,71,570.18
	12.51%-13.50%	23.00	4,62,12,027.00	79.00	14,13,80,490.00	4.00	41,90,463.00	19,17,82,980.00
	13.51%-14.50%	60.00	8,07,57,527.38	59.00	9,68,03,542.36		-	17,75,61,069.74
Quarterly repayment schedule								
1-5 Years	9.00%-10.00%							-
	10.00%-11.00%	4.00	1,33,33,336.00	5.00	1,66,66,660.00			2,99,99,996.00
	11.00%-12.00%							-
	12.01%-12.50%	11.00	3,85,26,315.79	36.00	13,35,78,947.37	7.00	3,51,31,578.84	20,72,36,842.00
								-
Bullet repayment schedule								
1-14 Years	9.51%-10.50%							-
	10.51%-11.50%							-
	11.51%-12.50%							-
	>13.50%							-
								-
Total			22,47,05,316.89		27,96,61,867.45		3,63,26,970.84	91,00,38,204.92
Less : Unamortized Finance Cost								(34,14,245.00)
Total Amortized Cost			22,47,05,316.89	-	27,96,61,867.45	-	3,63,26,970.84	90,66,23,959.92

Terms of repayment of borrowings (other than debt) as on March 31, 2019

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	
Monthly repayment schedule								
1-7 Years	8.00%-9.00%							-
	9.00%-10.50%							-
	10.51%-11.50%	24	8,85,71,424.00	42	13,92,85,720		-	22,78,57,144.00
	11.51%-12.50%	82	15,11,20,806.00	162	32,17,83,197		-	47,29,04,003.00
	12.51%-13.50%	20	5,33,33,332.00	79	22,31,15,136	2	66,66,648	28,31,15,116.00
Quarterly repayment schedule								
1-7 Years	9.00%-10.00%		-		-		-	-
	10.00%-11.00%	4	1,33,33,336.00	9	2,99,99,996.00		-	4,33,33,332.00
	11.00%-12.00%		-		-		-	-
	12.01%-12.50%	3	75,00,000	16	4,00,00,000	1	25,00,000	5,00,00,000.00
Bullet repayment schedule								
1-7 Years	9.51%-10.50%	-	-	-	-	-	-	-
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%	-	-	-	-	-	-	-
								-
Total			31,38,58,898.00		75,41,84,049.00		91,66,648.00	1,07,72,09,595.00
Less : Unamortized Finance Cost								(39,51,140.00)
Total Amortized Cost			31,38,58,898.00	-	75,41,84,049.00	-	91,66,648.00	1,07,32,58,455.00

Terms of repayment of borrowings (other than debt) as on April 1, 2018

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	8.00%-9.00%							-
	9.00%-10.50%							-
	10.51%-11.50%							-
	11.51%-12.50%							-
	12.51%-13.50%							-
Quarterly repayment schedule								
1-7 Years	9.00%-10.00%							-
	11.00%-12.00%							-
	12.01%-12.50%							-
								-
Bullet repayment schedule								
1-7 Years	9.51%-10.50%	2.00	23,06,20,020.00	-	-	-	-	23,06,20,020.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%	-	-	-	-	-	-	-
Total			23,06,20,020.00		-		-	23,06,20,020.00
Add : Interest accrued but not due								-
Less : Unamortized Finance Cost								-
Total Amortized Cost			23,06,20,020.00		-		-	23,06,20,020.00

IKF Home Finance Limited

Notes to the Standalone Financial Statements

17 Equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount	Number	Amount	Number	Amount
Authorised Capital						
Equity shares of Rs. 10 each	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000	3,00,00,000	30,00,00,000
	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000	3,00,00,000	30,00,00,000
Issued, subscribed and fully paid-up shares						
Equity Shares of Rs. 10 each fully paid	3,76,14,753	37,61,47,530	3,76,14,753	37,61,47,530	2,91,14,753	29,11,47,530
	3,76,14,753	37,61,47,530	3,76,14,753	37,61,47,530	2,91,14,753	29,11,47,530
Issued, subscribed and partly paid-up shares						
Equity Shares of Rs. 10 each, partly paid up Rs. 2.50	-	-	70,00,000	1,75,00,000		
Equity Shares of Rs. 10 each, partly paid up Rs. 5.00	70,00,000	3,50,00,000	-	-		
	70,00,000	3,50,00,000	70,00,000	1,75,00,000	-	-
	4,46,14,753	41,11,47,530	4,46,14,753	39,36,47,530	2,91,14,753	29,11,47,530

A. Reconciliation of number of shares

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount	Number	Amount	Number	Amount
Fully paid equity share of Rs. 10 each						
At the beginning of the year	3,76,14,753	37,61,47,530	2,91,14,753	29,11,47,530	2,91,14,753	29,11,47,530
Shares issued during the year			85,00,000	8,50,00,000		
Outstanding at the end of the year	3,76,14,753	37,61,47,530	3,76,14,753	37,61,47,530	2,91,14,753	29,11,47,530
Partly paid up equity share of Rs. 10 each, partly paid up Rs.2.5 per share						
At the beginning of the year	(1,20,75,183)	(3,01,87,958)	-	-	1,90,75,183	-
Amount called/Issued during the year	(70,00,000)	(1,75,00,000)	(1,20,75,183)	(3,01,87,958)		
Outstanding at the end of the year	(1,90,75,183)	(4,76,87,958)	(1,20,75,183)	(3,01,87,958)	-	-
Partly paid up equity share of Rs. 10 each, partly paid up Rs.5.0 per share						
At the beginning of the year	-	-	-	-	-	-
Amount called/Issued during the year	70,00,000	3,50,00,000	-	-	-	-
Outstanding at the end of the year	70,00,000	3,50,00,000	-	-	-	-

Notes:

Financial year 2020

B. Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

C. Details of shareholder(s) holding more than 5% of equity shares in the company :

Name of shareholder	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of Rs.10 each fully paid up						
IKF Finance Limited	37,61,47,470	84.31%	37,61,47,470	84.31%	-	-
Vupputuri Gopala Kishan Prasad	1,18,44,710	10.62%	1,18,44,710	10.62%	1,49,38,793	51.31%
K Vasumathi Devi	-	-	-	-	18,79,600	6.46%
IKF Infratech (P) Ltd	-	-	-	-	51,10,000	17.55%
Vamsi Mohan Athota	-	-	-	-	20,53,160	7.05%
Kodali Lakshmana Rao	-	-	-	-	20,00,000	6.87%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

IKF Home Finance Limited

Notes to the Standalone Financial Statements

18 Other equity

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Capital reserve	-	-	-
Securities premium reserve	-	-	-
Special Reserve *	1,40,26,000	49,15,000	13,66,000
Special Reserve U/s 36(viia) Income tax Act, 1961**	40,88,455	14,22,000	-
General reserve	-	-	-
Retained earnings	6,83,02,766	(20,41,525)	(30,54,156)
Total	8,64,17,221	42,95,475	(16,88,156)

A. Nature and purpose of reserve

a. Special reserve

*Reserves created under section 29C of NHB Act.

b. Special reserve

**Reserves created under U/s 36(viia) Income tax Act, 1961

c. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

19 Interest income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on loans	26,95,77,932	16,14,64,222
Total	26,95,77,932	16,14,64,222

20 Fees and commission income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Other fees and charges	3,41,09,144	1,24,90,183
Total	3,41,09,144	1,24,90,183

21 Net gain on derecognition of financial instruments under amortised cost category

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Strip Income	8,80,54,649	-
Total	8,80,54,649	-

22 Other income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Miscellaneous Income	54,44,636	52,93,075
Total	54,44,636	52,93,075

Note: Any item under the subhead 'Others' which exceeds one per cent of the total income to be presented separately.

23 Finance costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	On financial liabilities	On financial liabilities
Interest on borrowings	15,31,29,952	8,11,18,806
Bank Charges	4,59,576	5,32,186
Other finance cost	27,95,874	11,08,212
Total	15,63,85,402	8,27,59,203

24 Impairment on financial instruments

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loans (Measured at Amortised cost)	4,07,09,490	66,66,883
Total	4,07,09,490	66,66,883

25 Employee benefits expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	6,17,63,557	5,27,33,753
Contribution to provident and other funds	34,21,060	22,31,470
Staff welfare expenses	20,80,141	11,92,226
Gratuity	6,94,515	4,76,615
Leave encashment	5,99,180	2,77,175
Total	6,85,58,453	5,69,11,239

26 Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	9,00,068	5,02,310
Communication cost	14,07,047	11,54,221
Travelling and conveyance	24,19,752	16,27,378
Rates and taxes	79,33,285	40,68,774
Insurance	4,58,292	5,46,743
Commission and Brokerage	20,53,943	24,74,139
Repairs and maintenance	3,07,201	2,68,356
Rating fees	6,992	-
Printing and stationary	2,13,556	2,73,394
Payment to auditors (refer Note)	2,43,299	2,05,519
Maintenance Charges	2,44,316	4,12,097
AMC Charges	15,00,000	15,00,000
Office Expense	5,33,862	6,05,956
Legal and professional fees	55,44,920	55,49,258
Provision	26,66,455	14,22,000
Preliminary Expenses Written off	1,69,256	1,69,256
Total	2,66,02,244	2,07,79,403

Note: Any item under the subhead 'Others expenditure' which exceeds one per cent of the total income to be presented separately.

Payment to the auditors:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Auditor's remuneration		
- Audit fees	1,50,000	1,50,000
In other capacity		
- Taxation	40,000	40,000
Other of pocket expenses	53,299	15,519
Total	2,43,299	2,05,519

Contingent liabilities, commitments and leasing arrangements

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's

Contingent Liability

Particular	For the year ended	For the year ended
Credit enhancements provided by the Company towards securitization	-	-
Performance security provided by the company towards advance partner a	-	-
Tax on items disallowed by income tax department not acknowledged as	-	-

27 Income tax

(a) Income tax expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	INR	INR
Current tax		
Current tax on profits for the year	127.51	75.16
Adjustment for current tax of the prior periods		
Subtotal (A)	127.51	75.16
Deferred tax		
Decrease/(Increase) in deferred tax assets	(145.40)	(37.54)
(Decrease)/Increase in deferred tax liabilities	227.60	0.68
Subtotal (A)	82.20	(36.86)
Deferred tax relating to items recognised in other Comprehensive Income (C)	(0.22)	(0.35)
Income tax expense for the year (A+B+C)	209.92	38.67

(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2020:

Particulars	Net balance March 31, 2019	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2020
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-			-
Impact of provision for expected credit loss on loans	6.87	118.74		125.61
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	-	1.14		1.14
Impact of provision for contingencies				-
Impact of leases under Ind AS 116	0.48	(0.01)		0.47
EIR impact of financial assets and liabilities				-
Impairment on financial instruments				-
EIR impact of financial assets and liabilities	30.18	21.64	-	51.82
Share based payment	-			-
Remeasurement of defined benefit plan	-			-
Others	-	3.89		3.89
(A)	37.54	145.40	-	182.94
Deferred tax liabilities				
Impact of amortisation of ancillary borrowing cost	-			-
Remeasurement of defined benefit plan	0.35		0.22	0.57
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	0.61	-		0.61
EIR impact of financial assets and liabilities	-			-
Impact of direct assignment and securitisation transactions	-	221.62		221.62
Interest income recognised on stage 3 loans	-			-
Others	0.07	5.98		6.05
(B)	1.03	227.60	0.22	228.84
Deferred tax assets (net) (A-B)	36.50	(82.20)	(0.22)	(45.91)

IKF Finance Limited
Notes to financial statements for the year ended March 31, 2020

(Currency : INR in lakhs)

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2019:

Particulars	Net balance April 01, 2018	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2019
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in			-	-
Impact of provision for expected credit loss on loans		6.87	-	6.87
EIR impact of financial assets and liabilities	-			-
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting			-	-
Impairment on financial instruments				-
Impact of leases under Ind AS 116		0.48	-	0.48
EIR impact of financial assets and liabilities		30.18	-	30.18
Impairment on financial instruments				-
Others			-	-
(A)	-	37.54	-	37.54
Deferred tax liabilities				
Impact of amortisation of ancillary borrowing cost	-			-
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	-	0.61		0.61
Remeasurement of defined benefit plan	-		0.35	0.35
EIR impact of financial assets and liabilities	-			-
Impact of direct assignment and securitisation transactions	-			-
Interest income recognised on stage 3 loans	-			-
Others	-	0.07		0.07
	-	-		-
(B)	-	0.68	0.35	1.03
Deferred tax liability (net) (A-B)	-	36.86	(0.35)	36.50

(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	INR	INR
Profit before tax as per Statement of profit and loss (A)	1,003.61	83.00
Applicable income tax rate	25.17%	27.82%
Expected Income Tax Expense (B)	252.59	23.09
Tax effect of:		
Effect of income exempt from tax	-	-
Effect of expenses/provisions not deductible in determining taxable profit	1.08	0.22
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	-	-
Others	(43.97)	15.00
Income tax expense	209.70	38.31

IKF Home Finance Limited**Notes to the Standalone Financial Statements****28 .Earnings per share**

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. The following table shows the income and share data used in the basic and diluted EPS calculations.

i. Profit attributable to Equity shareholders:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit attributable to equity holders of the Company used in calculating diluted	7,93,90,639	44,69,860

ii. Weighted average number of ordinary shares

Particulars	As at March 31, 2020	As at March 31, 2019
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	3,93,64,753	2,91,14,753
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings	3,93,64,753	2,91,14,753
Basic earnings per share	2.02	0.15
Diluted earnings per share	2.02	0.15

29. Related Party Disclosure**a. Name of related party and nature of relationship:**

Enterprises having a significant influence	IKF Finance Limited
Enterprises significantly influenced by the company - Subsidiary	-
Enterprises in which directors are interested	-
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mr. V G K Prasad - Father Mrs. V Indira Devi - Mother Mr. K Vasumathi Devi - Sister Mr. V Raghu Ram - Brother
Key Management Personnel (KMP)	Mrs V Vasatha Lakshmi — Managing Director Mr. Sreepal Jain - Chief Financial Officer Mr. Vishal Kumar Joshi- Company Secretary

b. Transaction with related parties:

Particulars	During the year	March 31, 2020	March 31, 2019
Capital account transactions			
Fully paid up equity share capital			
Key Management Personnel (KMP)	Amount as at the beginning of the year	10.00	47,52,000.00
	During the year	-	-47,51,990.00
	Amount as at the end of the year	10.00	10.00
Relative of Key Management Personnel (KMP)	Amount as at the beginning of the year	40.00	18,36,33,930.00
	During the year	-	-18,36,33,890.00
	Amount as at the end of the year	40.00	40.00
IKF Finance Limited	Amount as at the beginning of the year	37,61,47,470.00	-
	During the year	-	37,61,47,470.00
	Amount as at the end of the year	37,61,47,470.00	37,61,47,470.00
IKF Infratech (P) Limited	Amount as at the beginning of the year	10.00	5,11,00,000.00
	During the year	-	-5,10,99,990.00
	Amount as at the end of the year	10.00	10.00
Allotment of Partly paid up shares			
Key Management Personnel (KMP)	Amount as at the beginning of the year	16,40,900.00	-
	During the year	16,40,900.00	16,40,900.00
	Amount as at the end of the year	32,81,800.00	16,40,900.00
Relative of Key Management Personnel (KMP)	Amount as at the beginning of the year	1,58,59,100.00	-
	During the year	1,58,59,100.00	1,58,59,100.00
	Amount as at the end of the year	3,17,18,200.00	1,58,59,100.00
Current account transactions			
Loans			
IKF Finance Limited	Amount as at the beginning of the year	28,33,87,334.00	-
	Given during the year	86,30,58,665.00	38,50,00,000.00
	Amount as at the end of the year	19,17,82,980.00	28,33,87,334.00
Direct Assignment			
IKF Finance Limited	Amount as at the beginning of the year	-	-
	Given during the year	25,61,10,357.00	-
	Amount as at the end of the year	23,16,22,288.00	-
	Interest Paid	1,76,74,367.00	-
	Interest Payable	26,55,724.00	-
Interest paid			
IKF Finance Limited		5,74,49,308.46	1,26,08,630.00
V G K PRASAD		39,501.00	-
IKF Infratech (P) Limited		16,77,977.00	-
Service fee			
IKF Finance Limited		1,00,000.00	-
Shared Services			
IKF Finance Limited		34,93,987.00	90,000.00
Insurance Expenses			
IKF Finance Limited		9,30,729.00	-

c. Transactions outstanding at year end

Name	As at March 31, 2020	As at March 31, 2019
IKF Finance Limited	42,60,60,992.00	28,33,87,334.00

d. Key management personnel compensation

Key Management Personnel (KMP)	As at March 31, 2020	As at March 31, 2019
Mrs V Vasatha Lakshmi	38,33,335.00	30,00,000.00
Mr. Vishal Kumar Joshi	6,91,880.00	3,47,976.00

30. Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised Rs. (March 31, 2020 : Rs 2958772) for provident fund and other contributions in the Statement of profit and loss.

The Supreme Court has recently, delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Company, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal experts and the response/direction from the authorities, including on representations made by an industry

b. Defined Benefit Plan - Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non-contributory defined benefit arrangement providing lump-sum gratuity benefits expressed in terms of Final monthly salary and year of service, covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment in accordance with the rules laid down in the Payment of

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	As at March 31,	As at March 31,	As at April 1, 2018
Present value of obligation (A)	11,90,385.00	5,82,266.00	2,32,793.00
Fair Value of plan assets (B)	-	-	-
Present value of obligation (A- B)	11,90,385.00	5,82,266.00	2,32,793.00
Net deficit / (assets) are analysed as:	11,90,385.00	5,82,266.00	2,32,793.00

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its compon

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening balance	5,82,266.00	2,32,793.00	-	-	5,82,266.00	2,32,793.00
Current service cost	6,49,972.00	4,57,992.00	-	-	6,49,972.00	4,57,992.00
Past service cost	-	-	-	-	-	-
Interest cost (income)	44,543.00	18,623.00	-	-	44,543.00	18,623.00
	12,76,781.00	7,09,408.00	-	-	12,76,781.00	7,09,408.00
Other comprehensive income						
Remeasurement loss (gain):	-86,397.00	-1,27,142.00	-	-	-86,397.00	-1,27,142.00
Actuarial loss (gain) arising from:						
Experience	-	-	-	-	-	-
Financial assumption	-	-	-	-	-	-
	-86,397.00	-1,27,142.00	-	-	-86,397.00	-1,27,142.00
Others						
Transfer in/(out)						-
Contributions by employer						-
Benefits paid		-				-
Closing balance	11,90,384.00	5,82,266.00	-	-	11,90,384.00	5,82,266.00
Represented by						
Net defined assets					11,90,384.00	5,82,266.00
Net defined liability						
					11,90,384.00	5,82,266.00

Components of defined benefit plan cost:

Particulars	For the year ended	For the year ended
Recognised in statement of profit or loss		
Current service cost	6,49,972.00	4,57,992.00
Interest cost/ (income) (net)	44,543.00	18,623.00
Past service cost		
Unrecognised past service cost- non vested benefits		
Total	6,94,515.00	4,76,615.00
Recognised in other comprehensive income		
Remeasurement loss (gain):		
Actuarial loss (gain) arising from:		
Experience	-	-
Financial assumption	-	-
Total	-86,397.00	-1,27,142.00

Percentage break-down of total plan assets

Particulars	As at March 31,	As at March 31,	As at April 1, 2018
Investment funds with insurance company	-	-	-
Cash and cash equivalents	-	-	-
	-	-	-

Note :

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

Particulars	March 31, 2020	March 31, 2019	As at April 1, 2018
Discount rate	6.82%	7.65%	8.00%
Salary growth rate	5.00%	5.00%	6.00%
Withdrawal/attrition rate (based on categories)	5.95%	4.69%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100%	100%	100%
Expected weighted average remaining working lives of employees	24.54 years	24.71 years	24.03 years
Interest rate on net DBO/ (asset) (% p.a.)			

Notes:

a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Salary Growth Rate (+/- 1%)	12.90%	-11.20%	14.80%	-12.60%	13.80%	-11.80%
Discount Rate (+/- 1%)	-10.50%	12.30%	-11.80%	14.00%	-11.00%	12.90%
Withdrawal Rate (+/- 1%)	-1.20%	1.10%	-0.90%	0.60%	-1.50%	-1.20%

The Sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Description of asset liability matching (ALM) policy

The Company has an insurance plans invested in market linked bonds. The investment returns of the market-linked plan are sensitive to the changes in interest rates. The liabilities' duration is not matched with the assets' duration.

Description of funding arrangements and funding policy that affect future contributions

The liabilities of the fund are funded by assets. The company aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

Maturity profile

The average expected remaining lifetime of the plan members is 5 years (March 31, 2018: 5 years, March 31,2017: 5 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.

Expected future contributions

The Best Estimate Contribution for the Company during the next year would be INR 8,17,652

Expected cash flow for following years

Maturity Profile of Defined Benefit Obligations	
Year 1	2,989
Year 2	7,447
Year 3	58,419
Year 4	88,672
Year 5	1,00,421
Year 6	1,03,603
Year 7	98,201
Year 8	97,281
Year 9	1,70,348
Year 10	90,271

c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

IKF Home Finance Limited

31. Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements from its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The pillars of its policy are as follows:

- a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity
- b) Maintain investment grade ratings for all its liability issuances domestically and internationally by ensuring that the financial strength of the balance sheets is preserved.
- c) Manage financial market risks arising from Interest rate, equity prices and minimise the impact of market volatility on
- d) Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of balance sheet.

The Company is subject to the capital adequacy norms stipulated by the NHB guidelines on Capital Adequacy. These guidelines require the Company to maintain a minimum ratio of total capital to risk weighted assets of 12%. The total Tier-II capital should not exceed Tier-I capital. The total capital adequacy ratio of the Company as per the NHB guidelines are 51.18%, 53.57% at March 31, 2020 and March 31, 2019 respectively. The Company has complied in full, with the guidelines on capital adequacy issued by NHB.

32. Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that company can access at the measurement date.

Level 2 - valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

B. Valuation governance framework

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

C. The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

As at March 31, 2020

Particulars	Level 1	Level 2	Level 3	Total
Assets measured at fair value on recurring basis				
Assets measured at fair value through profit or loss	-	-	-	-
Investments				
Debt securities	-	-	-	-
Certificate of deposits	-	-	-	-
Total assets measured at fair value on a recurring basis (a)	-	-	-	-
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	-	-	-
Total assets measured at fair value on a non recurring basis (b)	-	-	-	-
Total assets measured at fair value (a)+(b)	-	-	-	-
Liabilities measured at fair value through profit or loss				
Derivative financial instruments	-	-	-	-
Forward contracts and currency swaps	-	-	-	-
Interest rate swaps	-	-	-	-
Total liabilities measured at fair value through profit or loss	-	-	-	-

As at March 31, 2019

Particulars	Level 1	Level 2	Level 3	Total
Assets measured at fair value on recurring basis				
Assets measured at fair value through profit or loss	-	-	-	-
Investments				
Debt securities	-	-	-	-
Certificate of deposits	-	-	-	-
Total assets measured at fair value on a recurring basis (a)	-	-	-	-
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	-	-	-
Total assets measured at fair value on a non recurring basis (b)	-	-	-	-
Total assets measured at fair value (a)+(b)	-	-	-	-
Liabilities measured at fair value through profit or loss				
Derivative financial instruments	-	-	-	-
Forward contracts and currency swaps	-	-	-	-
Interest rate swaps	-	-	-	-
Total liabilities measured at fair value through profit or loss	-	-	-	-

As at March 31, 2018

Particulars	Level 1	Level 2	Level 3	Total
Assets measured at fair value on recurring basis				
Assets measured at fair value through profit or loss	-	-	-	-
Investments				
Debt securities	-	-	-	-
Certificate of deposits	-	-	-	-
Total assets measured at fair value on a recurring basis (a)	-	-	-	-
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	-	-	-
Total assets measured at fair value on a non recurring basis (b)	-	-	-	-
Total assets measured at fair value (a)+(b)	-	-	-	-
Liabilities measured at fair value through profit or loss				
Derivative financial instruments	-	-	-	-
Forward contracts and currency swaps	-	-	-	-
Interest rate swaps	-	-	-	-
Total liabilities measured at fair value through profit or loss	-	-	-	-

IKF Home Finance Limited

D. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities

As at March 31, 2020

Particular	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and cash equivalents	7,44,01,811	-	-	-
Loans	1,37,48,06,368	-	-	1,37,48,06,368
Other financial assets	10,87,84,026	-	-	10,87,84,026
Total Financial Assets	1,55,79,92,205	-	-	1,48,35,90,394
Financial Liabilities				
Trade Payables	17,85,199	-	-	17,85,199
Borrowings	95,63,95,375	-	-	95,63,95,375
Other Financial Liabilities	10,72,59,934	-	-	10,72,59,934
Total Financial liabilities	1,06,54,40,507	-	-	1,06,54,40,507

As at March 31, 2019

Particular	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and cash equivalents	3,87,57,040	-	-	-
Loans	1,47,27,25,275	-	-	1,47,27,25,275
Other financial assets	1,39,20,409	-	-	1,39,20,409
Total Financial Assets	1,52,54,02,724	-	-	1,48,66,45,684
Financial Liabilities				
Trade Payables	26,05,378	-	-	26,05,378
Borrowings	1,12,85,24,303	-	-	1,12,85,24,303
Other Financial Liabilities	1,14,10,848	-	-	1,14,10,848
Total Financial liabilities	1,14,25,40,529	-	-	1,14,25,40,529

As at April 01, 2018

Particular	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and cash equivalents	8,99,96,302	-	-	-
Trade Receivable	2,02,998	-	-	2,02,998
Loans	58,39,05,676	-	-	58,39,05,676
Other financial assets	52,88,491	-	-	52,88,491
Total Financial Assets	67,93,93,468	-	-	58,93,97,166
Financial Liabilities				
Trade Payables	57,600	-	-	57,600
Debt Security	-	-	-	-
Borrowings	27,80,70,944	-	-	27,80,70,944
Other Financial Liabilities	12,45,23,485	-	-	12,45,23,485
Total Financial liabilities	40,26,52,029	-	-	40,26,52,029

Below mentioned valuation techniques used in measuring Level 1, Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Loans

The fair value of loan and advances are estimated by discounted cash flow models. For fixed rate loans, the fair value represent the discounted value of the expected future cash flow. For floating rate interest loans, the discounted value of expected cash flows represent the carrying amount of the loans. Fair value is then reduced by the impairment loss allowance on loans which is already calculated incorporating probability of default and loss given defaults.

Debt securities, borrowings (other than debt securities) and subordinated liabilities

For floating rate borrowings carrying value represents the fair value of the instruments. For fixed rate carrying value of borrowings as at reporting date approximates the fair value of the instruments because the borrowings have been raised near to reporting date .

There were no transfers between levels during the year

Investment

Company does n't has any invetsments outstanding as on reporting dates.

IKF Home Finance Limited

33. Financial Risk Management

A. Liquidity Risk

Liquidity risk arises as Company has contractual financial liabilities that is required to be serviced & redeemed as per committed timelines and in the business of lending where money is required for the disbursement & creation of financial assets to address the going concern of Company

Liquidity risk management is imperative to Company as this allows covering the core expenses, market investment / creation of financial assets, timely repayment of debt commitments and continuing with their operations. The Company with the help of ALCO committee, ALM policy & Liquidity Desk, monitors the Liquidity risk and uses structural, dynamic liquidity statements and cash flow statements as a mechanism to address this.

The Company aims to maintain the level of its cash equivalents, in hand bank sanctions, unutilized borrowing lines and cash infows at an amount in excess of expected cash outflows on financial liabilities over the next one year

Liquidity Cushion:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Liquidity cushion			
Government Debt Securities	-	-	-
Mutual Fund Investments	-	-	-
Total Liquidity cushion	-	-	-

Financing Arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting year

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Committed Lines from Banks	-	-	-
Committed Lines from Other Parties	-	-	-
Total	-	-	-

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity

As at March 31, 2020

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Financial assets						
Cash and cash equivalents	7,44,01,810.94	-	-	-	-	7,44,01,810.94
Trade Receivables	-	-	-	-	-	-
Loans	-	1,45,66,356.57	4,99,59,901.52	40,65,74,580.80	97,90,21,034.42	1,45,01,21,873.31
Other Financial assets	8,80,54,648.99	1,91,93,677.85	-	-	15,35,699.00	10,87,84,025.84
Total undiscounted financial assets	16,24,56,459.93	3,37,60,034.42	4,99,59,901.52	40,65,74,580.80	98,05,56,733.42	1,63,33,07,710.09
Financial liabilities						
Trade Payables	-	17,85,198.58	-	-	-	17,85,198.58
Borrowings (Other than Debt Securities)	-	8,17,72,215.73	27,06,29,131.99	55,22,50,918.38	53,85,938.79	91,00,38,204.89
Other Financial liabilities	2,70,54,020.70	7,83,99,168.55	-	-	-	10,54,53,189.25
Total undiscounted financial liabilities	2,70,54,020.70	16,19,56,582.86	27,06,29,131.99	55,22,50,918.38	53,85,938.79	1,01,72,76,592.72
Total net financial assets / (liabilities)	13,54,02,439.23	-12,81,96,548.44	-22,06,69,230.47	-14,56,76,337.58	97,51,70,794.63	61,60,31,117.37

As at March 31, 2019

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Financial assets						
Cash and cash equivalents	3,87,57,040	-	-	-	-	3,87,57,040
Loans	-	1,94,20,415	5,56,48,090	29,16,84,138	1,14,32,61,623	1,51,00,14,266
Other Financial assets	-	1,28,64,210	-	-	10,56,199	1,39,20,409
Total undiscounted financial assets	3,87,57,040	3,22,84,625	5,56,48,090	29,16,84,138	1,14,43,17,822	1,56,26,91,715
Financial liabilities						
Trade Payables	-	26,05,378	-	-	-	26,05,378
Borrowings (Other than Debt Securities)	-	5,94,47,925	24,50,28,183	77,02,33,482	25,00,000	1,07,72,09,590
Other Financial liabilities	19,62,686	63,39,114	-	-	-	83,01,800
Total undiscounted financial liabilities	19,62,686	6,83,92,417	24,50,28,183	77,02,33,482	25,00,000	1,08,81,16,768
Total net financial assets / (liabilities)	3,67,94,354	-3,61,07,792	-18,93,80,093	-47,85,49,344	1,14,18,17,822	47,45,74,948

As at April 01, 2018

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Financial assets						
Cash and cash equivalents	8,99,96,302	-	-	-	-	8,99,96,302
Trade Receivables	-	-	2,02,998	-	-	2,02,998
Loans	-	36,57,547	1,29,72,896	9,68,70,084	48,62,27,382	59,97,27,909
Investments	-	-	-	-	-	-
Other Financial assets	-	44,42,292	-	-	8,46,199	52,88,491
Total undiscounted financial assets	8,99,96,302	80,99,839	1,31,75,894	9,68,70,084	48,70,73,581	69,52,15,701
Financial liabilities						
Trade Payables	-	57,600	-	-	-	57,600
Borrowings (Other than Debt Securities)	-	-	22,50,00,000	-	-	22,50,00,000
Other Financial liabilities	-	-	12,45,23,485	-	-	12,45,23,485
Total undiscounted financial liabilities	-	57,600	34,95,23,485	-	-	34,95,81,085
Total net financial assets / (liabilities)	8,99,96,302	80,42,239	-33,63,47,591	9,68,70,084	48,70,73,581	34,56,34,616

Contractual expiry of commitments

The table below shows the contractual expiry by maturity of the Company's commitments.

As at March 31, 2020

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Undrawn committed credit lines	-	-	-	-	-	-
Estimated amount of contracts capital account	-	-	-	-	-	-
	-	-	-	-	-	-

As at March 31, 2019

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Undrawn committed credit lines	-	-	-	-	-	-
Estimated amount of contracts capital account	-	-	-	-	-	-
	-	-	-	-	-	-

As at April 01, 2018

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Undrawn committed credit lines	-	-	-	-	-	-
Estimated amount of contracts capital account	-	-	-	-	-	-
	-	-	-	-	-	-

IKF Home Finance Limited

B. Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, equity prices and Index movements.

Total market risk exposure

Particulars	As at March 31, 2020 Carrying amount	As at March 31, 2019 Carrying amount	As at April 01, 2020 Carrying amount	Primary risk sensitivity
Financial assets				
Cash and cash equivalents	7,44,01,811	3,87,57,040	8,99,96,302	-
Bank Balance other than cash and cash	-	-	-	-
Trade Receivables	-	-	2,02,998	-
Loans	1,37,48,06,368	1,47,27,25,275	58,39,05,676	Interest rate risk
Investments	-	-	-	Interest rate risk
Other Financial assets	10,87,84,026	1,39,20,409	52,88,491	Interest rate risk
Total financial assets	1,55,79,92,205	1,52,54,02,724	67,93,93,468	
Financial liabilities				
Trade Payables	17,85,199	26,05,378	57,600	-
Debt securities	-	-	-	Interest rate risk
Borrowings (Other than Debt Securities)	95,63,95,375	1,12,85,24,303	27,80,70,944	Interest rate risk
Other Financial liabilities	10,72,59,934	1,14,10,848	12,45,23,485	Interest rate risk
Total financial liabilities	1,06,54,40,507	1,14,25,40,529	40,26,52,029	

C. Interest Rate Risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-

ALCO is the monitoring body for compliance with these limits. ALCO reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities. Balance Sheet Management Unit is in-charge for day to day management of interest

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board has established limits on the non-trading interest rate gaps for stipulated periods. The Company's policy is to monitor positions on a daily basis and hedging strategies are used to ensure positions are maintained within the established limits.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity. The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31 March 2020 and at 31 March 2019

Interest rate sensitivity

AS at March 31, 2020

Particulars	Increase in basis points	Sensitivity of Profit	Decrease in basis points	Sensitivity of Profit
Bank Borrowings	1.00%	2,44,386.04	1.00%	2,33,604.72
Government securities	-	-	-	-

AS at March 31, 2019

Particulars	Increase in basis points	Sensitivity of Profit	Decrease in basis points	Sensitivity of Profit
Bank Borrowings	1.00%	3,75,491.31	1.00%	3,70,992.65
Government securities	-	-	-	-

D Credit Risk

(Rs. In Lakhs)

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

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

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

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses consumer credit trends released by TransUnion CIBIL to determine PD.

Portfolio	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2
Home Loans	2.96%	33.47%	2.96%	43.90%	2.96%	33.62%
Loans Against Property	3.43%	23.56%	3.43%	28.62%	3.43%	-

Stage 3 assets have a PD of 100%

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Home Loans	20.00%	20.00%	20.00%
Loans Against Property	20.00%	20.00%	20.00%

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Concentration of Credit Risk

Company's loan portfolio is predominantly to home loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

Geography	March 31, 2020	March 31, 2019	March 31, 2018
West	2,447.87	2,643.23	793.82
Central			-
South	11,300.20	12,084.02	5,045.24
Total	13,748.07	14,727.25	5,839.06

Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

As at March 31, 2020	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Home Loans	4,313.45	2,618.00	1,598.38	8,529.82
Loans Against Property	3,836.17	1,364.87	17.20	5,218.25
Total	8,149.62	3,982.87	1,615.58	13,748.07

As at March 31, 2019	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Home Loans	4,933.86	3,076.26	1,865.32	9,875.44
Loans Against Property	3,372.19	1,461.49	18.13	4,851.81
Total	8,306.05	4,537.75	1,883.45	14,727.25

As at March 31, 2018	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Home Loans	1,669.60	1,231.57	1,035.09	3,936.26
Loans Against Property	949.03	934.99	18.78	1,902.80
Total	2,618.63	2,166.56	1,053.87	5,839.06

IKF Home Finance Limited
Notes to financial statements for the year ended March 31, 2020

35 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

During the year company has not entered into any securitisation transactions.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Carrying amount of transferred assets measured at amortised cost	-	-
Carrying amount of associated liabilities	-	-
Fair value of transferred assets - (A)	-	-
Fair value of associated liabilities - (B)	-	-
Net position at Fair value	-	-

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance in deals prior to the transition date of April 01, 2018. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

Under previous GAAP, retained interest receivable on loan assignment transactions were recognised over the period of such assigned loans. Under Ind AS, on transition date, the gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

IKF Home Finance Limited

Notes to financial statements for the year ended March 31, 2020

36 Changes in liabilities arising from financing activities

Particulars	As at April 1, 2019	Cash Flows (net)	CCPS converted	Others (net)*	As at March 31, 2020
Subordinated liabilities	-	-	-	-	-
Debt securities	-	-	-	-	-
Borrowing other than debt securities	1,12,85,24,303.00	(17,26,65,823.41)	-	5,36,895.21	95,63,95,374.80
	1,12,85,24,303.00	(17,26,65,823.41)	-	5,36,895.21	95,63,95,374.80

Particulars	As at April 1, 2018	Cash Flows (net)	CCPS converted	Others (net)*	As at March 31, 2019
Subordinated liabilities	-	-	-	-	-
Debt securities	-	-	-	-	-
Borrowing other than debt securities	27,80,70,943.86	85,44,04,499.25	-	(39,51,140.11)	1,12,85,24,303.00
	27,80,70,943.86	85,44,04,499.25	-	(39,51,140.11)	1,12,85,24,303.00

* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.

IKF Home Finance Limited

Notes to financial statements for the year ended March 31, 2020

(Rs. In Lakhs)

37 Leases

Company as a Lessee

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Transition to Ind AS 116

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2018 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 and April 1, 2018 also Restated.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of INR 42.72 lakhs and a lease liability of INR 42.72 lakhs. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The Company has entered into lease contracts for premises at various locations. Leases of premises generally have lease terms from 12 months to 60 months. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

The Company also has certain leases of premises which are cancellable in nature and for which the Company applies the 'short-term lease' recognition exemptions.

The value of the lease liability as of April 1, 2018 is primarily on account of discounting the lease liabilities to the present value under Ind AS 116.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2018 is 11%

Following are the changes in the carrying value of right of use assets

Particulars	As at March 31, 2020	As at March 31, 2019
Opening	29.36	42.72
Additions	-	-
Deletion	-	-
Depreciation	(13.17)	(13.36)
Closing Balance	16.19	29.36

The following is the movement in lease liabilities :

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning	31.09	42.72
Additions	-	-
Finance cost accrued during the period	-	-
Payment of lease liabilities	(13.02)	(11.63)
Balance at the end	18.07	31.09

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Less than 3 months	3.24	3.09	3.03
Over 3 months & upto 6 months	2.37	3.29	2.81
Over 6 months & upto 1 year	3.89	6.65	5.96
Over 1 year & upto 3 years	8.57	18.07	22.46
Over 3 years	-	-	8.47

The following are the amounts recognised in statement of profit or loss:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation expense of right-of-use assets	13.36	13.17
Interest expense on lease liabilities	2.86	3.84
Expense relating to short-term leases	9.00	5.02
Total amount recognised in profit or loss	25.22	22.04

Future Commitments:

Particulars	As at March 31, 2020
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2020.

IKF Home Finance Limited

Notes to financial statements for the year ended March 31, 2020

38 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2020			As at March 31, 2019			As at April 01, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS									
Financial assets									
Cash and cash equivalents	##### #	-	7,44,01,811	3,87,57,040	-	3,87,57,040	##### #	-	8,99,96,302
Bank Balance other than cash and cash equivalents	-	-	-	-	-	-	-	-	-
Receivables									
(I) Trade receivables	-	-	-	-	-	-	2,02,998	-	2,02,998
(II) Other receivables	-	-	-	-	-	-	-	-	-
Loans	6,01,92,134	1,31,46,14,234	1,37,48,06,368	7,74,88,057	1,39,52,37,217	1,47,27,25,275	22,01,476	58,17,04,200	58,39,05,676
Investments	-	-	-	-	-	-	-	-	-
Other Financial assets	3,83,81,279	7,04,02,747	10,87,84,026	1,30,33,466	8,86,943	1,39,20,409	42,37,884	10,50,607	52,88,491
Sub total	17,29,75,224	1,38,50,16,981	1,55,79,92,205	12,92,78,563	1,39,61,24,160	1,52,54,02,724	9,66,38,661	58,27,54,807	67,93,93,468
Non-financial assets									
Current Tax assets (Net)	-	-	-	18,26,231	-	18,26,231	-	-	-
Deferred Tax assets (Net)	-	-	-	-	36,50,434	36,50,434	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-
Property, plant and equipment	-	86,04,635	86,04,635	-	61,23,545	61,23,545	-	54,12,761	54,12,761
Right to Use Assets	-	16,18,673	16,18,673	-	29,35,678	29,35,678	-	42,71,936	42,71,936
Other intangible assets	-	40,29,830	40,29,830	-	38,12,694	38,12,694	-	50,75,229	50,75,229
Other non-financial assets	45,30,989	-	45,30,989	23,26,085	-	23,26,085	-	3,06,946	3,06,946
Sub total	45,30,989	1,42,53,139	1,87,84,128	41,52,316	1,65,22,350	2,06,74,666	-	1,50,66,872	1,50,66,872
Total assets	17,75,06,213	1,39,92,70,120	1,57,67,76,333	13,32,26,471	1,41,28,50,919	1,54,60,77,390	9,66,38,661	59,78,21,679	69,44,60,339
LIABILITIES AND EQUITY									
LIABILITIES									
Financial liabilities									
Payables									
(I) Trade payables									
(i) total outstanding dues of creditors of micro enterprises and small	-	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	17,85,199	-	17,85,199	26,05,378	-	26,05,378	57,600	-	57,600
Debt Securities									
Borrowings (Other than Debt Securities)	40,04,22,645	55,59,72,730	95,63,95,375	34,98,41,157	77,86,83,146	1,12,85,24,303	27,80,70,944	-	27,80,70,944
Deposits	-	-	-	-	-	-	-	-	-
Subordinated Liabilities	-	-	-	-	-	-	-	-	-
Other Financial liabilities	10,72,59,934	-	10,72,59,934	1,14,10,848	-	1,14,10,848	12,45,23,485	-	12,45,23,485
Sub total	50,94,67,778	55,59,72,730	1,06,54,40,507	36,38,57,383	77,86,83,146	1,14,25,40,529	40,26,52,029	-	40,26,52,029
Non-Financial liabilities									
Current tax liabilities (Net)	-	38,68,284	38,68,284	-	-	-	-	-	-
Provisions	1,27,50,775	22,44,428	1,49,95,203	-	10,99,695	10,99,695	5,06,537	5,05,035	10,11,572
Deferred tax liabilities (Net)	-	45,90,886	45,90,886	-	-	-	-	-	-
Other non-financial liabilities	30,67,476	-	30,67,476	44,94,159	-	44,94,159	13,37,364	-	13,37,364
Sub total	1,58,18,251	1,07,03,598	2,65,21,848	44,94,159	10,99,695	55,93,854	18,43,901	5,05,035	23,48,936
Total liabilities	52,52,86,028	56,66,76,327	1,09,19,62,355	36,83,51,542	77,97,82,841	1,14,81,34,383	40,44,95,930	5,05,035	40,50,00,965

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(i) Reconciliation of balance sheet

Particulars	Note No	As at March 31, 2019	Adjustments	Ind AS	As at April 01, 2018	Adjustments	Ind AS
ASSETS							
(1) Financial assets							
Cash and cash equivalents	4	3,87,57,040		3,87,57,040	8,99,96,302		8,99,96,302
Receivables				-			-
(I) Trade receivables	5	82,481	(82,481)	-	2,02,998		2,02,998
(II) Other receivables				-			-
Loans	6	1,51,00,14,266	(3,72,88,991)	1,47,27,25,275	59,97,27,909	(1,58,22,233)	58,39,05,676
Other financial assets	7	1,35,69,210		1,35,69,210	52,88,491		52,88,491
Investments		-		-	-		-
		1,56,24,22,997	(3,73,71,472)	1,52,50,51,525	69,52,15,701	(1,58,22,233)	67,93,93,468
(2) Non-financial assets							
Current tax assets (Net)							-
Deferred tax assets (Net)	8	(54,843)	37,05,277	36,50,434	-		-
Property, plant and equipment (Including Right to use assets)	9	61,23,545	29,35,676	90,59,221	54,12,761	42,71,936	96,84,697
Other intangible assets	10	38,12,694		38,12,694	50,75,229		50,75,229
Other non-financial assets	11	45,03,515		45,03,515	3,06,946		3,06,946
		1,43,84,910	66,40,953	2,10,25,863	1,07,94,936	42,71,936	1,50,66,872
Total assets		1,57,68,07,907	(3,07,30,520)	1,54,60,77,388	70,60,10,636	(1,15,50,297)	69,44,60,339
LIABILITIES AND EQUITY							
LIABILITIES							
(1) Financial liabilities							
Derivative financial instruments		-		-	-		-
Payables							-
(I) Trade payables		-		-	-		-
(I) total outstanding dues of micro enterprises and small enterprises							-
(II) total outstanding dues of creditors other than micro enterp rises and small enterprises		26,05,378	-	26,05,378	57,600		57,600
Debt securities		-		-	-		-
Borrowings (other than debt)	12	1,13,24,75,443	(39,51,140)	1,12,85,24,303	39,10,70,944		39,10,70,944
Deposits		-		-	-		-
Other financial liabilities	13	83,84,281	(82,481)	83,01,800	72,51,549		72,51,549
		1,14,34,65,102	-40,33,621	1,13,94,31,481	39,83,80,093	-	39,83,80,093
(2) Non-financial liabilities							
Current tax liabilities (Net)							-
Provisions	14	80,19,807	(69,20,112)	10,99,695	35,84,336	(25,72,765)	10,11,572
Deferred tax liabilities (Net)	8	-		-	-		-
Other non-financial liabilities	15	46,67,531	29,35,676	76,03,207	13,37,364	42,71,936	56,09,300
		1,26,87,337	(39,84,435)	87,02,902	49,21,701	16,99,171	66,20,872
EQUITY							
Equity share capital	16	39,36,47,531		39,36,47,531	29,11,47,531		29,11,47,531
Other equity	17	2,70,07,938	(2,27,12,464)	42,95,474	1,15,61,312	(1,32,49,468)	(16,88,156)
		42,06,55,468	(2,27,12,464)	39,79,43,005	30,27,08,842	(1,32,49,468)	28,94,59,374
Total liabilities and equity		1,57,68,07,908	(3,07,30,520)	1,54,60,77,388	70,60,10,636	(1,15,50,297)	69,44,60,339