

ANNUAL

REPORT 2021-22

SWAGAT HOUSING FINANCE COMPANY LTD.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ramesh Shankar Prabhu	:	Chairman / Director
Mrs. Sahana Ramesh Prabhu	:	Managing Director
Mr. Manish Kumar Sharma	:	Independent Director
Mr. R B Haranal	:	Independent Director
Mr. Siddharth Ramesh Prabhu	:	Executive Director

DESIGNATION

KEY MANGERIAL PERSONNEL (KMP)

Mrs. Sahana Prabhu	:	Managing Director
Mr. Siddharth Prabhu	:	Chief Financial Officer
Mrs. Sanjulata Jaiswal	:	Company Secretary

STATUTORY AUDITOR

M/s Talati & Co., Chartered Accountant
201 - 204, Kalamandir, Chitrakar Ketkar Marg,
Near Adarsh Petrol Pump, Vile - Parle (E), Mumbai - 400 057

INTERNAL AUDITOR

Protune KS Iyer Consultants Pvt. Ltd.
F-7 Laxmi Mills, Shakti Mills Lane,
Off Dr. E. Moses Rd., Mahalaxmi, Mumbai- 400011

REGISTRAR & SHARE TRANSFER AGENT

Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032

REGISTERED OFFICE

A-1 207 Laram Centre, Opposite Railway Station,
Andheri West, Mumbai - 400058

ABOUT US

SHFC incorporated in the year 1996 and registered with NHB in the year 2003, with the aim to provide affordable housing loans. SHFC has its corporate and registered office at Andheri, a prime location in the city.

Our goals are to become a preferred financier status and a one-stop for home finance needs. We believe practicing operational excellence and Sustainable growth with responsibility for social values.

Since inception we have led our clients on the path of success by lending home loans to individuals for construction, extension, renovation, purchase; eventually helping them to achieve their goals. Our customers comprise salaried professionals and small business owners who desire to own homes in metropolitan cities like Mumbai.

We understand that our customers need more than just a loan. We take the time to engage with customers, understand their credit needs and offer custom solutions. It our constant endeavour to ensure that interests of all our key stakeholders - customers, shareholders, investors, bankers & employees are taken care of.

We partner our customers - from application, to processing, to deciding and servicing the loan through its entire tenure. We believe in client engagement and transparency at every step. We guide customers through the process of necessary paperwork and supporting documents for loan approval.



BOARD OF DIRECTORS

Mr. Ramesh Prabhu - Promoter/Chairman

Mr. Ramesh Prabhu is a practicing Chartered Accountant with CISA (USA) with more than two and a half decades of experience in housing sector. He is considered to be an authority in co-operative housing society related laws, RERA, stamp duty, registration, and deemed conveyance.

He is also the Chairman of Maharashtra Societies Welfare Association (MSWA) and Edits MSWA Housing Societies Review having circulation of 35,000 copies with readership over 1.50 Lacs across Maharashtra.

Mrs. Sahana Prabhu- Managing Director

Mrs. Sahana Prabhu is the Director of Prabhu Associates Consultants Pvt. Ltd., a renowned Law Firm in Mumbai which specializes in RERA, Deemed Conveyance and Co-operative Society Matters. Under her able leadership, the firm has expanded in Vasai, Dombivli, Fort & Raipur.

Mr. Siddharth Prabhu- Executive Director & CFO

Mr. Siddharth Prabhu is a Chartered Accountant with over 7 Years of Experience in the fields of Audit & Taxation and has established credibility in spearheading the entire management activities and achieved portfolio growth in the affordable housing segment.

He has spearheaded strategic initiatives include building an experienced team of housing finance professionals, network expansion, business process re-engineering and implementing technology within the organisation.

Mr. R B Harnal - Independent Director

Mr. R B Harnal was a former Chief General Manager of NABARD & Reserve Bank of India and is a qualified Civil Engineer. During his professional journey of over four decades, he has served in the Karnataka State Public Works Department, Karnataka State Irrigation Department, Military Engineer Services under the Ministry of Defence, Govt. of India and Reserve Bank of India, National Bank for Agriculture and Rural Development.

Mr. Manish Sharma

He is a practicing Chartered Accountant for over a decade, he is an expert in matters of personal income tax. He is a veteran faculty and has also delivered many lectures on personal and corporate finance.

From the Desk of Shri Ramesh Prabhu



Mr. Ramesh Prabhu
Chairman / Director

Dear Shareholders,

The fiscal year 2021-22 was the year we established our growth benchmark for coming years. The focus was on enhancing liquidity and building up portfolio along with maintaining asset quality.

At March 31st, 2022 the disbursement increased from Rs. 311 lacs to Rs. 1141.46 lacs resulting 367% growth as compared to previous financial year. Company's total revenue increased from Rs. 243.54 lacs to Rs. 284.73 Lacs, Profit before tax increased from Rs. 28.47 lacs to Rs 62.01 lacs. The Shareholder's fund of the Company stood at Rs. 2001 Lacs.

The promoters of the Company have infused funds through equity in order to meet the regulatory requirement of NOF and to enhance its liquidity position. As you are aware, the RBI has increased the minimum NOF for HFCs. Accordingly, HFCs were required to achieve the NOF of Rs.20 crore by March 31, 2023. I am pleased to inform you that your company has achieved 20 Crore NOF as of March 31, 2022, a year ahead of schedule. Your Company raised fresh term Loan from

financial institutions. Also, SHFC has entered into business arrangement with other HFCs which will further help in the strengthening the performance and growth of the company.

As your company grows, it plans to expand its network, business activities and its range of services. Your Company has consistently worked at such a pace to maintain its position, target new customers and make available the funds to our customer so they can fulfill their dreams of owning a home. During first quarter of FY2021-22, the second wave of pandemic slowed down HFC business growth, but the recovery was sharp by second quarter and continued in second half of the FY2021-22. After the restrictions were lifted in phases, there was strong demand in the housing sector due to increased economic activity and an increase in customer confidence.

Your Company remains committed delivering services to customers and understands the risks and opportunities in the evolving operating environment landscape and is well equipped to navigate the evolving operating landscape with prudent strategies and foresight.

Further your Company has followed and complied all the applicable Laws and regulations and has strictly adhered to the principles of Corporate Governance.

I would like to thank all the stakeholders, including our customers, employees and suppliers, Central and State Governments, Regulatory Authorities, investors, bankers and financial institutions, for their continued faith and trust in all our endeavors. Swagat Housing Finance Company Limited enters 25th Year with a vision of building dreams into reality with the help of initiative under "Affordable Housing for All.

I would like to express my gratitude to our Board of Directors for their expertise and guidance. I am also grateful to all our stakeholders who have reposed their trust in us and given us constant support.

NOTICE TO MEMBERS

Notice is hereby given that the **26th Annual General Meeting** of the Members of **SWAGAT HOUSING FINANCE COMPANY LIMITED** will be held A-1 207 Laram Centre, Opposite Railway Station, Andheri West, Mumbai 400058 on Monday, July 18, 2022 at 2:00 P.M.

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and Auditors report thereon.
- To appoint a director in place of Mr. Ramesh Shankar Prabhu (DIN: 00198244), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
- To re-appoint M/s Talati & Co, Chartered Accountants, Mumbai as the Statutory Auditors of the Company for the financial year 2022-23.
- To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (“Rules”) (including any statutory modification or re-enactment thereof, for the time being in force), M/s Talati & Co, Chartered Accountants, (FRN - 110757W), be and are hereby appointed as the Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the company to be held in the year 2023, at such a remuneration as may be determined by the Board of Directors and as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

FURTHER RESOLVED THAT of the Directors of the Company be and is hereby authorized to do all such acts, deeds, and things as may be necessary and incidental to give effect to this resolution.”

By order of the Board of Directors,
For Swagat Housing Finance Company Limited

Sd/-
Sanjulata Jaiswal
Company Secretary

Place: Mumbai
Date: 27.06.2022

NOTES

- The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the special business as set out in the Notice and the relevant details of the Directors seeking re- appointment/ appointment are annexed hereto.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, KFin Technologies Limited to provide efficient and better services.
- The Notice of the AGM along with Board's Report, Auditors' Report is being sent by sent by the permitted modes.

By order of the Board of Directors,
For Swagat Housing Finance Company Limited

Sd/-
Sanjulata Jaiswal
Company Secretary

Place: Mumbai
Date: 27.06.2022

ORDINARY BUSINESS

Item No. 02

The following is being provided as additional information to the Members:

Pursuant to the provisions of Section 152 and applicable provisions of the Companies Act, 2013 and the Company's Articles of Association, not less than two-thirds of total number of Directors of the Company shall be liable to retire by rotation. One third of these Directors must retire from office at each AGM, but each retiring director is eligible for re-election at such meeting.

Accordingly, Mr. Ramesh Shankar Prabhu (DIN: 00198244), is required to retire by rotation at this AGM and being eligible, has offered himself for re-appointment.

Except Mr. Ramesh Shankar Prabhu (DIN: 00198244), or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolutions set out at Item No. 2.

Considering Mr. Ramesh Shankar Prabhu's skills, competencies, expertise and experience, the Board of Directors recommends the resolution at Item No. 02 for approval of the Members by way of an Ordinary Resolution.

By order of the Board of Directors,
For Swagat Housing Finance Company Limited

Sd/-
Sanjulata Jaiswal
Company Secretary

Place: Mumbai
Date: 27.06.2022

BOARD REPORT

Dear Members,

Your Directors are pleased to present the 26th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2022. Swagat Housing Finance Company Limited ('SHFC'), 'the Company' was incorporated in India on 15th July, 1996 and is carrying on the business of providing loans to retail customers for construction or purchase of residential property and loans against property. The Company is registered with National Housing Bank under Section 29A of the National Housing Bank Act, 1987.

1. FINANCIAL RESULTS

The financial performance of the Company for the year ended March 31, 2022 is summarized below:

(Amount in Lacs)

PARTICULARS	FY 2021-22	FY 2020-21
Revenue from Operations	255.13	218.55
Other Income	29.60	24.99
Total Income	284.73	243.54
Expenditure	222.71	215.06
Profit before Tax	62.01	28.47
Less: Total Tax Expenses	17.54	5.86
Profit after Tax	44.47	22.61
Balance of profit for earlier year	279.93	261.84
Add: Profit for the year	44.47	22.61
Profit available for Appropriation	324.40	284.45
(i) Appropriations to Special reserve created under Section 36(1)(viii) of the IT Act, 1961 / reserve fund under section 29C of the NHB Act, 1987	12.47	4.52
(ii) Profits available after appropriation	311.93	269.08

2. OPERATIONAL PERFORMANCE

2.1. Business Parameters (Sanctions and Disbursements)

During the year under review, your Company sanctioned loans worth Rs. 1470.61 lacs as compared with the sanctions of Rs. 476 lacs during the previous year. Your Company disbursed loans worth Rs. 1141.46 lacs during the year under review as compared with the disbursements of Rs. 311 lacs during the previous year.

2.2. Loan Book

The Company had a good year of operation, aided by the strong growth of the business.

The loan book of the Company as on March 31, 2022 increased to Rs. 2087.97 lacs as compared to Rs. 1479.15 lacs as on 31 March, 2021.

Asset under Management (AUM) as on March 31, 2022 increased to Rs. 2414.07 lacs as compared to Rs. 1654.29 lacs as on 31 March, 2021.

2.3. Financial Performance

During the year under review, your Company's Total income stood to Rs. 284.73 lacs as of March 31, 2022 against Rs. 243.54 lacs as of March 31, 2021.

The Profit before tax for the year ended March 31, 2022 stood at Rs 62.01 lacs as against Rs. 28.47 lacs as at March 31, 2021.

The net worth of the Company as on March 31, 2022 was Rs. 2001 lacs as against Rs. 1786.03 lacs as on March 31, 2021.

Capital Adequacy Ratio of the Company stood at 161.19 % as on March 31, 2022, as against the minimum requirement of 13% stipulated by RBI.

3. ASSET QUALITY

Your Company closed the financial year 2021-22 with a Gross NPA of 1.49% as compared to 2.88% as on March 31, 2021.

The staggering decline in GNPA was driven by stringent collection efforts and implementation of exceptional systems, policies and processes and strong adherence to laid down policies in terms of credit, legal and technical. SHFC's five pillars of strength (Business, Credit, Operations, Collections, and Technology) coupled with excellent asset quality provides us the confidence to achieve profitable and aggressive growth in the coming years.

As on March 31, 2022, the Company has carried a provision of Rs 7.78 lacs towards the Non-Performing Assets resulting NNPA at 1.12%.

4. MATERIAL CHANGES AND COMMITMENTS AFTER CLOSURE OF THE FINANCIAL YEAR 2020-21

There is no Material Changes.

5. DIVIDEND

In order to conserve resources for growth, your Directors do not recommend any dividend for the financial year 2021-22.

6. TRANSFER TO RESERVES

The Company has transferred Rs. 12.47 Lacs to the Special Reserve created under Section 36(1) (viii) of the Income Tax Act, 1961 read with Section 29C (i) of National Housing Bank Act, 1987.

7. RISK MANAGEMENT FRAMEWORK

As per the directions issued by National Housing Bank, your Company has constituted a Risk Management Committee that is responsible for putting in place a risk management system, risk management policy, and strategy to be followed by the Company. The Company follows a proactive risk management policy, aimed at protecting its assets and employees while at the same time ensuring growth and continuity of its business. Regular updates on the development in the business environment and the risk mitigation initiatives are provided to Board at its meeting.

As per this strategy, various risks identified are as follows:

- Credit risk
- Liquidity risk
- Interest rate risk
- Operational risk

The Risk Management Committee along with the Asset Liability Management Committee reviews and monitors these risks at regular intervals.

Credit risk of the Company is managed through credit standards in-line with the business requirements and also following a practice of personally assessing every borrower through meticulous credit evaluation which includes personal visits, physical verification, etc to assess their creditworthiness. In addition to the above, the credit risk management also includes efficient risk management measures, such as assessing the applicant's credit history with credit information bureaus, field investigation of the applicant's credentials, adoption of prudent loan to value ratio and analysis of the borrower's debt service capacity, monitoring the end-use of approved loans, lending only against approved properties, risk-based loan pricing and property insurance.

A separate collection vertical has been set up to monitor the recovery of dues from the borrowers. The recovery team constantly follows up with borrowers for the collection of outstanding dues.

Liquidity risks are managed through ongoing monitoring of Asset Liability mismatch and interest rate risks are managed through regular monitoring of maturity profiles of borrowings and advances to customers.

Operational risks arising from inadequate internal processes, people, and systems or from external events are adequately addressed by the internal control system and are continuously reviewed and monitored. The senior management team regularly assesses the risks and takes appropriate measures to mitigate them. Process improvements and quality control are on-going activities and are built into the employee training modules as well. The Company has well-documented systems to ensure better control over transaction processing and regulatory compliance.

8. STATUTORY AND REGULATORY COMPLIANCES

Your Company continues to comply with the guidelines issued by RBI regarding Accounting Standards, Prudential Norms for asset Classification, Income Recognition, Capital Adequacy, the concentration of credit, Credit Rating, "Know your Customer"- (KYC), Fair Practice Code and other Statutory Requirements.

9. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES (IF ANY)

The Company does not have any subsidiary/joint ventures/ Associate Company hence the disclosures thereof do not apply.

10. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The following changes took place in the composition of Board of Directors and Key Managerial Personnel during the year:

Mr Satish Kotian (DIN 08221970) and Mr Ravindra Shetty (DIN 00699264) resigned as director of the company with effect from November 20, 2021 and February 18, 2022 respectively.

There were new appointment of Directors and Key Managerial Personnel during FY 2021-22.

11. RETIREMENT BY ROTATION

In accordance with the Article No. 99 and 100 of the Articles of Association and applicable provisions of Companies Act 2013,

Mr. Ramesh Shankar Prabhu (DIN: 00198244), Non-Executive Director of the company is liable to retire by rotation at the ensuing Annual General Meeting and is eligible, offers himself for reappointment. A detailed profile of Mr. Ramesh Shankar Prabhu (DIN: 00198244) seeking re-appointment is provided in the notice of the 26th Annual General Meeting.

12. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on the Company's policies and strategy. During the year under review, the Board of Directors met 9 (Nine) times. The intervening gap between the meetings was not more than 120 days. As per section 134(3)(b) of the Companies Act, 2013 the details of the number of the meetings and the dates on which the Board meetings were held are summarized below.

Particulars	Date and number of meetings
Number of Meetings	11 (Eleven)
Date of Meetings	10/04/2021, 28/05/2021, 27/07/2021, 27/09/2021, 09/10/2021, 27/11/2021, 24/12/2021, 19/02/2022, 02/03/2022, 14/03/2022, 31/03/2022.

13. COMMITTEES OF BOARD OF DIRECTORS

The Board of Directors has constituted the following Committees under the relevant provisions of the Companies Act, 2013 and the directions of National Housing Bank:

Name of the Committee	Members
ALM Committee	1. Sahana Ramesh Prabhu 2. Siddharth Ramesh Prabhu 3. Manish Sharma
Executive Committee	1. Sahana Ramesh Prabhu 2. Siddharth Ramesh Prabhu 3. Manish Sharma
Audit Committee	1. Siddharth Ramesh Prabhu 2. R.B. Harnal 3. Ramesh Prabhu 4. Manish Sharma
Risk Management Committee	1. Sahana Ramesh Prabhu 2. Siddharth Ramesh Prabhu 3. Manish Sharma
Nomination and Remuneration committee	1. Sahana Ramesh Prabhu 2. Siddharth Ramesh Prabhu 3. Manish Sharma 4. Ramesh Prabhu

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent 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;
- 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;
- The directors had prepared the annual accounts on a going concern basis; and
- 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.

15. EXTRACT OF THE ANNUAL RETURN

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013, an extract of the Annual Return as on March 31, 2022 in Form No. MGT-9 (Annexure-1) is attached herewith as part of this report and has been placed at the web address of the Company <http://www.shfc.in>.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review your Company had not entered into any Material Contracts or arrangements or transactions with the Related Parties. The details of continuing transactions with the Related Parties are disclosed in Form AOC-2 (Annexure-2).

17. SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 13,00,00,000 comprising of 1,30,00,000 Equity Shares of Rs. 10 each. The Issued, Subscribed and Paid-up is Rs. 12,77,08,760 comprising of 1,27,70,876 Equity shares of Rs. 10 each.

18. DEMATERIALISATION OF SHARES

The paid-up equity shares of the Company have been admitted for dematerialization by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with ISIN No. INE03TR01017.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provision of Section 135 of the Companies Act, 2013 concerning the constitution of Corporate Social Responsibility Committee and related matters do not apply to the Company.

20. INDEPENDENT DIRECTORS AND DECLARATION

Pursuant to Section 149(7) of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company had received declarations from all the Independent Directors of the Company confirming that they meet the 'criteria of Independence' as prescribed under Section 149 (6) of the Act and have submitted their respective declarations as required under Section 149 (7) of the Act.

21. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended, M/s TALATI & CO., Chartered Accountants (Registration No.110757W) were appointed as Statutory Auditors of the Company from the conclusion of the 25th Annual General Meeting (AGM) of the Company held on August 21, 2021 till the conclusion of the 26th AGM to be held in the year 2022.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks, or disclaimers. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

22. INTERNAL AUDIT

The Company has appointed M/s Protune KS Aiyar Consultants Pvt Ltd as Internal Auditors of the Company with effect from July 27, 2021. The Internal Audit is aimed at the evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

23. INTERNAL FINANCIAL CONTROLS

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

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

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

24. CREDIT RATING

Credit Analysis and Research Ltd. ("CARE") has re-affirmed its ratings of "CARE BB; stable (Double BB; outlook: stable) with respect to the credit facilities availed by the Company owing to Improvement in the asset quality, high capital adequacy, growth of Loan portfolio, and on boarding of professionals.

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

The Company does not have any foreign exchange earnings and expenditure. The Company has no activity relating to conservation of energy, technology absorption, and thus the disclosures required as under section 134(3)(m) read with Rule 8(3) of Companies (Accounts) Rule, 2014 are not applicable on the Company.

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

There are no Loans, Guarantees, Investments given during the Financial Year ended on 31st March 2022, which attracts the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

27. DEPOSITS

Your Company is registered as a non-deposit taking Housing Finance Company with National Housing Bank and hence does not accept any deposits. The Company has not accepted any deposits from the public during the financial year ended March 31, 2022 and also there are no outstanding deposits at the end of the financial year.

28. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013

The Company has adopted an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The Internal Complaints Committee (ICC) constituted shall redress the complaints received regarding sexual harassment. During the year under review, no complaints were received under the said Act.

The Company has in place an Anti-Sexual Harassment Policy named "Policy Against Sexual Harassment" in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The said policy is uploaded on the website of the Company. During the financial year under review, no complaint of sexual harassment was received and there were no unresolved complaints as at March 31, 2022.

29. DISCLOSURE OF SIGNIFICANT & MATERIAL ORDERS

During the financial year, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

ACKNOWLEDGEMENTS:

Your Directors wish to thank National Housing Bank for their valuable guidance and support received. Your Directors would also like to acknowledge the role of all its stakeholders' viz., Investors, Shareholders, Bankers, Rating Agencies officials of Credit Bureaus, and other concerned authorities and all others for their wholehearted support, confidence and faith they have reposed in the Company.

Your Directors would like to appreciate the commitment displayed by all the executives, officers, staff, and the Senior Management team of the Company in achieving an excellent performance of the Company during the Financial Year.

For and on behalf of the Board
Swagat Housing Finance Company Limited

Sd/-

Mrs. Sahana Prabhu
Managing Director
DIN: 00198276

Place: Mumbai
Date: 27th June 2022

Sd/-

Mr. Siddharth R Prabhu
Director
DIN: 07741882

**EXTRACT OF ANNUAL RETURN
ANNEXURE - 1
FORM NO. MGT 9**

**As on financial year ended on 31.03.2022
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**

I REGISTRATION & OTHER DETAILS:

1.	CIN	U65922MH1996PLC101035
2.	Registration Date	15/07/1996
3.	Name of the Company	SWAGAT HOUSING FINANCE COMPANY LIMITED
4.	Category/Sub-category of the Company	INDIAN NON GOVERNMENT – COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	A1/207. LARAM CENTRE, OPP. PLATFORM NO.6, NEAR ANDHERI RAILWAY STATION, ANDHERI (WEST) MUMBAI-400058, MAHARASHTRA, INDIA. Email Id: shfccompliances@shfc.in
6.	Whether listed company	Unlisted- Public Company
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Kfin Technologies Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana, 500032. Ph: +91 40 6716 1602 Email ID- hanumantha.patri@kfintech.com

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) NA

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	The business of providing long term finance to any person or persons, company, or corporation, society or association of persons with or without interest and with or without any security for the purpose of enabling such borrower to construct / purchase. any house or any part or portions thereof in India for residential purposes thereof in India for residential purposes on such terms and conditions as the company may deem fit.	6492	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NOT APPLICABLE

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

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	NA	NA	NA

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2021)				No. of Shares held at the end of the year (As on March 31, 2022)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	42,16,901	-	42,16,901	35.51%	47,61,349	-	47,61,349	37.28%	1.78%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	47,98,100	-	47,98,100	40.41%	54,04,828	-	54,04,828	42.32%	1.92%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) (1)	90,15,001	-	90,15,001	75.91%	1,01,66,177	-	1,01,66,177	79.60%	3.70%
(2) Foreign Holding									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Body Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FIs	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of promoters (A)= (A)(1)+(A)(2)	90,15,001	-	90,15,001	75.91%	1,01,66,177	-	1,01,66,177	79.60%	3.70%
B. Public Shareholding									
(B)(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

(B)(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	3,83,500	-	3,83,500	3.23%	1,61,276	-	1,61,276	1.27%	-1.97%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	24,77,635	-	24,77,635	20.87%	24,43,423	-	24,43,423	19.13%	-1.73%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):- Total Public Shareholding = (B)(a) + (B)(b) + (B)(c)	28,61,135	-	28,61,135	24.09%	26,04,699	-	26,04,699	20.40%	-3.70%
(B)(3) Others HUF & SOCIETIES	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub total (B)(3)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3)	28,61,135	-	28,61,135	24.09%	24,04,699	-	24,04,699	20.40%	-3.70%
C. Shares held by Custodian for GDRs & ADRs – NIL									
Grand Total (A + B + C)	1,18,76,136	-	1,18,76,136	100%	1,27,70,876	-	1,27,70,876	100%	7.53%

B) Shareholding of Promoters and Promoter group-

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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.	Sahana Ramesh Prabhu	21,15,078	17.81%	-	26,59,526	20.82%	-	3.01%
2.	Ramesh Prabhu	20,71,823	17.45%	-	20,71,823	16.22%	-	-1.23%
3.	Ramesh Shankar Prabhu HUF	30,000	0.25%	-	30,000	0.23%	-	-0.02%
4.	Prabhu Associates Consultants Private Limited	15,74,000	13.25%	-	21,80,728	17.08%	-	3.83%
5.	Anaga Swagat Finance And Investments Private Limit	15,20,000	12.80%	-	15,20,000	11.90%	-	-0.90%
6.	Bramhadev Consultancy Private Limited	9,54,400	8.04%	-	9,54,400	7.47%	-	-0.57%
7.	Dhara Professional Consultants Private Limited	5,84,700	4.92%	-	5,84,700	4.58%	-	-0.34%
8.	Nutan Printers Private Limited	1,65,000	1.38%	-	1,65,000	1.29%	-	-0.09%
	Total	90,15,001	75.9%	-	1,01,66,177	79.60%	-	3.70%

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

Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
The changes in the promoters' shares have been occurred due to the issue of shares on 31.03.2022 and the share transfers which had taken place throughout the year.	41,86,901	35.25%	47,31,349	37.05%

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

1.	V. VISWANATHAN	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	9,05,223	7.62%	9,05,223	7.62%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-0.53%	0	-0.53%
	At the end of the year	9,05,223	7.09%	9,05,223	7.09%

2.	SYLVESTER GEORGE PEREIRA	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	2,00,000	1.68%	2,00,000	1.68%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-0.12%	0	-0.12%
	At the end of the year	2,00,000	1.57%	2,00,000	1.57%

3.	DIVYESH NARESHBHAI RACHCHH	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	1,70,000	1.43%	1,70,000	1.43%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-0.10%	0	-0.10%
	At the end of the year	1,70,000	1.33%	1,70,000	1.33%

4.	SUSHANT S KOTIAN	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	1,70,000	1.43%	1,70,000	1.43%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-0.10%	0	-0.10%
	At the end of the year	1,70,000	1.33%	1,70,000	1.33%

5.	SANIKA PRABHU	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	1,57,895	1.24%	1,57,895	1.24%
	At the end of the year	1,57,895	1.24%	1,57,895	1.24%

6.	VINAYAK MARKETING CONSULTANT	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	3,33,500	2.81%	3,33,500	2.81%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-1.94%	0	-1.94%
	At the end of the year	1,11,276	0.87%	1,11,276	0.87%

7.	BHAVNA N BHUTA	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	1,11,112	0.94%	1,11,112	0.94%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-0.07%	0	-0.07%
	At the end of the year	1,11,112	0.87%	1,11,112	0.87%

8.	GOVARDHAN SHANKAR PRABHU	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	1,00,000	0.84%	1,00,000	0.84%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-0.06%	0	-0.06%
	At the end of the year	1,00,000	0.78%	1,00,000	0.78%

9.	SIDDHARTH RAMESH PRABHU	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	0.65%	0	0.65%
	At the end of the year	83,334	0.65%	83,334	0.65%

10.	JYOTI NARESH RACHCHH	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	66,700	0.56%	66,700	0.56%
	Decrease in shareholding is due to issue of the share of the company on 31.03.2022	0	-0.04%	0	-0.04%
	At the end of the year	66,700	0.52%	66,700	0.52%

E) Shareholding of Directors and Key Managerial Personnel:

Name of director and key managerial personnel	Shareholding of each Directors and each Key Managerial Personnel	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
Sahana Ramesh Prabhu	At the beginning of the year	21,15,078	17.81%	21,15,078	17.81%
	Increase in shares due to issue of shares on 31.03.2022 and share transfers	5,44,448	0.79%	5,44,448	0.79%
	At the end of the year	26,59,526	20.82%	26,59,526	20.82%
Ramesh Shankar Prabhu	At the beginning of the year	20,71,823	17.45%	20,71,823	17.45%
	Increase in shares due to Transfer	0	1.23%	0	1.23%
	At the end of the year	20,71,823	16.22%	20,71,823	16.22%
Siddharth Prabhu	At the beginning of the year	0	0	0	0
	Increase in shares due to Transfer	83,344	0.65%	83,344	0.65%
	At the end of the year	83,344	0.65%	83,344	0.65%
Manish Kumar Sharma		NIL			
Satish Kotian		NIL			
R. B. Harnal		NIL			
Ravindra Shetty		NIL			
Sanjulata Jaiswal (CS)		NIL			

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,23,66,124	0	0	3,23,66,124
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	3,23,66,124	0	0	3,23,66,124
Change in Indebtedness during the financial year				
* Addition	3,00,00,000	0	0	3,00,00,000
* Reduction	1,75,68,725	0	0	1,75,68,725
Net Change	1,24,31,275	0	0	1,24,31,275
Indebtedness at the end of the financial year	4,47,97,399	0	0	4,47,97,399
i) Principal Amount	4,47,97,399	0	0	4,47,97,399
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	4,47,97,399	0	0	4,47,97,399

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager/ Executive Director		Total Amount
		Sahana Prabhu (MD)	Siddharth Prabhu (Executive Director)	
1	Gross salary	10,00,000	13,25,000	23,25,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	10,00,000	13,25,000	23,25,000
	Ceiling as per the Act	As per Section 198 & Schedule V of the Companies Act 2013		

B. Remuneration to other directors

S.No	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	-	-
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2.	Other Non-Executive Directors	-	-
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Other (specify)	-	-
	Total (2)	-	-
	Total (B)=(1+2+3)	-	-
	Overall Ceiling as per the Act	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD-

S.No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	COMPANY SECRETARY	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	4,50,000	-	4,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	4,50,000	-	4,50,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:NA

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		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding					

For and on behalf of the Board

Swagat Housing Finance Company Limited

Sd/-

Mrs. SAHANA PRABHU

Managing Director
DIN: 00198276

Sd/-

Mr. SIDDHARTH RAMESH PRABHU

Director
DIN: 07741882

Date: 27.06.2022

**ANNEXURE - 2
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:

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
Live & License Agreement
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any **NOT APPLICABLE**
- (e) Justification for entering into such contracts or arrangements or transactions
hence for usage of the Property Company is paying rent.
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

NOT APPLICABLE

Note: As per provisions of Section 188 and Section 2 (76) of the Companies Act, 2013 and Rule 15 of the Companies (Meeting of Board and its Power) 2014, there were no Related Party Contracts or arrangements or transactions which are material in nature during the FY 2020-21. However, the Company has continuing Live & License agreement with the Promoters (Mr Ramesh Prabhu and Mrs. Sahana Ramesh Prabhu) approved in the Board meeting held on March 31, 2019 and October 09, 2021.

For and on behalf of the Board
Swagat Housing Finance Company Limited

Sd/-

SAHANA PRABHU
Managing Director
DIN: 00198276

Sd/-

SIDDHARTH RAMESH PRABHU
Director
DIN: 07741882

Date: 27.06.2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

SHFC is registered with the National Housing Bank (NHB) under section 29A of National Housing Bank Act, 1987. Your Company is a professionally managed housing finance company with registered office at Mumbai. Company's main object is to cater the loan requirements of individuals from middle- and lower-income groups under affordable housing segment. Our endeavour is to provide the customers best in class service standards with faster turnaround times and hassle-free documentation.

Industry Overview

COVID has affected key residential markets in India, but the average rate of new projects has remained the same. After the COVID pandemic, many people rethought their home buying and investment plans. The idea is to invest in a home, either to live in or to leverage it as an asset to generate additional income, mainly in times of crisis. During Q1 FY22, the second wave of pandemic slowed down HFC business growth, but the recovery was sharp by Q2 and continued in Q3. After the restrictions were lifted in phases, there was strong demand in the housing sector due to increased economic activity and an increase in customer confidence.

"Financial entities have generally emerged resiliently from the pandemic and are expanding their business as the economic recovery takes hold. After a modest credit growth in recent years, the outlook for bank credit offtake is positive due to the economic expansion tracking nominal GDP growth, rise in government & private capital expenditure, rising commodity prices, implementation of the PLI scheme, the extension of ECLGS for MSME and retail credit push. The broad asset quality parameters are expected to remain stable due to moderation in slippages, and healthy PCR resulting in lower credit costs". -CARE RATINGS

"We expect the loan books for affordable housing finance companies (AHFC)s to grow by 17-20 per cent in FY2023, driven by factors like largely under-penetrated market, favourable demographic profile, government trust on housing and a favourable regulatory/tax regime that support the growth outlook," ICRA Ratings said in a recent report.

Product-wise Performance

- (a) Sanctions and Disbursement
During the year the Company has sanctioned total loans to the tune of Rs. 1470.61 lacs as against total sanction Rs. 476 lacs during previous year. Further, loans to the tune of Rs. 1141.46 have been disbursed during the current year as against total loans of Rs. 311 during previous year.
- (b) Housing Loans and Non- Housing Loans
Housing loans outstanding as on March 31, 2022 are Rs 1895.94 lacs as against Rs 1280.01 lacs as on March 31, 2021. Non-housing loans outstanding as on March 31, 2022 are Rs192.03 lacs as against 199.15 lacs as on March 31, 2021.

Discussion on Financial Performance

Your Company's Total income stood to Rs. 284.73 lacs as of March 31, 2022 against Rs. 243.54 lacs as of March 31, 2021. The Profit before tax for the year ended March 31, 2022 stood at Rs 62.01 lacs as against Rs. 28.47 lacs as at March 31, 2021.

Net owned fund of the Company stood at Rs 2001 lacs as on March 31, 2022 (previous year Rs 1786.03 lacs). The Company's total CRAR stood at 161.19% for the financial year ended March 31, 2022.

The total borrowing as at March 31, 2021 stood at Rs 447.97 lacs.

Risks and Concerns

Risk management framework is an integral part of the Company's business. As a lending institution, the Company is exposed to various risks that are related to its ending business and operating environment; like credit risk, liquidity risk, interest rate risk, operational risk, legal risk, compliance risk etc. To manage these risks, the Company has adopted a Risk Management Policy which defines various risks and also a framework to manage/ mitigate/ address each of such risks. Further, the Company has a framework of policies and processes for efficient functioning of its business. The Company has a Risk Management Committee in place. The Risk Management Committee assists the Board in its oversight of various risks and review of compliance with risk policies, monitoring risk tolerance limits, reviewing and analysing risk exposures related to specific issues and provide oversight of risk across the organisation.

Internal control systems and their adequacy

SHFC has instituted adequate internal control systems commensurate with the nature of its business and the size of its operations. Internal audit is carried to evaluate the adequacy of all internal controls and processes. All significant audit observations and follow-up actions thereon are reported to the management.

RELATED PARTY TRANSACTION POLICY

1. Preamble

The Related Party Transactions Policy provides a framework to regulate transactions between SHFC ("Company") and its Related Parties based on the applicable laws and regulations applicable on the Company.

2. Definitions

"Related Party" means related party as defined under sub-section (76) of section 2 of the Companies Act, 2013.

Further, any person or entity belonging to the promoter or promoter group of the Company and holding 20% or more of the shareholding in the Company shall be deemed to be a related party.

Pursuant to Section 2(76) of the Companies Act, 2013, related party with reference to a Company, means:

- i. a director or his relative;
- ii. a Key Managerial Personnel (KMP) or his relative;
- iii. a Firm, in which a director, manager or his relative is a partner;
- iv. a Private Company in which a director or manager or his relative is a member or director;
- v. a Public Company in which a director or manager is a director and holds along with his relatives, more than 2% (two per cent) of its paid-up share capital;
- vi. any body corporate whose board of directors, managing director, or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- vii. any person under whose advice, directions or instructions a director or manager is accustomed to act; Provided that nothing in sub-clauses vi and vii shall apply to the advice, directions or instructions given in a professional capacity;
- viii. any body corporate which is -
 - A. a holding, subsidiary or an associate company of the Company;
 - B. a subsidiary of a holding company to which it is also a subsidiary;
 - C. an investing company or the venturer of the Company

For the purpose of clause viii above, "the investing company or the venturer of a company" means a body corporate whose investment in the Company would result in the Company becoming an associate company of the body corporate.

- ix. Director (other than Independent Director) or Key Managerial Personnel ("KMP") of the holding company or his relative;

"Relative" means relative as defined under the Companies Act, 2013 and includes anyone who is related to another, if -

- a. They are members of a Hindu undivided family (HUF) ;
- b. They are husband and wife ; or
- 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)
- j. Sister (including step-sister).

"Associate Company" means a company in which the other company has significant influence but which is not a subsidiary of the Company having such influence and includes a joint venture company.

"Significant Influence" means control of at least 20 (twenty) % of the total voting power or control of or participation in business decisions under an agreement.

"Joint Venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

"Control" shall include:

The right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders'/voting agreements etc.;

"Related Party Transaction" ("RPT") means any transaction directly or indirectly involving any Related Party, which includes transfer of resources, services or obligations between the Company and a related party, regardless of whether or not a price is charged, either single or a group of transactions in a contract.

"Specific Related Party Transaction" shall mean any of the following transactions entered into by the Company with any of its Related Parties which are, either not in the ordinary course of business or not on arm's length basis:

- a. sale, purchases 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 purchases 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; and
- g. underwriting the subscription of any securities or derivatives thereof, of the company.

"Arm's Length Transaction" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

"Office or Place of Profit" means any office or place:

- i. where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent free accommodation, or otherwise;
- ii. where such office or place is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent free accommodation, or otherwise;

"Responsibility Officer" means the Chief Financial Officer (CFO) of the Company. The Board may, appoint such other officer as it may consider proper as such Responsibility Officer(s).

"Applicable Laws" means the Companies Act, 2013 and include any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions.

All terms not defined herein shall take their meaning from the Applicable Laws.

3. Policy

All RPTs must be reported to the Board of Directors and referred for approval by the Board in accordance with this Policy.

4. Identification of Related Parties

The Responsibility Officer shall at all times:

- a. Identify and keep on record list of Company's Related Parties, along with their requisite details. The Responsibility Officer shall identify such functional heads, departmental heads and such other employees (hereinafter referred as "Designated Employees") who are responsible for entering into contracts/ arrangements/ agreements with entities for and on behalf of the Company and circulate the list of Related Parties to all such Designated Employees of the Company along with the approval thresholds for entering into transactions with such Related Parties.
- b. The Responsibility Officer shall also set down the mechanism for reporting of such transactions proposed to be entered or entered with related parties by such Designated Employees as specified in (b) above.
- c. The record of Related Parties shall be updated whenever necessary and shall be reviewed at least once in every six months.
- d. The Responsibility Officer shall be responsible for implementation and monitoring of the Company's RPT Policy at all times.

5. Identification of Potential RPTs

Each Director, KMP and Senior Management Personnel (SMP) is responsible for providing notice to the Board or Audit Committee of any potential RPT involving him/ her or his/ her Relative, including any additional information about the transaction that the Board may reasonably request.

The Board will determine whether the transaction does, in fact, constitute a RPT and requiring compliance of this Policy.

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Board has adequate time to obtain and review information about the proposed transaction. In case of transactions entered without approval of Board, the same shall be placed before the Board for ratification as per the provisions of Companies Act, 2013.

6. Threshold limits & Materiality of RPT

The Committee/ Board shall fix and approve the threshold limit for each individual transaction as may be placed for approval from time to time.

Further, the Board may also fix the threshold limits for the transactions under the omnibus approval in the manner specified below.

A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

7. Review and Approval of RPTs

I. Board of Directors Approval

RPTs, if any, will be referred to the Board for review and prior approval.

The Board may grant Omnibus Approval for RPTs proposed to be entered into by the Company subject to the following conditions:

- i. It shall, after obtaining approval of the Board of Directors, lay down the criteria for granting the omnibus approval in line with the Policy, which shall include the following, namely:
 - a) maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
 - b) the maximum value per transaction which can be allowed;
 - c) extent and manner of disclosures to be made to the Board at the time of seeking omnibus approval;

- d) review, at such intervals as the Board may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made;
- e) transactions which cannot be subject to the omnibus approval by the Board.
- ii. The Board shall consider the following factors while specifying the criteria for making omnibus approval, namely:
 - a. repetitiveness of the transactions (in past or in future);
 - b. justification for the need of omnibus approval.
- iii. It shall satisfy itself regarding the need for such omnibus approval for transactions of repetitive nature and that such approval is in the interest of the Company.
- iv. Such omnibus approval shall specify -
 - a) The name(s) of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
 - b) The indicative base price / current contracted price and the formula for variation in the price if any, and
 - c) Any other information relevant or important for the Board to take a decision on the proposed transaction.
 - d) Provided that where the need for RPT cannot be foreseen and aforesaid details are not available, Board may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 (One) crore per transaction.
 - v. It shall review, at least on a quarterly basis, the details of RPTs entered into by the Company pursuant to each of the omnibus approval given.
 - vi. Such omnibus approvals shall be valid for a period not exceeding 1 (one) financial year and shall require fresh approvals after the expiry of 1 (one) financial year.
 - vii. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.
 - viii. Any other conditions as the Board may deem fit.

In order to review a RPT, the Board will be furnished with all relevant material information of the RPT, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

In determining whether to approve a RPT, the Board will consider the following factors, among others, to the extent relevant to the RPT:

- a) Name of the related party and the relationship
- b) Nature and duration of transaction and material terms including the value, if any
- c) The manner of determining the pricing and whether the terms of the RPT are fair and on arm's length basis to the Company
- d) Business rationale for such transactions.

In case of transaction, other than transactions referred to in Section 188 of the Act, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board. Further, in case any transaction involving any amount not exceeding Rupees 1 (one) crore is entered into by a director or officer of the Company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within 3 (three) months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorized by any other director, the director concerned shall indemnify the Company against any loss incurred by it.

The requirement of obtaining Audit Committee approval or any subsequent modification of transactions of the Company with related parties by the Audit Committee shall not apply to a transaction, other than a transaction referred to in Section 188, between a holding company and its wholly owned subsidiary company.

II. Shareholder's Approval

If the Board determines that a RPT should be brought before the Shareholders, or it is mandatory under any Applicable law for the shareholders to approve a RPT or in case of material RPTs, then such shareholder approval, as may be necessary or appropriate under the circumstances, shall be obtained and the considerations set forth above shall apply to the Shareholders' approval of the matter.

However, all material related party transactions shall require approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

8. RPTs not approved under this Policy

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

In any case, where the Audit Committee determines not to ratify a RPT that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. The Audit Committee/ Board has authority to modify or waive any procedural requirements of this Policy with respect to existing Related Party Transactions (RPTs)

This Policy shall operate prospectively and all the agreements which have been entered before the effective date of this Policy and are in accordance with the then prevailing laws shall be valid and effective.

This Policy will be communicated to all Directors, KMPs, functional heads and other Designated Employees of the Company.

9. Disclosures/Amendment

Necessary disclosures shall be made by the Company in its Annual Report as may be required under applicable laws.

Pursuant to Section 134(3)(h) of the Companies Act, 2013, particulars of contracts or arrangements with related parties referred to in Section 188 of the Companies Act, 2013 shall be disclosed in the Director's Report in the prescribed format.

The Company shall disclose the Policy on dealing with Related Party Transactions (RPTs) on its website.

The rights to interpret/amend/modify this Policy vests in the Board of Directors of the Company.

Any matter not provided for in this Policy shall be handled in accordance with applicable laws, and the Company's Articles of Association.

This Policy is in conformity with Applicable Laws. In case any clause /provision of this Policy is inconsistent with Applicable Laws, the provisions of such Laws shall prevail. Any subsequent amendment / modification in the Applicable Laws shall automatically apply to this Policy.

Policy Review:

This policy shall be reviewed and reassessed by the Board as and when required.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Swagat Housing Finance Co. Ltd
(CIN: U65922MH1996PLC101035)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Swagat Housing Finance Co. Ltd.** ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, and statement of cash flows 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 there under, 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.

Responsibilities of Management and Those Charged with Governance 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, 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 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 statements 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 Responsibilities 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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, and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) "Attention is drawn to the paragraph III(iv) under the section "Auditor's Responsibility" above that "the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances". Such consideration of internal financial controls during the course of audit of financial statements is not an audit of internal financial controls with an objective of expressing a view on the adequacy or effectiveness of these controls. The reporting on internal financial controls is not covered under the Standards on Auditing issued by the ICAI and no framework has been prescribed under the Companies Act, 2013 and the Rules there under for the evaluation of internal financial controls. Based on our audit carried out in the manner as specified in paragraph III(iv) above, nothing has come to our notice during the course of our audit that the company does not have internal financial controls or that they are inadequate or ineffective;
 - 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. The Company does 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Talati & Co
Chartered Accountants
(Firm's Registration No. **110757W**)
Bharat B Talati

Partner
(Membership No. 032245)

Place of Signature:
Date: June 27, 2022

"Annexure A" to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of SWAGAT HOUSING FINANCE COMPANY LIMITED on the accounts of the company for the year ended 31st March, 2022]:-

- i. a. (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its property & Plant and equipment.

(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no intangible assets in the name of the company hence reporting requirement in said clause is not applicable,
- b. The property & Plant & equipment of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of physical verification is reasonable.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immovable property in the name of the company hence reporting requirement in said clause are not applicable.
- d. Company has not revalued its property, Plant and machinery (Including right of use assets) or intangible assets during the year hence reporting requirement in said clause is not applicable.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, none of the proceedings have been initiated or are pending against the company for holding any benami property hence reporting requirement in said clause is not applicable.
- ii. The Company is Housing Finance Company (Service Company), primarily rendering housing finance services. Accordingly, it does not hold any physical inventories. hence reporting requirement in said clause are not applicable.
- iii. According to the information and explanations given to us during the year, Company has not granted any guarantee, loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (the 'Act'). hence reporting requirements in said clause are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. hence reporting requirement in said clause are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us the Company did not have any dues on account of duty of customs and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the Company did not have any dues on account of income tax, sales tax, service tax, duty of customs, value added tax, goods and service tax and duty of excise which have not been deposited on account of dispute:
- viii. As informed to us, During the year no Income tax assessment has been carried out hence reporting requirement in said clause are not applicable.

- ix. (a) During the year, company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) During the year, company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) Term loan were applied for the purpose for which the loans were obtained.
- (d) Funds raised on short term basis have not been utilized for long term purposes.
- (e) During the year company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates or joint ventures.
- (f) During the year company has not raised any loan on the pledge of securities held in its subsidiaries, Joint ventures or associates companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting requirement in said clause is not applicable.
- (b) During the year Company has raised money by way of private placement of shares and requirements of section 42 & section 62 of the companies' act 2013 are duly complied with.
- xi. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the companies act has been filed by the auditors in form ADT -4 as prescribed under rule 13 of companies (Audit & Auditors) Rules 2014 with the central government.,
- (c) No whistle-blower complaints were received during the year by the company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence reporting requirements in said clause are not applicable.
- xiii. 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 sections 177 and 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;
- xiv. (a) Company has an internal audit system commensurate with the size and nature of its business.
- (b) Reports of Internal auditors for the period under audit were considered by the statutory auditor.
- xv. 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 him hence reporting requirement in said clause is not applicable.
- xvi. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the company is in the business of providing housing finance activities and is registered u/s 29A of the national housing bank Act 1987. National housing bank is an autonomous body of reserve bank of India and accordingly the company is registered with Reserve Bank of India Act 1934.
- (b) The company is in the business of providing housing finance activities holding certificate of registration (COR) and is registered u/s 29A of the national housing bank Act 1987.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve bank of India. Hence reporting requirement in sub clause (c) & sub clause (d) of clause (xvi) of this order are not applicable.
- xvii. Company has not incurred any cash losses in the financial year and not in the immediately preceding financial year hence reporting requirement in said clause is not applicable.
- xviii. There has been no resignation form of the statutory auditors during the year hence reporting requirement in said clause is not applicable.

- xix. According to the information and explanations given to us & on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that there are no material uncertainty exists as on the date of the audit report, that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company for financial year under audit, CSR provisions are not applicable to the company hence reporting requirements in said clause are not applicable.
- xxi. As on balance sheet date company does not have any Subsidiaries, Joint ventures or associates hence preparation of consolidated financial statement is not applicable and accordingly reporting requirement in said clause is not applicable.

For TALATI & CO,
Chartered Accountants
FRN: 110757W

BHARAT B TALATI
(Partner)
MRN: 032245

Place: Mumbai
Date: June 27, 2022

SWAGAT HOUSING FINANCE COMPANY LIMITED

(CIN NO. U65922MH1996PLC101035)

BALANCE SHEET AS AT 31ST MARCH, 2022.

PARTICULARS	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	1	12,77,08,760	11,87,61,360
(b) Reserves and Surplus	2	7,23,41,868	5,98,41,998
(c) Money Received against Share Warrant	-	-	-
2 Non-Current Liabilities			
(a) Long Term Borrowings	3	2,85,45,265	1,81,99,012
(b) Deferred Tax Liabilities (Net)	4	32,96,903	30,89,915
(c) Other Long Term Liabilities	-	-	-
(d) Long-term Provisions	5	13,44,720	11,66,790
3 Current Liabilities			
(a) Short Term Borrowings	6	1,62,52,134	1,41,67,112
(b) Trade Payable	7	69,03,789	9,60,318
(c) Other Current Liabilities	8	5,51,945	3,20,776
(d) Short Term Provisions	9	14,30,550	-
TOTAL		25,83,75,935	21,65,07,281
II. ASSETS			
1 Non-current assets			
(a) Property, Plant & Equipments and Intangible Assets			
(i) Property, Plant & Equipments	10	8,34,141	17,32,848
(ii) Intangible Assets	-	-	-
(b) Non-current Investments	11	1,67,78,504	1,25,80,479
(c) Long-term loans and advances	12	20,87,96,849	14,79,15,918
(d) Other non current assets	13	47,39,600	39,29,600
2 Current assets			
(a) Trade Receivables	14	16,03,996	14,78,465
(b) Cash and cash equivalents	15	1,69,44,032	4,68,87,559
(c) Short-term loans and advances	16	70,65,289	11,74,213
(d) Other current assets	17	16,13,524	8,08,199
TOTAL		25,83,75,935	21,65,07,281

III. Significant Accounting Policies & Notes To Accounts 24 To 44

In terms of our Report of even date

For Swagat Housing Finance Company Limited

For Talati & Co.
Chartered Accountants
(Firm Reg no 110757W)

(Bharat B. Talati)
Partner
(Membership No 032245)
Place: Mumbai
Date : 27th June, 2022

(Mrs. Sahana Prabhu)
Director
DIN NO.00198276

(Mr. Siddharth Prabhu)
Director
DIN NO.07741882

Mrs. Sanjulata Jaiswal
Company Secretary
MEM NO. A58877

Place: Mumbai
Date : 27th June, 2022

SWAGAT HOUSING FINANCE COMPANY LIMITED

(CIN NO. U65922MH1996PLC101035)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2022.

PARTICULARS	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I Revenue From Operations	18	2,55,12,618	2,18,55,316
II Other income	19	29,60,013	24,99,221
III Total Income (I+II)		2,84,72,632	2,43,54,537
IV Expenses:			
(A) Finance Costs	20	38,94,333	31,55,239
(B) Employee Benefit Expenses	21	89,69,841	99,84,680
(C) Other Expenses	22	81,68,383	72,55,418
(D) Depreciation and Amortization Expenses	10	10,60,692	11,11,450
(E) Provisions Against Assets	23	1,77,930	-
V Total Expenses		2,22,71,178	2,15,06,787
VI Profit Before Tax (III-V)		62,01,454	28,47,751
VII Tax expenses:			
(A) Current tax		14,30,550	5,17,800
(B) Tax Adjustment of earlier years		1,16,705	-
(C) Deferred tax		2,06,988	68,479
VIII Total Tax Expenses		17,54,243	5,86,279
IX Profit After Tax (VI-VIII)		44,47,211	22,61,472
X Earnings Per Share:			
(A) Basic & Diluted		0.37	0.21
(B) Weighted Average No. of Equity Shares		1,18,78,587	1,07,95,768
XI. Significant Accounting Policies & Notes To Accounts	24 To 44		

In terms of our Report of even date

For Swagat Housing Finance Company Limited

For Talati & Co.
Chartered Accountants
(Firm Reg no 110757W)

(Bharat B. Talati)
Partner
(Membership No 032245)
Place: Mumbai
Date : 27th June, 2022

(Mrs. Sahana Prabhu)
Director
DIN NO.00198276

(Mr. Siddharth Prabhu)
Director
DIN NO.07741882

Mrs. Sanjulata Jaiswal
Company Secretary
MEM NO. A58877

Place: Mumbai
Date : 27th June, 2022

SWAGAT HOUSING FINANCE COMPANY LIMITED
(CIN NO. U65922MH1996PLC101035)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	31.3.2022 RS.	31.3.2021 RS.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) After Tax	44,47,211	22,61,472
<u>Add: Adjustments for:</u>		
Depreciation and Amortization	10,60,692	11,11,450
Bad Debts written off	9,42,508	29,62,722
Provision against Standard Assets	1,54,186	-
Provision against Doubtful Assets	23,744	-
Provision for Income Tax	14,30,550	5,17,800
Deferred Tax	2,06,988	68,479
<u>Less: Adjustments for:</u>		
Reversal of Provisions no Longer Required	-	(6,04,262)
Gains on Sale of Mutual Funds	(5,66,095)	(1,97,832)
Interest Income on Deposits	(8,17,799)	(10,28,010)
Operating Profit/(Loss) before Working Capital Changes	68,81,985	50,91,818
<u>Adjustments for:</u>		
Increase/(Decrease) in Current & Other Liabilities / Provisions	2,31,169	(14,334)
Increase/(Decrease) in Trade Payables	59,43,472	(3,18,239)
(Increase)/Decrease in Trade Receivables	(1,25,531)	(4,26,103)
(Increase)/Decrease in Other Current Assets	(8,05,325)	(1,26,763)
(Increase)/Decrease in Other Non Current Assets	(8,10,000)	-
(Increase)/Decrease in Short Term Loans & Advances	(47,78,276)	11,33,896
(Increase)/Decrease in Long Term Loans & Advances	(6,18,23,439)	(22,19,765)
Cash generated from Operations	(5,52,85,946)	31,20,510
Less: Income Tax Paid (Net of Income Tax Refund)	(11,12,800)	(11,32,698)
Net Cash from/(used in) Operating Activities (A)	(5,63,98,745)	19,87,812
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,61,985)	(5,30,500)
Sale/(Purchase) of Investments (Net)	(41,98,025)	(1,15,80,479)
Income on Investments (Gain on Sale of Mutual Funds)	5,66,095	1,97,832
Interest Income Earned on Deposits	8,17,799	10,28,010
Net Cash from/(used in) Investing Activities (B)	(29,76,117)	(1,08,85,137)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	3,00,00,000	2,70,00,000
Repayment of Short & Long Term Borrowings	(1,75,68,725)	(1,95,27,871)
Proceeds against Issue of Equity Shares Capital	89,47,400	1,08,33,360
Proceeds against Securities Premium	80,52,660	86,66,688
Net Cash from/(used in) Financing Activities (C)	2,94,31,335	2,69,72,177
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS [A + B + C]	(2,99,43,527)	1,80,74,852
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,68,87,559	2,88,12,707
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,69,44,032	4,68,87,559

Notes:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3).
2. Figures in the brackets indicate Cash Outflows.
3. The previous year's figures have been regrouped/restated whenever necessary to confirm the current year's classification.

In terms of our Report of even date

For Swagat Housing Finance Company Limited

For Talati & Co.
Chartered Accountants
(Firm Reg no 110757W)

(Bharat B. Talati)
Partner
(Membership No 032245)
Place: Mumbai
Date : 27th June, 2022

(Mrs. Sahana Prabhu)
Director
DIN NO.00198276

(Mr. Siddharth Prabhu)
Director
DIN NO.07741882

Mrs. Sanjulata Jaiswal
Company Secretary
MEM NO. A58877

Place: Mumbai
Date : 27th June, 2022

Note 1: SHARE CAPITAL

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Authorised: 1,30,00,000 Equity Shares (As at 31st March, 2021: 1,20,00,000 Equity Shares) of Rs. 10 each.	13,00,00,000	12,00,00,000
Issued, Subscribed and Paid-up: 1,27,70,876 Equity Shares (As at 31st March, 2021: 1,18,76,136 Equity Shares) of Rs.10 each fully paid up.	12,77,08,760	11,87,61,360
Total Issued, Subscribed and Paid-up Share Capital	12,77,08,760	11,87,61,360

Note 1.1: Reconciliation of no. of Shares outstanding

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2021
	No. of Shares	RS.	No. of Shares	RS.
Equity Shares (Rs. 10 each fully paid up):				
Outstanding at the beginning of the year	1,18,76,136	11,87,61,360	1,07,92,800	10,79,28,000
Issued during the year	8,94,740	89,47,400	10,83,336	1,08,33,360
Outstanding at the end of the year	1,27,70,876	12,77,08,760	1,18,76,136	11,87,61,360

Note 1.2: Details of Shareholders holding more than or equal to 5% shares in the company

(in Rs.)

NAME OF SHAREHOLDER	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Mr. Ramesh S. Prabhu	20,71,823	16.22%	20,71,823	17.45%
Mrs. Sahana R. Prabhu	26,59,526	20.82%	21,15,078	17.81%
Mr. V. Vishwanathan	9,05,223	7.09%	9,05,223	7.62%
Prabhu Associates Consultants Pvt. Ltd	21,80,728	17.08%	15,74,000	13.25%
Anaga Swagat Finance & Investments Pvt. Ltd	15,20,000	11.90%	15,20,000	12.80%
Brahmadev Consultancy Pvt. Ltd.	9,54,400	7.47%	9,54,400	8.04%
Dhara Professional Consultants Pvt. Ltd.	5,84,700	4.58%	5,84,700	4.92%

Note 1.3: Description of the rights, preferences and restrictions attached to each class of shares

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

Note 1.4: Details of Promoter's Shareholding:

(in Rs.)

NAME OF SHAREHOLDER	For the year ended 31st March, 2022		For the year ended 31st March, 2021		% change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Ramesh Shankar Prabhu	20,71,823	16.22%	20,71,823	17.45%	-1.22%
Sahana Ramesh Prabhu	26,59,526	20.82%	21,15,078	17.81%	3.02%
Ramesh Shankar Prabhu Huf	30,000	0.23%	30,000	0.25%	-0.02%
Dhara Professional Consultants Private Ltd.	5,84,700	4.58%	5,84,700	4.92%	-0.34%
Brahmadev Consultancy Private Ltd.	9,54,400	7.47%	9,54,400	8.04%	-0.56%
Anaga Swagat Finance & Investments Pvt. Ltd.	15,20,000	11.90%	15,20,000	12.80%	-0.90%
Nutan Printers Private Limited	1,65,000	1.29%	1,65,000	1.39%	-0.10%
Prabhu Associates Consultants Private Ltd.	21,80,728	17.08%	15,74,000	13.25%	3.82%

Note 2: RESERVES & SURPLUS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Statutory Reserve Account (As per Section 29C of National Housing Bank Act, 1987)		
Opening Balance	48,93,044	48,86,319
Add: Transfer from Surplus in the Statement of Profit & Loss A/c	-	6,725
Closing Balance	48,93,044	48,93,044
(b) Special Reserve Account (As per Section 36(1)(viii) of the Income Tax Act, 1961)		
Opening Balance	1,14,87,213	1,10,41,644
Add: Transfer from Surplus in the Statement of Profit & Loss A/c	12,47,832	4,45,569
Closing Balance	1,27,35,045	1,14,87,213
(c) Securities Premium		
Opening Balance	1,54,68,188	68,01,500
Add: During the year	80,52,660	86,66,688
Closing Balance	2,35,20,848	1,54,68,188
(d) Surplus in Statement of Profit & Loss		
Opening Balance	2,79,93,553	2,61,84,375
Add: Profit for the year	44,47,211	22,61,472
Amount Available for Appropriations	3,24,40,763	2,84,45,847
Less: Appropriations		
Transfer to Statutory Reserve	(12,47,832)	(4,52,294)
Transfer to Statutory Reserve Account (Section 29C of National Housing Bank Act, 1987)	-	(6,725)
Transfer to Special Reserve Account (As per Section 36(1)(viii) of the Income Tax Act, 1961)	(12,47,832)	(4,45,569)
Closing Balance	3,11,92,931	2,79,93,553
Grand Total	7,23,41,868	5,98,41,998

Note 2.1:

In accordance with the National Housing Bank circular no. NHB(ND)/DRS/Pol.Circular.61/2013-14 dated April 7,2014 following disclosure is made:

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Statutory Reserve (as required u/s. 29C of NHB Act, 1987 and u/s. 36(1)(viii) of IT Act, 1961)		
<u>Balance at the beginning of the year - (A)</u>	1,63,80,257	1,59,27,963
(a) Statutory Reserve as per Section 29C of National Housing Bank Act, 1987.	48,93,044	48,86,319
(b) Amount of Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of NHB Act, 1987	1,14,87,213	1,10,41,644
Sub Total	1,63,80,257	1,59,27,963
<u>Add: Additions / Appropriations out of Current Years Profit - (B)</u>	12,47,832	4,52,294
(a) Amount Transferred u/s 29C of the NHB Act, 1987	-	6,725
(b) Amount of Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of NHB Act, 1987	12,47,832	4,45,569
Sub Total	12,47,832	4,52,294
<u>Less: Withdrawals during the year - (C)</u>		
Balance at the end of the year - (D) = (A) + (B) - (C)	1,76,28,089	1,63,80,257
(a) Statutory Reserve u/s 29C of National Housing Bank Act, 1987.	48,93,044	48,93,044
(b) Amount of Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of NHB Act, 1987	1,27,35,045	1,14,87,213
Total (A+B-C)	1,76,28,089	1,63,80,257

Note 3: LONG TERM BORROWINGS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<u>Term Loans:</u>		
<u>Secured:</u>		
(a) From Banks/Financial Institutions		
AU Small Finance Bank Ltd.	3,33,938	43,41,050
UC Inclusive Credit Private Limited	1,75,13,365	-
(b) From National Housing Board (NHB)	1,06,97,962	1,38,57,962
Total	2,85,45,265	1,81,99,012

Note 3.1:

Loans and Advances from AU Small Finance Bank Ltd. are secured by pari passu charge on the bookdebts of the company.

Loans and Advances from AU Small Finance Bank Ltd. are repayable at maturity ranging between 3 to 5 years (Previous year 3 to 5 years) from the date of loan taken. Rate of Interest payable on term loans varies between 10% to 14.50% (Previous year 11% to 14.50%).

Loans and Advances from UC Inclusive Credit Pvt. Ltd. are secured by pari passu charge on the bookdebts of the company.

Loans and Advances from UC Inclusive Credit Pvt. Ltd. are repayable at maturity of 3 years (Previous year Nil) from the date of loan taken. Rate of Interest payable on term loans is 15.25% (Previous year Nil).

Loans and Advances from NHB are secured by pari passu charge on the bookdebts of the company. Also Bank guarantee of Rs. 15.00 lacs provided as security.

Loans and Advances from NHB are repayable at maturity ranging between 1 to 10 years (Previous year 1 to 10 years) from the date of loan taken. Rate of Interest payable on term loans varies between 5.4% to 6% (Previous year 5.4% to 6%).

Current portion of above liability is disclosed under the head "Short Term Borrowings". (Refer Note 6)

NOTE 4: DEFERRED TAX LIABILITIES (NET)

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance at the beginning of the year	30,89,915	30,21,436
Add: Current year DTL due to addition in Special Reserves (u/s 29C / 36(1)(viii))	3,14,054	1,15,848
Add: Current year DTA due to difference in Depreciation	(1,07,066)	(47,369)
Balance at the End of the year	32,96,903	30,89,915

NOTE 5: LONG TERM PROVISIONS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Provision for Bad & Doubtful Debts	7,78,433	7,54,689
Provision for Standard Assets	5,66,287	4,12,101
Balance at the End of the year	13,44,720	11,66,790

NOTE 6: SHORT TERM BORROWINGS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Maturities of Long Term Borrowings (Refer Note-3)	1,62,52,134	1,41,67,112
Balance at the End of the year	1,62,52,134	1,41,67,112

NOTE 7: TRADE PAYABLES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Total outstanding dues of Micro, Small & Medium Enterprises (MSME)	-	-
Total outstanding of creditors other than Micro, Small & Medium Enterprises (MSME)	69,03,789	9,60,318
Balance at the End of the year	69,03,789	9,60,318

NOTE 7.1: TRADE PAYABLE AGEING SCHEDULE

(in Rs.)

PARTICULARS	Less than 1 year	1 - 2 years	2 - 3 years	more than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	41,11,563	27,92,226	-	-	69,03,789
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

Note 8: OTHER CURRENT LIABILITIES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Advance from Borrowers	2,38,268	2,43,442
TDS Payable	47,477	54,531
Professional Tax Payable	2,800	-
GST Payable (Net)	2,63,400	22,803
Total	5,51,945	3,20,776

NOTE 6: SHORT TERM PROVISIONS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Provision for Income Tax (F.Y. 2021-2022)	14,30,550	-
Total	14,30,550	-

NOTE 10: PROPERTY, PLANT & EQUIPMENTS

(in Rs.)

Description	Gross Carrying Amount				Accumulated Depreciation/Amortisation				Net Carrying Amount	
	As at 01.04.2021	Additions	Deletions/ Adjustments	As at 31.03.2022	As at 01.04.2021	Depre- ciation	Deletions/ Adjustments	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
<u>(1) Tangible Assets</u>										
(i) Computer System	40,59,818	-	-	40,59,818	24,11,501	10,04,074	-	34,15,575	6,44,243	16,48,317
(ii) Furniture & Fixtures	10,30,755	1,10,250	-	11,41,005	9,88,247	32,708	-	10,20,955	1,20,050	42,508
(iii) Air Conditioner	2,42,458	-	-	2,42,458	2,32,278	2,289	-	2,34,567	7,891	10,180
(iv) Office Equipments	4,32,179	51,735	-	4,83,914	4,00,337	21,621	-	4,21,958	61,957	31,842
Total	57,65,210	1,61,985	-	59,27,195	40,32,362	10,60,692	-	50,93,054	8,34,141	17,32,848
Previous Year	52,34,710	5,30,500	-	57,65,210	29,20,912	11,11,450	-	40,32,362	17,32,848	23,13,798

NOTE 11: NON-CURRENT INVESTMENTS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
OTHER INVESTMENTS (NON TRADE) UNQUOTED - (FULLY PAID)		
Fixed Deposits including Accrued Interest (Maturity more than 12 months)	16,87,938	15,80,479
Equity Shares in Swagat Hire Purchase & Finance Pvt. Ltd. Face Value of Rs. 10	5,00,000	5,00,000
Equity Shares in Anaga swagat Finance & Investments Pvt. Ltd. Face Value of Rs.100	5,00,000	5,00,000
Investments in Mutual & Other funds - (Market Value - Rs. 1,41,66,147.90/-, P.Y. Rs.1,02,24,535.20/-)	1,40,90,566	1,00,00,000
Aggregate value of investments	1,67,78,504	1,25,80,479
Cost of Quoted investments	1,40,90,566	1,00,00,000
Cost of Unquoted investments	26,87,938	10,00,000

NOTE 11.1:

(in Rs.)

PARTICULARS	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs)		Basis of Valuation
		2022	2021			2022	2021	2022	2021	
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Fixed Deposits including Accrued Interest	(others)	-	-	Unquoted	-	-	-	16,87,938	-	-
Investment in Equity Instruments										
i) 50000 equity shares of 10/- each Swagat Hire Purchase & Finance Pvt. Ltd.	(others)	50,000.00	50,000.00	Unquoted	Fully Paid	3.39	3.39	5,00,000	5,00,000	Face Value
ii) 5000 equity shares of 100/- each Anaga swagat Finance & Investments Pvt. Ltd.	(others)	5,000.00	5,000.00	Unquoted	Fully Paid	1.33	1.33	5,00,000	5,00,000	Face Value
Investments in Mutual & Other Funds										
SBI Overnight Fund - Regular Growth - (Market Value - Rs.52,84,265.33/-)	(others)	1,542.72	1,539.10	Quoted	-	-	-	52,57,097	50,00,000	-
SBI Liquid Fund - Regular Growth - (Market Value - Rs.52,74,743.70/-)	(others)	1,593.22	1,597.12	Quoted	-	-	-	52,44,502	50,00,000	-
HDFC Overnight Fund - Regular Growth - (Market Value - Rs.36,07,138.87/-)	(others)	1,150.24	-	Quoted	-	-	-	35,88,967	-	-
								1,67,78,504	1,10,00,000	

NOTE 12: LONG TERM LOANS AND ADVANCES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2021
	Rs.	Rs.	Rs.	Rs.
a. Loans and Advances to Related Parties Unsecured, Considered Good		-		-
b. Other Loans and Advances		-		-
<u>Secured, Considered as Standard Assets</u>				
Housing Loans	22,00,36,815	-	14,15,50,742	-
Non-Housing Loans	1,92,70,043	-	1,99,96,266	-
<u>Secured, considered as Doubtfull Assets</u>				
Housing Loans	21,00,010	-	38,82,578	-
	24,14,06,868	-	16,54,29,587	-
Less: Securitised Loans	3,26,10,019	-	1,75,13,669	-
Sub-Total		20,87,96,849		20,87,96,849
Total - (B)	20,87,96,849			14,79,15,918
Total - (A + B)	20,87,96,849			14,79,15,918

Note 12.1: The Company has securitised/assigned pool of certain housing and non housing loans and managed servicing of such loan accounts. The balance outstanding in the pool, as at the reporting date aggregates Rs. 3,26,10,019/- (Previous year-Rs. 1,75,13,669/-). These assets have been de-recognised in the books of the company. The Company is responsible for collection and getting servicing of this loan portfolio. In terms of the said securitisation / assignment agreements, the company pays to buyer / investor on monthly basis the prorata collection amount as per individual agreement terms.

NOTE 13: OTHER NON CURRENT ASSETS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Deposits for Rented Premises	45,94,600	37,94,600
Deposits for Renovation	10,000	-
Other Deposits	1,35,000	1,35,000
Total	47,39,600	39,29,600

NOTE 14: TRADE RECEIVABLES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Trade Receivables		
Secured, Considered Good	5,90,274	17,00,911
Secured, Considered Doubtful	16,44,203	3,81,669
Gross Trade Receivables	22,34,477	20,82,580
Less: Interest Due, Considered Doubtful (NPA Accounts)	(6,30,481)	(6,04,115)
Total Trade Receivables	16,03,996	14,78,465
Total	16,03,996	14,78,465

NOTE 14.1: TRADE RECEIVABLES AGEING SCHEDULE

(in Rs.)

Outstanding for the following periods from the due date of payment	Undisputed Trade Receivables - Considered Good	Undisputed Trade Receivables - Considered Doubtful	Disputed Trade Receivables - Considered Good	Disputed Trade Receivables - Considered Doubtful
(i) Less than 6 months	5,90,274	3,45,688	-	-
(ii) 6 months - 1 Year	-	3,22,249	-	-
(iii) 1 - 2 Years	-	3,45,785	-	-
(iv) 2 - 3 Years	-	-	-	-
(v) More than 3 Years	-	-	-	-
Total	5,90,274	10,13,722		

NOTE 15: CASH AND CASH EQUIVALENTS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2021
	RS.	RS.	RS.	RS.
<u>a. Balances with banks</u>				
Axis Bank	15,96,775	-	74,28,415	-
AU Bank	39,71,529	-	1,13,00,682	-
Federal bank	32,84,716	-	1,43,37,144	-
In Fixed Deposit Accounts (Including Accrued Interest)-Maturity less than 12 months	75,30,966	1,63,83,985	1,26,81,702	4,57,47,943
<u>b. Cash on hand</u>	-	5,60,047	-	11,39,616
		1,69,44,032		4,68,87,559

NOTE 16: SHORT TERM LOANS AND ADVANCES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Income Tax Receivable for A.Y. 2018-19	14,850	-
Income Tax Receivable for A.Y. 2020-21	3,15,218	-
Income Tax Receivable for A.Y. 2021-22	6,10,304	-
Advance Tax / TDS-F.Y. 2021-2022	10,16,900	-
Advance Tax / TDS-Earlier Years (Net of Provision)	-	9,38,623
Advance / Loan to Employees	14,48,000	-
Capital Advance for Office Renovation	26,97,297	-
Other Short Term Advances	9,62,720	2,35,590
Total	70,65,289	11,74,213

NOTE 17: OTHER CURRENT ASSETS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Prepaid - IT Related Charges	2,81,459	42,694
Prepaid - Other Expenses	12,80,614	4,39,008
Ex-Gratia Receivable (RBI)	51,451	3,26,497
Total	16,13,524	8,08,199

NOTE 18: REVENUE FROM OPERATIONS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income from Financing activities:		
Interest From Housing Loans	1,96,48,619	1,72,34,942
Interest From Non-Housing Loans	30,86,327	39,79,363
Non-Interest Income from Financing activities (Refer note below)	27,77,672	6,41,011
Total	2,55,12,618	2,18,55,316

Note 18.1: Non-Interest Income from Financing activity includes Loan Processing Fees & Other Charges.

NOTE 19: OTHER INCOME

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Bank Deposits	8,17,799	9,97,522
Interest on Security Deposit	-	30,488
Interest on Income Tax Refund	26,304	-
Other Income	15,49,816	6,69,117
Gain on Sale of Mutual/Liquid Funds (Net)	5,66,095	1,97,832
Provisions no Longer Required Written Back	-	6,04,262
Total	29,60,013	24,99,221

NOTE 20: FINANCE COST

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expenses	36,97,395	30,95,558
Other Borrowing Costs: Loan Processing Fees & Other Charges	1,96,938	59,681
Total	38,94,333	31,55,239

NOTE 21: EMPLOYEE BENEFIT EXPENSES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Bonus & Allowances	59,89,942	54,02,510
Directors Remuneration	29,00,000	45,65,000
Staff welfare / Staff Insurance Expenses	79,899	17,170
Total	89,69,841	99,84,680

NOTE 22: OTHER EXPENSES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Advertisement & Business Promotion Expenses	2,05,261	58,471
Audit Fees	1,25,000	1,25,000
Bad Debts written off	9,42,508	29,62,722
Bank Charges	36,733	22,862
Compliance Related Expenses like CIBIL charges, etc.	2,28,230	1,50,643
Conveyance & Travelling Expenses	3,54,496	1,48,238
Electricity Charges	1,65,192	1,10,940
General Office Expenses	2,14,949	96,226
GST ITC Reversed	2,70,412	1,63,419
Internal Audit Fees	2,00,000	50,000
IT Related Services Expenses	7,49,426	6,07,645
Legal & Professional Charges	18,15,707	12,60,960
Postage, Telephone & Other Communication Expenses	32,846	26,285
Printing & Stationery	2,38,483	1,25,503
Profession Tax	758	758
Recruitment Charges	24,990	-
Rent Expenses	17,50,000	12,00,000
Repairs & Maintenance	54,320	60,120
Sales Commission Expenses	4,31,891	-
Society Maintenance Charges	53,536	49,777
Stamp Duty & Registration Fees	63,050	-
Training Fees	1,90,000	-
Interest on late payment of CDSL /NSDL / TDS / GST	464	8,260
Penalty on Pre matured FD withdrawal	-	10,718
Covid Expenses	20,130	16,871
Total	81,68,383	72,55,418

NOTE 23: PROVISION AGAINST ASSETS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Provision for Bad and Doubtful Debts/Advances	23,744	-
Provision for Standard Assets	1,54,186	-
Total	1,77,930	-

NOTE 24: ADDITIONAL REGULATORY INFORMATION AS PER NOTIFICATION NO. G. S. R. 207(E) DATED 24/03/2021.

A. IT IS IMPORTANT TO NOTE THAT INFORMATION & DISCLOSURES WHICH ARE NOT APPLICABLE TO THE AFFAIRS OF THE COMPANY ARE NOT FURNISHED.

B. RATIOS AS PER ADDITIONAL REGULATORY INFORMATION

RATIOS	NUMERATOR	DENOMINATOR	F.Y. 2021-2022	F.Y. 2020-2021	VARIANCE (%)	REASON FOR VARIANCE IN EXCESS OF 25%
Current Ratio	Current Assets	Current Liabilities	1.08	3.26	(66.77%)	Excess Cash Equivalents of last year invested / utilized in providing loans in current year
Debt Equity Ratio	Total Borrowings	Equity (Shareholder's Fund)	22.39%	18.12%	23.57%	NA
Debts Service Coverage Ratio	EBITDA (Earnings before Interest, Tax, Depreciation & Amortization)	Borrowings (Principal plus Interest)	0.23	0.20	13.60%	NA
Return on Equity Ratio	NPAT (Net Profit After Tax)	Equity (Shareholder's Fund)	2.22%	1.27%	75.57%	Increase in Net Profit
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	NA	NA	NA	Co. does not have inventory
Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivables	17.56	17.80	(1.35%)	NA
Trade payable Turnover Ratio	Purchases	Average Trade Payables	NA	NA	NA	Co. does not have purchases
Net Capital Turnover Ratio	Total Sales / Total Income	Equity (Shareholder's Fund)	0.14	0.13	7.27%	NA
Net Profit Ratio	NPAT (Net Profit After Tax)	Total Sales / Total Income	15.62%	9.29%	68.21%	Increase in Net Profit
Return on Capital employed	EBIT (Earnings before Interest & Tax)	Average Capital Employed	4.34%	3.10%	40.01%	Increase in Earnings
Return on Investment	Investment Income	Average Investment	5.58%	6.22%	(10.19%)	NA

NOTE 25: SCHEDULE TO BALANCE SHEET OF AN HFC AS PER ANNEXURE-III OF MASTER DIRECTION NON-BANKING FINANCIAL COMPANY-HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021

(Rs. In Lacs)			
PARTICULARS			
Liabilities Side		Amount outstanding	Amount Overdue
1)	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
	Debtentures: Secured	NIL	NIL
a)	: Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
b)	Deferred Credits	NIL	NIL
c)	Term Loans	447.97	NIL
d)	Inter-corporate loans and borrowing	NIL	NIL
e)	Commercial Paper	NIL	NIL
f)	Public Deposits*	NIL	NIL
g)	Other Loans (specify nature)	NIL	NIL
	* Please see Note 1 below		
2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
a)	In the form of Unsecured debtentures	NIL	NIL
b)	In the form of partly secured debtentures i.e. debtentures where there is a shortfall in the value of security	NIL	NIL
c)	Other public deposits	NIL	NIL
	* Please see Note 1 below		
Assets side		Amount outstanding	
3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
a)	Secured	2087.97	
b)	Unsecured	NIL	
4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i)	Lease Assets including Lease rentals under Sundry Debtors	NIL	
a)	Financial Lease	NIL	
b)	Operating Lease	NIL	
(ii)	Stock on Hire including Hire Charges under Sundry Debtors	NIL	
a)	Assets on Hire	NIL	
b)	Repossessed Assets	NIL	
(iii)	Other Loans Counting towards Asset Financing Activities	NIL	
a)	Loans where Assets have been Repossessed	NIL	
b)	Loans other than (a) above	NIL	

5)	Break-up of Investments				
	Current Investments				
	1)	Quoted:			
		i)	Shares	NIL	
			a) Equity	NIL	
			b) Preference	NIL	
		ii)	Debentures and Bonds	NIL	
		iii)	Units of Mutual Funds	NIL	
		iv)	Government Securities	NIL	
		v)	Others (please specify)	NIL	
		Unquoted:			
		i)	Shares	NIL	
			a) Equity	NIL	
			b) Preference	NIL	
		ii)	Debentures and Bonds	NIL	
		iii)	Units of Mutual Funds	NIL	
		iv)	Government Securities	NIL	
		v)	Others (please specify)	NIL	
		Long Term Investments			
		1)	Quoted:		
			i)	Shares	NIL
				a) Equity	NIL
				b) Preference	NIL
		ii)	Debentures and Bonds	NIL	
		iii)	Units of Mutual Funds	140.91	
		iv)	Government Securities	NIL	
		v)	Others (please specify)	NIL	
	2)	Unquoted:			
		i)	Shares	NIL	
			a) Equity	10.00	
			b) Preference	NIL	
		ii)	Debentures and Bonds	NIL	
		iii)	Units of mutual funds	NIL	
		iv)	Government Securities	NIL	
		v)	Fixed Deposits (Maturity more than 12 months)	16.88	
6)	Borrower Group-Wise Classification of Assets Financed as in (3) and (4) above:				
	(Please see Note 2 below)				
	Category		Amount Net of Provisions		
			Secured	Unsecured	Total
	(1)	Related Parties **	NIL	NIL	NIL
		(a) Subsidiaries	NIL	NIL	NIL
		(b) Companies in the Same Group	NIL	NIL	NIL
		(c) Other Related Parties	NIL	NIL	NIL
	(2)	Other than Related Parties	2074.52	NIL	2074.52
		Total	2074.52	NIL	2074.52

7)	Investor Group-Wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) : (Please see Note 3 below)		
	Category		Market Value / Break up or fair value or NAV
			Book Value (Net of Provisions)
	(1)	Related Parties **	
		(a) Subsidiaries	NIL
		(b) Companies in the Same Group	10.00
		(c) Other Related Parties	NIL
	(2)	Other than Related Parties	158.54
	Total	168.54	
			167.79
** As per notified Accounting Standard (Please see Note 3)			
8)	Other Information		
	Particulars		Amount
	(i)	Gross Non-Performing Assets	
		(a) Related Parties	NIL
		(b) Other than Related Parties	31.14
	(ii)	Net Non-Performing Assets	
		(a) Related Parties	NIL
		(b) Other than Related Parties	23.35
	(iii)	Assets Acquired in Satisfaction of Debt	NIL
	Notes:		
1)	As Defined in Paragraph 4.1.30 of these Directions.		
2)	Provisioning Norms shall be Applicable as Prescribed in these Directions.		
3)	All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.		

SWAGAT HOUSING FINANCE COMPANY LIMITED

(CIN NO. U65922MH1996PLC101035)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022 (NOTES - 26 TO 44)

26. CORPORATE INFORMATION

Swagat Housing Finance Company Limited ('SHFCL'), 'the Company' was incorporated in India on 15th July, 1996 and is carrying on the business of providing loans to retail customers for construction or purchase of residential property and loans against property. The Company is registered with National Housing Bank under Section 29A of the National Housing Bank Act, 1987. SHFCL has its registered office at Andheri, Mumbai and has one branch at Vasai.

27. SIGNIFICANT ACCOUNTING POLICIES

A. Basis for preparation of accounts

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act") read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, as applicable, the National Housing Bank Act, 1987 and the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 ("the RBI Directions 2021") The financial statements have been prepared on accrual basis under the historical cost convention unless otherwise stated. The accounting policies adopted in preparation of the financial statements are consistent with those followed in the previous year.

B. Use of Estimates & Audit Procedures

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods. Example of such estimates includes provision for non - performing loans, provision for employee benefit plans and provision for income taxes.

28. REVENUE RECOGNITION

A. Interest Income on loans

Interest on loans and advances is accounted in terms of accounting standard AS-9 on mercantile system / on accrual basis in terms of the loan agreement executed with the borrower. In absence of reasonable certainty of recovery of interest on loans classified as substandard / doubtful, interest thereon is not recognized as revenue. Interest income on such assets is recognized on receipt basis. Repayment of housing loans is generally by way of Equated Monthly Instalments (EMIs) comprising principal and interest. Generally, EMIs commences once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest on loans is computed on a monthly rest basis depending upon case to case.

B. Processing Fees, Application and Other Charges

Upfront / Processing fees or Application & Other charges collected from the customers for processing loans are primarily towards documentation charges and are accounted as income on receipt basis where recovery is uncertain.

C. Income from Current and Long-term Investments

Income/loss on sale / redemption of current / long-term investment is accounted as & when the same is actually sold. Income from dividend on shares of corporate bodies and units of mutual funds are recognized when the right to receive dividend is established.

29. PROVISION ON NON-PERFORMING AND STANDARD LOANS

Loans are initially recorded at the disbursed principal amounts and are subsequently adjusted for recoveries and any unearned income. Loan is recognized as non-performing ("NPA") at the earlier of the date it has been individually Provided for when the Company is no longer reasonably assured of the timely collection of the Full amount of principal and interest and a loan the repayment instalment or interest has been in arrears for more than 90 days. The classification of advances into Standard, Sub-Standard, Doubtful Assets and Loss Assets as well as provision on non performing advances has been arrived at in accordance with the RBI Directions 2021. The provision on Standard and Non- Performing Loans is made as per the prudential norms prescribed in the RBI Directions 2021 and Notifications / circulars as amended from time to time. Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the Company's loan portfolios based on the RBI Directions 2021.

30. INVESTMENTS

Investments are classified into non-current and current investments. Investments are accounted for on trade date basis.

- a. Non-current Investments** - Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.
- b. Current Investments** - Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

31. PROPERTY, PLANT & EQUIPMENT

- a. Tangible:** Tangible property, plant and equipment are stated at cost of acquisition including any cost attributable for bringing asset to its working condition, which comprises of purchase consideration and other directly attributable costs of bringing the assets to their working condition for their intended use less accumulated depreciation.
- b. Intangible:** Acquired intangible assets other than Goodwill are measured at cost less amortisation. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

32. DEPRECIATION AND AMORTISATION

Depreciation on tangible fixed assets is provided on written down Value method in the manner as prescribed in Schedule II to the Companies Act, 2013 over the estimated useful life of the asset.

33. IMPAIRMENT OF ASSETS

At each Balance Sheet date, the Company reviews, whether there is any indication of impairment of an asset. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

34. SPECIAL RESERVE

As per Section 29 C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its Net Profits every year to a reserve before any dividend is declared. For this purpose, any special reserve created by the Company under Sec 36(1) (viii) of the Income Tax Act, 1961 is considered to be eligible for deduction.

35. TAXES

a. Income Tax & Deferred Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a year different from when they were recognised in the financial statements.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realizability.

b. Goods and Service Tax Input Credit

Goods & Service tax input credit is accounted for in the books in the year in which the underlying goods or service are received and paid and there is reasonable certainty in availing / utilizing the credits.

36. DISCLOSURE ON PRINCIPAL BUSINESS CRITERIA IN TERMS OF PARA 16.1 OF THE MASTER DIRECTION NON-BANKING FINANCIAL COMPANY-HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021

As per the Para 4.1.17 of the NBFC-HFC (Reserve bank) Directions, 2021 'Housing Finance Company' shall mean a company incorporated under the Companies Act, 2013 that fulfils the following conditions:

- It is an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets). Housing finance for this purpose shall mean providing finance as stated at clauses (a) to (k) of Paragraph 4.1.16.
- Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing finance for individuals as stated at clauses (a) to (e) of Paragraph 4.1.16.

The above mentioned conditions for Principal Business Criteria are fulfilled by the company 'Swagat Housing Finance Co. Ltd.'.

37. DISCLOSURE ON EXPOSURE TO GROUP COMPANIES ENGAGED IN REAL ESTATE BUSINESS IN TERMS OF PARA 21 OF THE MASTER DIRECTION NON-BANKING FINANCIAL COMPANY-HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021

Sr. No.	Description	Amount (Rs.in lacs)	% of Owned Fund
i)	Exposure to any single entity in a group engaged in real estate business	NIL	NIL
ii)	Exposure to all entities in a group engaged in real estate business	NIL	NIL

38. DISCLOSURES IN TERMS OF ANNEXURE-IV OF MASTER DIRECTION-NON-BANKING FINANCIAL COMPANY-HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 ARE STATED AS FOLLOWS:

A. CAPITAL TO RISK ASSETS RATIO (CRAR)

Sr. No.	Particulars	As at March 2022	As at March 2021
i)	CRAR (%)	161.19%	200.66%
ii)	CRAR- Tier I Capital (%)	160.74%	200.20%
iii)	CRAR- Tier II Capital (%)	0.45%	0.46%
iv)	Amount of subordinated debt raised as Tier- II Capital	NIL	NIL
v)	Amount raised by issue of Perpetual Debt Instruments	NIL	NIL

B. Reserve Fund u/s 29C of NHB Act, 1987

In terms of Section 29C of the National Housing Bank ("NHB") Act, 1987, the Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Transfer to a Reserve Fund in terms of section 36(1)(viii) of the Income Tax Act, 1961 is also considered as an eligible transfer as transfer to Special Reserve under Section 29C of the National Housing Bank ("NHB") Act, 1987. Details are provided as follows:

(Rs. In Lacs)

Particulars	March 2022	March 2021
Balance at the beginning of the year	163.80	159.28
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	48.93	48.86
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	114.87	110.42
Total	163.80	159.28
Addition/ Appropriation/ Withdrawal during the year	12.48	4.52
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	-	0.07
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	12.48	4.45
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year	176.28	163.80
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	48.93	48.93
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	127.35	114.87
Total	176.28	163.80

C. Investment Details:

(Rs. In Lacs)

Particulars	March 2022	March 2021
(i) Value of Investments		
(I) Gross Value of Investments		
(a) In India	167.79	125.80
(b) Outside India	NIL	NIL
(ii) Provisions for Depreciation		
(a) In India	NIL	NIL
(b) Outside India	NIL	NIL
(iii) Net Value of Investments		
(a) In India	167.79	125.80
(b) Outside India	NIL	NIL
(ii) Movement of Provisions held towards Depreciation on Investments		
(I) Opening Balance	NIL	NIL
(ii) Add: Provisions made during the year	NIL	NIL
(iii) Less: Write back of Excess Provisions	NIL	NIL
(iv) Closing Balance	NIL	NIL

D. Derivatives

There are no transactions in relation to derivatives entered during the current year or in previous year by the Company.

- (i) Forward Rate Agreement (FRA)/ Interest Rate Swap - **NOT APPLICABLE**
- (ii) Exchange Traded Interest Rate (IR) Derivative - **NOT APPLICABLE**
- (iii) Disclosures on Risk Exposure in Derivatives - **NOT APPLICABLE**
- (iv) Quantitative Disclosure - **NOT APPLICABLE**

E. Securitisation

- (i) Details of SPVs sponsored by the company: **The Company have not sponsored any SPVs for securitization transaction during the current year or previous year.**
- (ii) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction: **The Company has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction during the current year or previous year.**

(iii) Details of Assignment transactions undertaken by HFCs:

Particulars	March 2022	March 2021
(i) No. of Accounts	28 Accounts	-
(ii) Aggregate Value (Net of Provisions) of Accounts Assigned	Rs.220.05 lacs	-
(iii) Aggregate Consideration Received	Rs.220.05 lacs	-
(iv) Additional Consideration Realized in Respect of Accounts Transferred in Earlier Years	NIL	-
(v) Aggregate gain / loss over net book value	-	-

Company has retained 10% interest of total loan amount.

(iv) Details of Co Landing transactions undertaken by HFCs:

Particulars	March 2022	March 2021
(I) No. of Accounts	1 Accounts	9 Accounts
(ii) Aggregate Value (Net of Provisions)	Rs.6.83 lacs	Rs.63.76 lacs
(iii) Aggregate Consideration	Rs.6.83 lacs	Rs.63.76 lacs
(iv) Additional Consideration Realized in Respect of Accounts Transferred in Earlier Years	NIL	NIL
(v) Aggregate gain / loss over net book value	-	-

Company has retained 20% interest of total sanctioned loan amount.

- (v) Details of non-performing financial assets purchased / sold: **The Company has not purchased or sold any non-performing financial assets during the current year or previous year.**

F. Assets Liability Management as on 31/03/2022 (Maturity pattern of certain items of Assets and Liabilities)

(Rs. in Lacs)

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 month upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 year upto 5 years	Over 5 years	Total
Liabilities											
Deposits	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Borrowings from Banks	3.34	-	-	3.34	3.34	10.02	20.04	3.33	-	-	43.44
Market Borrowings	-	-	7.06	7.15	15.14	30.17	62.94	234.66	20.80	26.64	404.56
Foreign Currency Liabilities	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Assets											
Advances	1.21	1.21	1.68	4.20	4.26	13.18	28.16	116.5	107.11	1810.3	167.79
Investments	150.9	-	-	-	-	-	-	-	-	16.88	2087.9
Foreign Currency Assets	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

G. EXPOSURE TO REAL ESTATE SECTOR

	Category	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
A)	Direct Exposure		
i)	Residential Mortgages Advances fully Secured by Mortgages on Residential Property that is or will be Occupied by the Borrower or that is Rented.	NIL	NIL
ii)	Commercial Real Estate Advances Secured by Mortgages on Commercial Real Estate's (Office Buildings, Retail Space, Multipurpose Commercial Premises, Multifamily Residential Buildings multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.) Exposure would also include non-fund based (NFB) limits)	NIL	NIL
iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures - Residential Commercial Real Estate	NIL	NIL
B)	Indirect Exposure		
	Fund based and non-fund based on National Housing bank (NHB) and Housing Finance Companies (HFC's)	NIL	NIL

H. EXPOSURE TO CAPITAL MARKET

	Category	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	NIL	NIL
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	NIL	NIL
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	NIL	NIL
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances	NIL	NIL
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	NIL	NIL
vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising	NIL	NIL
vii)	Bridge loans to companies against expected equity flows / issues	NIL	NIL
viii)	All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market		NIL	NIL

I. Details of financing of parent company products: **The Company has not financed any of the parent company products during the current year or previous year.**

J. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company: **There has been no breach of SGL/GBL limits by the company during the current year or previous year.**

K. Unsecured advances: **There are no unsecured advances provided by company during the current or previous year which is outstanding as on balance sheet date.**

L. Registration obtained from other financial sector regulators: **The Company has not obtained any registration from other financial sector regulators during the year.**

M. Disclosure of Penalties imposed by NHB and other regulators: **Disclosure regarding penalty or adverse comments as per Housing Finance Companies (NHB) directions, 2021. During the current year, the company:**

- (i) Has not paid any penalty to NHB.
- (ii) Has made Disclosure of frauds during the year as per NHB (ND)/DRS/Policy Circular No.92/2018-19 dated 05 February, 2019-NIL.

N. **Related party Transactions: Disclosure as required by Accounting Standard (AS) 18 on 'Related Party Disclosures' notified u/s 133 of the Companies Act 2013:**

Sr. No.	Name of Related Party	Nature of Payment / Transactions	F.Y. 2021-22 (Rs.)	F.Y. 2020-21 (Rs.)
1)	Mrs. Sahana Prabhu (Director)	Director Remuneration	10,00,000/-	11,00,000/-
2)	Mr. Siddharth Prabhu (Director)	Director Remuneration	13,25,000/-	22,00,000/-
3)	Mr. Satish Kotian (Director)	Director Remuneration	5,75,000/-	12,65,000/-
4)	Mr. Sahana Prabhu (Director)	Rent	8,75,000/-	6,00,000/-
5)	Mr. Ramesh Prabhu (Director)	Rent	8,75,000/-	6,00,000/-
6)	Anagha Swagat Finance & Investments Pvt. Ltd. (Group Entity)	Interest Received on inter-corporate Loan	NIL	76,155/-

O. Related party Policy is disclosed in Annual Report.

P. Group Structure: **The Company is not a subsidiary company of any other company. Also the Company does not have any subsidiaries or associates. Thus there is no Diagrammatic representation of group structure.**

Q. Rating assigned by Credit Rating Agencies and migration of rating during the year: **BB STABLE- CARE RATINGS. Also there is no migration of rating during the year.**

R. Remuneration of Directors: **Details are provided in the table given below:**

Sr. No.	Name of Related Party	Nature of Payment / Transactions	F.Y. 2021-22 (Rs.)	F.Y. 2020-21 (Rs.)
1)	Mrs. Sahana Prabhu (Director)	Director Remuneration	10,00,000/-	11,00,000/-
2)	Mr. Siddharth Prabhu (Director)	Director Remuneration	13,25,000/-	22,00,000/-
3)	Mr. Satish Kotian (Director)	Director Remuneration	5,75,000/-	12,65,000/-

S. Net Profit or Loss for the period, prior period items and changes in accounting policies: **Net Profit after Tax for F.Y. 2021-2022 is Rs.44.47 lacs (F.Y. 2020-21- Rs.22.61 lacs). There have been no prior period's items debited or credited to profit and loss for the period. Further there have been no changes in the accounting policies as compared to previous period**

T. Revenue Recognition: **Refer Note no. 28 for revenue recognition.**

U. Consolidated Financial Statements: **Same is not applicable to the company.**

V. Additional Disclosure on Provisions and Contingencies:

(Rs. in Lacs)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss A/c	March 2022	March 2021
Provisions for depreciation on Investment	NIL	NIL
Provision towards NPA	7.78	7.55
Provision made towards Income tax	14.31	5.18
Other Provision and Contingencies	NIL	NIL
Provision for Standard Assets	5.66	4.12

W. Classification of Assets (portfolio) & Provisions:

Advances are classified as performing and non-performing assets in accordance with directions on prudential norms issued by the RBI Directions 2021. Provisions on standard assets, sub-standard assets, doubtful assets and loss assets have been made as per NHB Directions, 2021 as amended from time to time. Details are given hereunder:

(Rs. in Lacs)

Break up of Loans & Advances & Provisions thereon	Housing		Non - Housing	
	March 2022	March 2021	March 2022	March 2021
Standard Assets				
a) Total Outstanding Amount	1874.94	1241.18	192.03	199.15
b) Provisions made	4.35	3.00	1.32	1.12
Sub - Standard Assets				
a) Total Outstanding Amount	NIL	27.68	NIL	NIL
b) Provisions made	NIL	4.67	NIL	NIL
Doubtful Assets – Category I				
a) Total Outstanding Amount	21.00	11.15	NIL	NIL
b) Provisions made	7.78	2.88	NIL	NIL
Doubtful Assets – Category II				
a) Total Outstanding Amount	NIL	NIL	NIL	NIL
b) Provisions made	NIL	NIL	NIL	NIL
Doubtful Assets – Category III				
a) Total Outstanding Amount	NIL	NIL	NIL	NIL
b) Provisions made	NIL	NIL	NIL	NIL
Loss Assets				
a) Total Outstanding Amount	NIL	NIL	NIL	NIL
b) Provisions made	NIL	NIL	NIL	NIL
Total				
a) Total Outstanding Amount	1895.94	1280.01	192.03	199.15
b) Provisions made	12.13	10.55	1.32	1.12

X. Draw Down from Reserves: There has been no drawdown from Reserves during the current year or previous year.

Y. Concentration of Public Deposits (for Public Deposit taking/ holding HFCs): The said company is not the deposit taking HFC and thus same is not applicable. Refer table provided below:

(Rs. in Lacs)

Particulars	March 2022	March 2021
Total deposits of twenty largest depositors	NA	NA
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	NA	NA

Z. Concentration of Loans & Advances: Refer the table given below:

(Rs. in Lacs)

Particulars	March 2022	March 2021
Total loans & advances to twenty largest borrowers	445.48	449.64
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	21.34%	30.40%

AA. Concentration of all Exposure (including off-balance sheet exposure): Refer the table given below:

(Rs. in Lacs)

Particulars	March 2022	March 2021
Total exposure to twenty largest borrowers/ customers	445.48	449.64
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/ customers	21.34%	30.40%

BB. Concentration of NPA's: Refer the table given below:

(Rs. in Lacs)

Particulars	March 2022	March 2021
Total exposure to top ten NPA accounts	31.14	42.64

CC. Sector-wise NPAs: Refer the table given below:

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector
A.	Housing Loans	
1.	Individuals	1.64%
2.	Builders / Project Loans	NIL
3.	Corporate	NIL
4.	Others (specify)	NIL
B.	Non - Housing Loans	
1.	Individuals	NIL
2.	Builders / Project Loans	NIL
3.	Corporate	NIL
4.	Others (specify)	NIL

DD. Movement of NPA & Provisions: Refer the table given below:

(i) Table No. 1: Movement of NPA & NPA Provision:

	Particulars	March 2022	March 2021
i)	Net NPAs to Net Advances (%)	1.13%	2.39%
ii)	Movement of NPAs (Gross)		
	a) Opening Balance	42.64 lacs	29.72 lacs
	b) Additions During the Year	19.64 lacs	31.14 lacs
	c) Reductions During the Year	(31.14 lacs)	(18.22 lacs)
	d) Closing Balance	31.14 lacs	42.64 lacs
iii)	Movement of Net NPAs		
	a) Opening Balance	35.10 lacs	20.71 lacs
	b) Additions During the Year	NIL	14.39 lacs
	c) Reductions During the Year	(11.75 lacs)	NIL
	d) Closing Balance	23.35 lacs	35.10 lacs
iv)	Movement of Provisions for NPAs (Excluding Provisions on Standard Assets)		
	a) Opening Balance	7.55 lacs	9.02 lacs
	b) Provisions made During the Year	3.11 lacs	5.82 lacs
	c) Write-off / Write-back of Excess Provisions	(2.88 lacs)	(7.29 lacs)
	d) Closing Balance	7.78 lacs	7.55 lacs

(ii) Table No. 2: Movement of NPA category wise:

(Rs. In Lacs)

Provision for	Opening as on 01/04/2021	Net Addition / (Deletion)	Closing as on 31/03/2022
Sub-Standard Assets	31.14	(31.14)	-
Doubtful Assets	11.50	19.64	31.14
Loss Assets	-	-	-
Total NPA	42.64	(11.50)	31.14

(iii) Table No. 3: Movement in Provisions (AS-29)

(Rs. In Lacs)

Provision for	Opening as on 01/04/2021	Net Addition / (Deletion)	Closing as on 31/03/2022
Against Standard Assets	4.12	1.54	5.6
Against NPA	7.55	0.23	67.78
Against Investment	NIL	NIL	NIL

EE. Overseas Assets: Refer the Table Given Below:

Particulars	March 2022	March 2021
Overseas Assets	NIL	NIL

FF. Off-Balance Sheet SPVs sponsored: Refer the Table Given Below:

Name of the SPV sponsored: NA	
Domestic	Overseas
NIL	NIL

GG. Disclosure of complaints

Sr. No.	Particulars	March 2022	March 2021
(a)	No. of complaints pending at the beginning of the year	NIL	NIL
(b)	No. of complaints received during the year	NIL	NIL
(c)	No. of complaints redressed during the year	NIL	NIL
(d)	No. of complaints pending at the end of the year	NIL	NIL

39. PAYMENT TO AUDITORS:

Auditors Remuneration	31/03/2022	31/03/2021
For Statutory & Tax Audit	Rs. 1,25,000/-	Rs. 1,25,000/-
For Internal Audit	Rs. 2,00,000/-	Rs. 50,000/-

40. EARNINGS PER SHARE (EPS)

The earnings per share has been computed in accordance with Accounting Standard (AS-20) on, "Earnings Per Share" and is also shown in the Statement of Profit and Loss.

Particulars	F.Y. 2021-22	F.Y. 2020-21
Profit After tax	44,47,211/-	22,61,472/-
Weighted Average number of Equity Shares for Basic EPS	1,18,78,587 Shares	1,07,95,768 Shares
Weighted Average number of Equity Shares for Diluted EPS	1,18,78,587 Shares	1,07,95,768 Shares
<u>Earnings per Share</u>		
Basic	0.37	0.21
Diluted	0.37	0.21

41. EMPLOYEE BENEFITS

The Company proposes to extend the statutory benefits which are applicable as per law such as Provident Fund, Gratuity, etc., and the scheme being worked out and under preparation.

42. Opinion of Board

In the opinion of the Board, the assets of the company have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, net of contingency provisions.

43. SEGMENT REPORTING

The Company is engaged in the business of providing loans to retail customers for construction or purchase of residential property and loans against property and has its operations within India. There being only one business segment and geographical segment, the segment information is not provided.

44. PREVIOUS YEAR FIGURE

Figures for the previous year have been regrouped, rearranged and reclassified wherever necessary. Accordingly, amounts and other disclosure for the previous year are included as an integral part of the current year's financial statement and are to be read in relation to the amounts and other disclosures relating to the current year.

SIGNATORIES TO NOTES TO ACCOUNTS

For Swagat Housing Finance Company Limited

For Talati & Co.
Chartered Accountants
(Firm Reg no 110757W)

(Bharat B. Talati)
Partner
(Membership No 032245)
Place: Mumbai
Date : 27th June, 2022

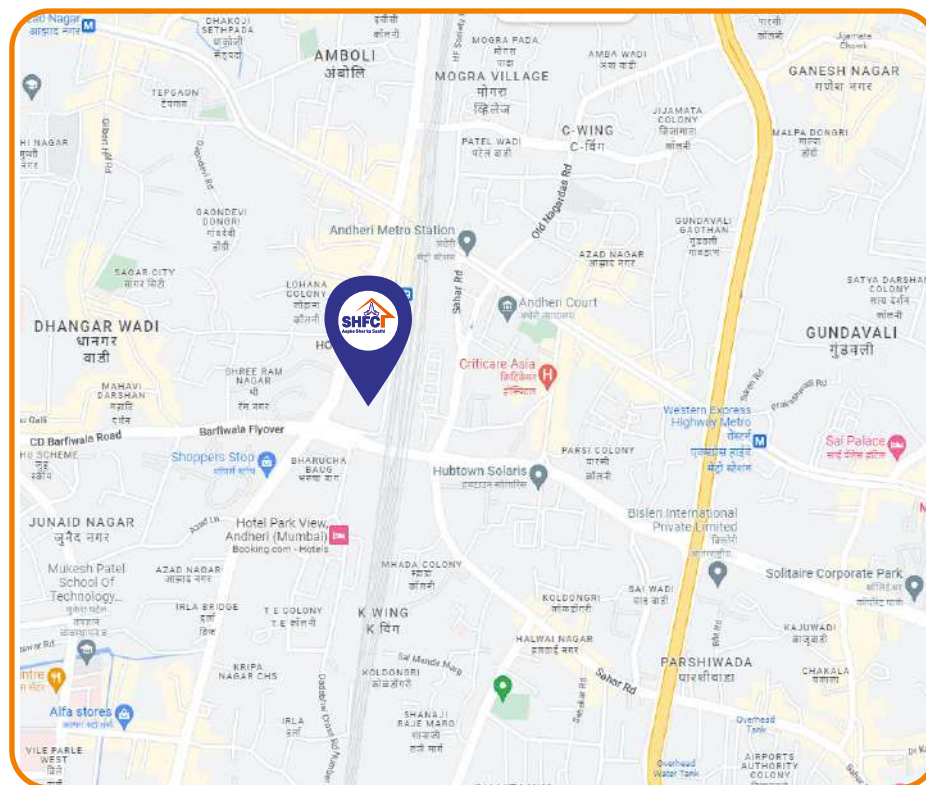
(Mrs. Sahana Prabhu)
Director
DIN NO.00198276

(Mr. Siddharth Prabhu)
Director
DIN NO.07741882

Mrs. Sanjulata Jaiswal
Company Secretary
MEM NO. A58877

Place: Mumbai
Date : 27th June, 2022

LOCATION OF THE VENUE OF THE AGM





SWAGAT HOUSING FINANCE COMPANY LIMITED

Regd. Office: A-1 207, Laram Centre, Opposite Railway Station, Andheri West, Mumbai 400058.

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