



ANNUAL REPORT

ANNUAL REPORT 2019-20
Swagat Housing Finance Company Ltd.





.... And help us deliver on our stakeholder commitments

A growing economy with a huge aspirational population is creating more and more opportunities for us. At the same time, Government push for the affordable housing is quietly changing the rules of the game widening the canvas for home buyers.

At SHFC, we are expanding the scale and scope of the business at a time of interesting change. And the year gone by, saw us continue our rich tradition of value creation by implementing multiple initiatives.

During the year, we strengthened our position as one of the most preferred and trusted home loan players in the markets we serve.

Our role is to connect the dreams of New India with emerging opportunities, which will take the country to a new trajectory of growth.

Contents

1. About Us
2. Board of Directors
3. Chairman's speech
4. Notice and Notes
5. Board's Report
 - Annexure-1 Extract of Annual return
 - Annexure-2 form AOC-2
6. Independent Auditor's Report & Report to NHB
 - Balance sheet
 - Profit & Loss account
 - Cash flow Statements
 - Notes to the Financial Statements

About Us

SHFC is a National Housing Bank (NHB) registered housing finance company established in 1996. It is regulated by NHB and subject to regular reporting, inspection and monitoring by NHB.

Founded by CA Ramesh Prabhu and closely held by Family Members.

The company is established with a vision to provide a "Home" by extending affordable housing loans to such of the aspirants in the Low and Middle income segment of the Society.

SHFC targets the economically weaker section (EWS) and lower income group (LIG) consumer segment. We offer customized housing loans for new purchases as well as repairs on easy terms and at attractive interest rates.

Committed to affordable housing

- Focused on first time home buyers and self occupied property.
- Average loan ticket size of Rs. 10 lacs will be maintained.
- Minimum ticket size of Rs. 2 lacs and Maximum of Rs. 50 lacs.
- 90% of the disbursement will be up to Rs.15 Lacs (ticket size)

Key Differentiators

- Highly Experienced Team with specialised knowledge in Affordable Housing Segment.
- Integration of Technology (best in Industry) for ensuring highest standards of efficiency & utilisation of resources.
- Committed towards providing highest standards of transparency.
- Diversified income strategy which envisages sustainable profitable model.

High Quality and High Growth Portfolio

- LTV restriction to 75% (90% of disbursement).
- Loan origination by internal sales team (90% of disbursement).
- Efficient Collection Team Established.
- Highly Motivated Staff with Equity Participation ensuring Loyalty & Trustworthiness.

Key Parameters

- Balanced portfolio mix - Salaried (60%) and Self Employed (40%).
- Ensure PMAY eligibility (90% of disbursement).
- Customized products matching customer expectation.
- Establish Pillars of Eco System - Policies, Processes and Systems.

Purpose

- Enhance residential housing stock and promote house ownership.
- Provide Long Term finance to individuals for the purchase, construction, repair and renovation of new/existing flats/houses.
- Promote a sound, healthy, viable and cost-effective housing finance system to cater to all segments of the population.

Solid Credit Appraisal Process

- Credit appraisal is the backbone of HFC business - policies will be reviewed every six months to adopt market challenges.
- Funding in under-construction projects only if 90% completed.
- Pre-Approved Projects will be key driver for business origination.
- Robust verification process for customer profiles and properties.

Robust Technology Driven processes

- Implementation of State-of-art Loan Origination application.
- Mobile app based login and credit appraisal.
- Collection app and vendor management applications to drive efficiency.
- Digitization of all documents at the time of Origination.

Blended Business Model

- Explore various opportunities for Securitization and Direct Assignment
- Focused on traditional brick and mortar business while exploring technology based business origination

Board of Directors



Mr. Ramesh Prabhu
Chairman / Director

Mr. Ramesh Prabhu has an extremely high reputation and pedigree. His background is extremely useful for rapid growth of housing finance business with the right strategic partner. He 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 cooperative housing society related laws, RERA, stamp duty, registration, and deemed conveyance. He is author of 40 books on issues like conveyance, transfer of flats, parking, collection of dues from members, RERA and service tax for housing societies. Two books authored by him have been published by WIRC of ICAI. 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.

He is regularly interviewed by TV channels and is a column writer for many national newspapers. His book on Deemed conveyance was released by Shri Prithviraj Chavan, Ex Chief Minister, Govt. of Maharashtra, with a forward Message from Her Excellency Smt. Prathibathai Patil, the then President of India. He also had honor of being Presidential Guest at the Rashtrapathi Bhavan, New Delhi. Latest feather in his cap, is his induction by the Government of Maharashtra in the new Committee for making study based recommendations for a separate Chapter on decades old the MCS Act, 1960 based on his thorough / in-depth expertise in Co-op Housing Sector that he is leading since long.

Mr. Prabhu has extremely strong relationships with 1000 + developers in Maharashtra and Chhattisgarh. Exclusive Financing tie ups can be explored through relationship.



Ms. Sahana Prabhu
Managing Director

She 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.

She serves as a Managing Director of Swagat Housing Finance Co. Ltd is also the driving force in strategising effective collection mechanism system & developing case specific strategies for recovery. She is a Result Oriented Professional with over 20 Years of experience in Banking, Finance and Mortgages



Mr. Siddharth Prabhu
Director

Mr. Siddharth Prabhu is a young and enthusiastic professional having strong pedigree in financial and business management. He is a director at SHFC. He 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.

He has led the revamp of organisation by increasing physical presence in key areas in line with the business potential, strengthening sourcing channels and focus on establishing relationships with developers in affordable housing space.

His social enthusiasm has helped him be a part of The Jagriti Yatra, a train journey across various parts of the country, such that he can contribute to Nation Building through social entrepreneurship

Board of Directors



Mr. Satish Kotian
Director

Mr. Satish Kotian is a an MBA(IT & Systems) from ICFAI. He is an accomplished professional, technically inclined and highly empowered leader with an eventful career studded with brilliance across Retail - Finance Industry in both start-up & established environment. He has predominantly worked in the areas of Business Governance, Project Management, Business Operations, Business Continuity Planning, Infrastructure Management, Budget Control, Business Development, Human Resources, Client Relationship Management and Team Management.

He has over two and a half decades of experience in Indian housing finance industry. He has strong domain knowledge in the areas of business operations and technology. He has proven expertise in achieving exceptional results in highly competitive environments and is skillful in driving high-value revenue and profit plans across the organization at various stages in its corporate journey.

He has been at a leadership positions as COO in his recent association and as Technology and Business Process Reengineering head in his erstwhile role at another HFC (Amongst top three players in Indian housing finance space). As a subject matter expert, he has mentored different NBFCs in the areas of achieving business excellence through digitization.



Mr. R. B. Harnal
Director

Mr. R.B Harnal is former Chief General Manager of NABARD & Reserve Bank Of India and is a qualified Civil Engineer, Quantity Surveyor, Valuer and has completed his Masters in Economics. He is as a versatile professional in the fields of Engineering, Valuation, Contract Management, Arbitration and Project Management Consultancy.

He holds an Hon. Doctorate from International Open University of Humanity, TEXAS - USA, & accredited by United Nations Department of Economic & Social Affairs (UNDESA).

During his unblemished long professional journey spread over more than four decades he also served in the Karnataka State Public Works Department, Karnataka State Irrigation Department, Military Engineer Services under the Ministry of Defense, Govt. of India and Reserve Bank of India, National Bank for Agriculture and Rural Development.

He was on foreign service under IFS Rules of Govt. of India to Govt. of Mauritius and was elected Governing Council Member of The Royal Institution of Chartered Surveyors London, representing India for a period from 2011 to 2017.



CA Manish Sharma
Director

Mr. Manish Kumar Sharma is a Chartered Accountant with 28 years of experience in taxation, finance and restructuring having worked extensively in areas such as advisory, audit and assurances of, inter-alia, income leakages, Public sector bank branches, Companies and NBFCs, forensic accounting & frauds detections and information systems audits.

He also has rich experience in providing tax and business advisory services to private equity investors, corporates, non-corporate clients and non-banking financial companies.

Board of Directors



Mr. Ravindra Shetty
Director

Mr. Ravindra Shetty is the founder and Director of Vinayak Marketing Consultants Pvt. Ltd. Company was set up in the year 2007. The company provides its services to many leading banks and NBFC since last 30 years. He had started collection and verification business at a very low scale prior 2007 as a proprietorship firm. Under his direct supervision, sharp business acumen and vast knowledge in retail assets sector, the firm has grown many folds.

He is adept in establishing complete infrastructure and commencing operations. Company is having its head office in Mumbai, Lalbaug with branch office at Pune, Bangalore and Delhi.

Achievements under his leadership:

- Citibank - Certificate of Honor for successful long partnership with Citi, 2008
- ICICI Bank - Award for continued support and outstanding service, 2008
- Citifinancial - Certificate of Appreciation, 2007
- ICICI Bank - Certificate of Appreciation, 2007
- ICICI Bank - Facilitated for being top performer
- Citifinancial - Winner of 'The Don 2006' contest
- American Express - Awarded for best performance 2002

Other than banking Mr. Ravindra Shetty is also operating in hospitality industry. He is also the owner and chairman of Sai Shakshi Hotels Pvt. Ltd - Anantha Executive Hotel situated in Bhandup, LBS Road., having 50 rooms, Multi cuisine restaurant and banquet hall facility.

Advisory Board



Mr. Lodha
Chartered Accountant

Mr. Lodha is a Chartered Accountant with over 25 years of Business experience in the field of Realty, Finance, Taxation and Capital Markets.

Currently Mr. P. C. Lodha, serves as Chairman of Mission Advisory Services, and is in Consultancy of Land Records for more than 10 years. He is the guiding force behind Mission Team and the company is growing by leaps and bounds under his able leadership.

Mr. Lodha has also served as a Director of Supreme Holdings Ltd. and Supreme Holdings

From the Desk of Shri Ramesh Prabhu



Mr. Ramesh Prabhu
Chairman

Dear Shareholders,

It gives me immense pleasure to write to you as the Chairman of your Company, and present the 24th Annual Report and financial statements of Swagat Housing Finance Company Limited ('SHFC') for the financial year ended March 31, 2020.

The fiscal year 2019-20 was another eventful year for your Company. During the period, it pursued various growth opportunities. Your Company demonstrated in FY 2019-20, its ability to withstand challenges and quickly adapt to the emerging realities.

During the pandemic (COVID-19), your Company is actively implementing Government-backed initiatives like moratorium on loan repayments and participating in, Special Refinance Facilities issue by the National Housing Bank. The RBI has also taken steps to infuse liquidity into the system which could increase the available liquidity. The National Housing Bank (NHB) supporting the liquidity requirements of HFCs to some extent, especially those operating in the affordable housing space where collections are likely to be impacted more.

The Indian economy had been experiencing a challenging period, with a mix of structural and cyclical factor. The housing finance space is also facing its fair share of challenges, with muted demand, lingering concerns over asset quality, and funding constraints. Overall housing credit growth is expected to be slower in the first half of FY 2020-21, while recovery in the second will depend on the economic turnaround.

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.

During the year your Company has recorded steady growth in all its products which majorly includes Housing Loans segregated as Loans for New Purchase, Loans for Reconstruction or Renovation and Mortgage Loans. Business policies have been redesigned with effective implementation and Board has been reconstituted with highly experienced professionals.

Your Company is planning to further introduce additional capital along with business enlargement and geographical expansion in tier-III and tier IV cities and towns.

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 am confident that this great enterprise of innovation, perseverance and resilience will continue to create value for all stakeholders; and I look forward to the New Year with renewed confidence and optimism.

NOTICE TO MEMBERS

Notice is hereby given that the **24th Annual General Meeting** of the Members of **SWAGAT HOUSING FINANCE COMPANY LIMITED** will be held through Video Conferencing on Tuesday, September 01, 2020 at 2:00 P.M. in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors and Auditors report thereon.
2. 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.
3. To re-appoint M/s Talati & Co, Chartered Accountants, Mumbai as the Statutory Auditors of the Company for the financial year 2020-21.

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 2021, 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: 04.08.2020

Registered office:
A-1207 Laram Centre, Opposite Railway Station, Andheri West, Mumbai 400058
CIN: U65922MH1996PLC101035
Tel: 022-26248565
Email: info@shfc.in
Website: <http://www.shfc.in>

NOTES

1. 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.
2. In view of the COVID 19 pandemic, the Ministry of Corporate Affairs vide its Circular dated 5th May, 2020 read with Circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2020 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e- mail address is registered with the Company or the Registrar and Share Transfer Agent or the Depository Participant(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member. The Notice has also been hosted on the website of the Company <http://www.shfc.in>.
3. The members who have not yet registered their e- mail ids with the Company may contact on sanjulata.jaiswal@shfc.in or (022-26248565) for registering their e- mail ids. The Company shall send the Notice to such members whose e-mail ids get registered, enabling them to participate in the meeting and cast their votes.
4. In view of the MCA Circulars, no proxy shall be appointed by the members. However, corporate members are required to send to the Company/ RTA, a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.
5. 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.
6. 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 Private Limited to provide efficient and better services.
7. 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: 04.08.2020

Registered office:
A-1207 Laram Centre, Opposite Railway Station, Andheri West, Mumbai 400058
CIN: U65922MH1996PLC101035
Tel: 022-26248565
Email: info@shfc.in
Website: <http://www.shfc.in>

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.

In July 2019, Mr. G.G Shanbhag, Director (DIN: 01633893) was subject to retirement by rotation and was re-appointed by Members at the 23rd AGM. 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: 04.08.2020

Registered office:
A-1207 Laram Centre, Opposite Railway Station, Andheri West, Mumbai 400058
CIN: U65922MH1996PLC101035
Tel: 022-26248565
Email: info@shfc.in
Website: <http://www.shfc.in>

Board Report

Dear Members,

Your Directors are pleased to present the 24th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2020. 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, 2020 is summarized below:

PARTICULARS	(Amount in Lacs)	
	FY 2019-20	FY 2018-19
Revenue from Operations	226.65	212.43
Other income	49.22	12.15
Total income	275.87	224.58
Expenditure	209.22	162.59
Profit before Tax	66.65	61.99
Less: Total Tax Expenses	17.38	13.68
Profit after Tax	49.27	48.31
Balance of profit for earlier year	224.33	186.58
Profit available for Appropriation	273.60	234.89
(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	11.76	10.56
(ii) Profits available after appropriation	261.84	224.33

2. OPERATIONAL PERFORMANCE

2.1. Business Parameters (Sanctions and Disbursements)

During the year under review, your Company sanctioned loans worth Rs. 1085.73 lacs as compared with the sanctions of Rs. 178.00 lacs during the previous year. Your Company disbursed loans worth Rs. 682.90 lacs during the year under review as compared with the disbursements of Rs. 170.00 lacs during the previous year, representing a stellar growth of 301.71%. The astounding growth during the year was attributed to new builder tie-ups and initiation of co-lending arrangement. SHFC continued to focus on Low and Middle-Income families in MMR with an average ticket size of Rs. 9.97 lacs on disbursement during the 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, 2020 increased to Rs. 1486.59 lacs as compared to Rs. 1293.97 lacs as on 31 March 2019, representing an increase of 15% over the previous year.

Asset under Management (AUM) as on March 31, 2020 increased to Rs. 1625.09 lacs as compared to Rs. 1383.77 lacs as on 31 March 2019, representing an increase of 17.44% over the previous year.

2.3. Financial Performance

During the year under review, your Company's Total income increased to Rs. 275.87 lacs as of March 31, 2020 against Rs. 224.58 lacs as of March 31, 2019, registering a growth of 22.84% over the previous year.

The Profit before tax for the year ended March 31, 2020 stood at Rs. 66.65 lacs as against Rs. 61.99 lacs as at March 31, 2019, an increase of 7.52% over the previous year.

The net worth of the Company as on March 31, 2020 was Rs. 1568.42 lacs as against Rs. 1519.14 lacs as on March 31, 2019.

Capital Adequacy Ratio of the Company stood at 185.85% as on March 31, 2020, as against the minimum requirement of 13% stipulated by National Housing Bank.

3. ASSET QUALITY

Your Company closed the financial year 2019-20 with a Gross NPA of 2.00% as compared to 2.97% as on March 31, 2019, representing a decrease of 33% over the previous year.

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, 2020, the Company has carried a provision of Rs 9.02 lacs towards the Non-Performing Assets. The Company worked towards improving Non-Performing Asset with the efficient collection, effective recovery, and initiating action under the SARFAESI Act.

4. COVID-19 PANDEMIC - IMPACT AND MANAGEMENT

For containment of the spread of Covid-19 virus, the Indian Government enforced lockdown across the country. The primary focus of your Company was to ensure the safety and well-being of all its employees. The Business Continuity Program of the Company was efficiently and effectively used to manage the operations during this crisis. Your Company provided work from home facilities to its employees, wherever possible, and took all the adequate measures to ensure continued service to its customers. During these times, the Company's offices worked with minimal staff and required safety measures.

We draw your attention to note 21.1 to the financial statements, which disclose the additional provision of RS. 4.54 lacs for the year ended 31st March, 2020 (P.Y. Nil) towards Covid-19 in accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020. The company has offered moratorium to its customers and for all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purpose of asset classification). (Refer Note no. 32 for additional details)

5. MATERIAL CHANGES AND COMMITMENTS AFTER CLOSURE OF THE FINANCIAL YEAR 2019-20

The Company has received Refinance assistance of Rs. 230 lacs from the National Housing Bank ("NHB") in the month of June 2020. The refinance assistance helped the Company to reduce overall cost of funds and enhance Asset Liability Management while establishing regulator recognition of policies, processes and systems of SHFC.

6. DIVIDEND

In order to conserve resources for growth, your Directors do not recommend any dividend for the financial year 2019-20.

7. TRANSFER TO RESERVES

The Company has transferred Rs. 11.76 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.

8. 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.

9. STATUTORY AND REGULATORY COMPLIANCES

Your Company continues to comply with the guidelines issued by NHB 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.

10. 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.

11. 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. G.G Shanbhag, Director (DIN: 01633893) retired by rotation at the Twenty Third Annual General Meeting held on July 09, 2019 and was reappointed.

Mr. Satish Kotian (DIN: 08221970) and Mr. Ravindra Shetty (DIN: 00699264) were appointed as an Additional Director of the Company on April 10, 2019 and their appointment was regularised at the Twenty Third Annual General Meeting held on July 09, 2019.

Mr. Manish Kumar Sharma (DIN: 01643552) and Mr. Ramachandra Basavaraj Haranal (DIN:03599922) were appointed as an Additional Independent Directors of the Company on June 10, 2019 and their appointment was regularised at the Twenty Third Annual General Meeting held on July 09, 2019.

Mr. Gopalkrishna Narsimha Shanbhag (DIN: 03382730) resigned as Director of the Company with effect from December 27, 2019.

Mr. Siddharth Prabhu, Director was appointed as Chief Financial Officer, Key managerial Personnel (KMP) of the Company with effect from September 19, 2019.

Ms. Sanjulata Jaiswal was appointed as Company Secretary, Key managerial Personnel (KMP) of the Company with effect from June 10, 2019.

12. 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 Prabhu seeking re-appointment is provided in the notice of the 24th Annual General Meeting.

13. 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 meeting
Number of Meetings	9 (Nine)
Dates of meetings	April 10, 2019; April 30, 2019; June 10, 2019 (11:00 a.m.); June 10, 2019 (3:00 p.m.); July 09, 2019; September 16, 2019; November 16, 2019; January 20, 2020; March 16, 2020.

14. 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. Satish Kotian
Executive Committee	1. Sahana Ramesh Prabhu 2. Siddharth Ramesh Prabhu 3. Satish Kotian
Audit Committee	1. Siddharth Ramesh Prabhu 2. R.B. Harnal 3. Satish Kotian 4. Manish Sharma
Risk Management Committee	1. Sahana Ramesh Prabhu 2. Siddharth Ramesh Prabhu 3. Satish Kotian
Nomination and Remuneration committee	1. Ramesh Prabhu 2. Satish Kotian 3. Manish Sharma 4. R.B. Harnal

15. 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.

16. 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, 2020 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>.

17. 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).

18. SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 12,00,00,000 comprising of 1,20,00,000 Equity Shares of Rs. 10 each. The Issued, Subscribed and Paid-up is Rs. 10,79,28,000 comprising of 1,07,92,800 Equity shares of Rs. 10 each.

19. 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.

20. 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.

21. 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.

22. 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 23rd Annual General Meeting (AGM) of the Company held on July 09, 2020 till the conclusion of the 24th AGM to be held in the year 2020.

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.

23. INTERNAL AUDIT

The Company has appointed M/s Protune KS Aiyar Consultants Pvt Ltd as Internal Auditors of the Company with effect from July 09, 2019. 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.

24. 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.

25. 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.

26. 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.

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

There are no Loans, Guarantees, Investments given during the Financial Year ended on 31st March 2020, which attracts the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

28. 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, 2020 and also there are no outstanding deposits at the end of the financial year.

29. 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, 2020.

30. 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.

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

Sd/-

SAHANA PRABHU
Managing Director
DIN: 00198276

Place: MUMBAI
Date: 04.08.2020

Sd/-

SIDDHARTH RAMESH PRABHU
Director
DIN: 07741882

**FORM NO. MGT 9 (Annexure-1)
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020
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- shfcccompliances@shfc.in
6.	Whether listed company	UNLISTED- PUBLIC COMPANY
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500 032 Ph: +91 40 6716 1602

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 1st April 2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3466900	0	3466900	32.12%	3436900	0	3466900	32.12%	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	4698100	0	4698100	43.53%	4698100	0	4698100	43.53%	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)(1)	8165000	0	8165000	75.65%	8165000	0	8165000	75.65%	0
(A)(1)	0	0	0	0	0	0	0	0	0
(2) Foreign holding									
a) NRI-Individuals	0	0	0	0	0	0	0	0	0
b) Other individuals	0	0	0	0	0	0	0	0	0
c) Body corporate	0	0	0	0	0	0	0	0	0
d) Bank/FIs	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of promoters (A) = (A)(1)+(A)(2)	8165000	0	8165000	75.65%	8165000	0	8165000	75.65%	0
B. Public Shareholding									
(B)(1) Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0

(B)(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	333500	50000	383500	3.55%	383500	0	383500	3.55%	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	391300	140000	531300	4.92%	531300	0	531300	4.92%	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1713000	0	1713000	15.87%	1713000	0	1713000	15.87%	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):- Total Public Shareholding = (B)(a) + (B)(b)+(B)(c)	2437800	190000	2627800	24.35%	2627800	0	2627800	24.35%	0
(B)(3) Others HUF & SOCIETIES	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate	0	0	0	0	0	0	0	0	0
Bodies									
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies	0	0	0	0	0	0	0	0	0
Sub total (B) (3)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	2437800	190000	2627800	24.34%	2627800	0	2627800	24.34%	0
C. Shares held by Custodian for GDRs & ADRs - NIL									
Grand Total (A+B+C)	10602800	190000	10792800	100%	10792800	0	10792800	100%	0

B) Shareholding of Promoter 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	1837300	17.02	0	1837300	17.02	0	0
2.	Ramesh Prabhu	1599600	14.82	0	1599600	14.82	0	0
3.	Ramesh Shankar Prabhu HUF	30000	0.28	0	30000	0.28	0	0
4.	Prabhu Associates Consultants Private Limited	1574000	14.58	0	1574000	14.58	0	0
5.	Anaga Swagat Finance And Investments	1520000	14.08	0	1520000	14.08	0	0

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	1837300	17.02	0	1837300	17.02	0	0
2.	Ramesh Prabhu	1599600	14.82	0	1599600	14.82	0	0
3.	Ramesh Shankar Prabhu HUF	30000	0.28	0	30000	0.28	0	0
4.	Prabhu Associates Consultants Private Limited	1574000	14.58	0	1574000	14.58	0	0
5.	Anaga Swagat Finance And Investments	1520000	14.08	0	1520000	14.08	0	0
6.	Bramhadev Consultancy Private Limited	894400	8.29	0	894400	5.05	0	0
7.	Dhara Professional Consultants Private Limited	544700	5.05	0	544700	5.05	0	0
8.	Nutan Printers Private Limited	165000	1.53	0	165000	1.53	0	0
	Total	8165000	75.65	0	8165000	75.65	0	0

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

S.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
There was no change in promoter's shareholding during the FY 2019-20					

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

1.	Prabhu Associates Consultants Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	1574000	14.58	1574000	14.58
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	1574000	14.58	1574000	14.58

2.	Anaga Swagat Finance and Investments Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	1520000	14.08	1520000	14.08
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	1520000	14.08	1520000	14.08

3.	Bramhadev Consultancy Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	894400	8.28	894400	8.28
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	894400	8.28	894400	8.28

4.	V. VISWANATHAN	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	683000	6.33	683000	6.33
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	683000	6.33	683000	6.33

5.	Dhara Professional Consultants Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	544700	5.05	544700	5.05
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	544700	5.05	544700	5.05

6.	Vinayak Marketing Consultant Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	333500	3.09	333500	3.09
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	333500	3.09	333500	3.09

7.	Sylvester George Pereira	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	200000	1.85	200000	1.85
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	200000	1.85	200000	1.85

8.	Mallika Subodh Kuckian	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	170000	1.58	170000	1.58
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	170000	1.58	170000	1.58

9.	Divyesh Naresh Racchh	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	170000	1.58	170000	1.58
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	170000	1.58	170000	1.58

10.	Sushant Kotian	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	170000	1.58	170000	1.58
	Increase due to purchase/transfer Date of transfer 20/09/2019	0	0	0	0
	At the end of the year	170000	1.58	170000	1.58

11.	Ashish Nandlal Vishwakarma	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	170000	1.58	170000	1.58
	Increase or Decrease / Reasons	0	0	0	0
	At the end of the year	170000	1.58	170000	1.58

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	1837300	17.02	1837300	17.02
	Increase in shares due to Transfer	0	0	0	0
	At the end of the year	1837300	17.02	1837300	17.02
Ramesh Shankar Prabhu	At the beginning of the year	1599600	14.82	1599600	14.82
	Increase in shares due to Transfer	0	0	0	0
	At the end of the year	1599600	14.82	1599600	14.82
Manish Kumar Sharma	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
Satish Kotian	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
R.B.Harnal	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
Siddharth Prabhu	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
Ravindra Shetty	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
Sanjulata Jaiswal (CS)	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	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	2,33,62,376	0	0	2,33,62,376
i) Principal Amount	2,33,62,376	0	0	2,33,62,376
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2,33,62,376	0	0	2,33,62,376
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	80,07,121	0	0	80,07,121
Net Change	80,07,121	0	0	80,07,121
Indebtedness at the end of the financial year	1,53,55,255	0	0	1,53,55,255
i) Principal Amount	1,53,55,255	0	0	1,53,55,255
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1,53,55,255	0	0	1,53,55,255

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)	Satish Kotian (Executive Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,000/-	24,00,000/-	13,80,000/-	49,80,000/-
	(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	12,00,000/-	24,00,000/-	13,80,000/-	49,80,000/-
	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	-	0
	Fee for attending board committee meetings	-	0
	Commission	-	0
	Others, please specify	-	0
	Total (1)	-	0
2.	Other Non-Executive Directors	-	0
	Fee for attending board committee meetings	-	0
	Commission	-	0
	Other (specify)	-	0
	Total (2)	-	0
	Total (B)=(1+2+3)	-	0
	Overall Ceiling as per the Act	-	0

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

S.No	At the beginning of the year	Key Managerial Personnel				Total
		CEO	CS Samriddhi Bhalla	CS Sanjulata Jaiswal	CFO	
1.	Gross salary	0	47,300	3,34,279	0	3,81,579
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission	0	0	0	0	0
	- as % of profit			0	0	0
	Others, specify...	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
	Total	0	47,300	3,34,279	0	3,81,579

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

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

Sd/-

SAHANA PRABHU
 Managing Director
 DIN: 00198276

Place: MUMBAI
 Date: 04.08.2020

Sd/-

SIDDHARTH RAMESH PRABHU
 Director
 DIN: 07741882

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 arms 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 2019-20. 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 30, 2019.

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

Sd/-
Mrs. Sahana Prabhu
Managing Director
Din no: 00198276

Sd/-
Mr. Siddharth Prabhu
Director
Din No: 07741882

Date: 04.08.2020

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 Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, 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, 2020, 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Other Matter

Due to the COVID-19 pandemic and the resultant lockdown and other restrictions imposed by the state Government and local authorities, the audit processes were carried out based on the remote access to the records and documents which were made available by the management through digital medium. Further, we are unable to perform the physical verification of assets lying at company's premises / branch as at 31.03.2020. We have however, carried out alternative audit procedures to obtain sufficient and appropriate audit evidence regarding the existence and condition of the assets.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) "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.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Sd/-
For Talati & Co
Chartered Accountants
(Firm's Registration No. 110757W)
Jay Doshi

Partner
(Membership No. 138134)

Place of Signature:
Date: 04.08.2020

“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, 2020]:-

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

- i. In respect of Fixed Assets:-
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets;
 - b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) The company does not own any immovable property hence this clause is not applicable.
- ii. The Company is finance (Service Company), primarily rendering housing finance services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to a company covered in the Register maintained under Section 189 of the Companies Act 2013. The Principal amounts and interest are being received regularly. Loan has been given to Anaga Swagat Finance & Investments Pvt Ltd and outstanding amount as on 31.03.2020 is Rs 16,52,653/-.
- 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. The company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
- 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 records of the company and information and explanations given to us, the Company is generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance, Income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities.
 - b) According to information and explanations given to us, the following statutory dues of income tax have not been deposited by the Company on account of disputes :

S.No.	Name of the statute	Nature of Dues	Amount	Period to which the amount relates	Forum where the dispute is pending.
1.	Income Tax	U/S 143(1a)	91,580/-	A.Y.2009-10	Rectification is pending before Income tax CPC. (*)
2.	Income Tax	154	4,320/-	A.Y.2011-12	In absence of any formal rectification order received by the company, fresh rectification pending before Income tax CPC. (*)

(*) In opinion of the management demand is mainly on account of mismatch of Tax credit, after rectification demand will be reduced to NIL.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks, Government.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, reporting under paragraph 3 (ix) of the CARO is not applicable.

- x. During the course of our examination of the books and the records of the company, carried out in accordance with the generally accepting auditing practices in India, and according to the information and explanations given to us, 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.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) of the CARO is 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. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3(xiv) of the CARO is not applicable.
- 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. Accordingly, reporting under paragraph 3(xv) of the CARO is not applicable.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Sd/-
For TALATI & CO,
Chartered Accountants
FRN: 110757W

JAY DOSHI
(Partner)
MRN: 138134
Place: Mumbai

Date: 04.08.2020

To,
**The Board of Directors,
Swagat Housing Finance Company Limited.
(CIN : U65922MH1996PLC101035)**

Report on Compliance with the Housing Finance Companies (NHB) Directions, 2010

Pursuant to the Paragraph 33 of Chapter IV of the Housing Finance Companies (NHB) Directions, 2010 (the "Directions"), we have examined the matters specified in the Paragraph 34 of the Directions in respect of Swagat Housing Finance Company Ltd. (the "Company") for the year ended March 31, 2020.

Management's Responsibility

The Management is responsible for the design and implementation of the internal procedures, systems, processes and controls to ensure compliances with the Directions on an ongoing basis. This responsibility also includes reporting non-compliances, if any, to the National Housing Bank, Board of the Company and its Audit Committee.

Auditors' Responsibility

Our responsibility is to report on the matters specified in Paragraph 34 of the Directions based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether there are any identified non-compliances. An audit involves performing procedures to obtain audit evidence about the compliance with the Directions. The Procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the information and records, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's compliance with the Directions in order to design audit procedures that are appropriate in the circumstances. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our report. We conducted our examination in accordance with the Guidance Note on special purpose Audit Reports and Certificates issued by the Institute of Chartered Accountants of India.

Conclusion

Based on our examination of the books and records of the Company as produced for our examination and the information & explanation provided to us, we report that

1. The Company had applied for registration as required under Section 29A of the National Housing Bank Act, 1987 and has been granted a certificate of registration dated 8th April, 2003.
2. The Company has complied with the liquidity requirements as specified under Section 29B of the National Housing Bank Act, 1987 and has kept the securities with the designated bank.
3. The Company has complied with Section 29C of the National Housing Bank Act, 1987.
4. The Company has complied with the provisions of the NHB Directions 2010.
5. The capital adequacy ratio as disclosed in the return submitted to the National Housing Bank has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio as prescribed by the National Housing Bank in the Directions.
6. As per the records of the company and according to the information and explanations given to us the Company does not hold any public deposits as on 31st March, 2020.
7. In our opinion and according to the information given to us, the company has complied with the Prudential Norms as applicable to it.
8. The Company has not opened any new branches/offices during the year.
9. The Company has complied with the provisions contained in paragraph 38 and 38A of the Housing Finance Companies (NHB) Directions 2010.
10. The Company has furnished the Schedule II return within the stipulated period as specified in the Housing Finance Companies (NHB) Directions 2010.
11. The total borrowings of the housing finance company are within the limits prescribed under paragraph 3(2) of the Housing Finance Companies (NHB) Directions 2010.

Restriction of use

This report is issued pursuant to the requirement as per Paragraph 33 of the Directions and should not be used by any other person or for any other purpose. We neither accept nor assume any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

Sd/-
For TALATI & CO,
Chartered Accountants
FRN: 110757W

JAY DOSHI
(Partner)
MRN: 138134
Place: Mumbai

Date: 04.08.2020

SWAGAT HOUSING FINANCE COMPANY LIMITED

(CIN NO. U65922MH1996PLC101035)
BALANCE SHEET AS AT 31st March, 2020.

PARTICULARS	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I. EQUITY AND LIABILITIES			
1 Shareholder's funds			
(a) Share capital	1	107,928,000	107,928,000
(b) Reserves and surplus	2	48,913,838	43,986,398
2 Non-current liabilities			
(a) Long Term Borrowings	3	8,348,173	15,355,256
(b) Deferred Tax Liabilities (Net)	4	3,021,436	2,608,593
(c) Long-term provisions	5	1,771,052	1,490,360
3 Current liabilities			
(a) Short Term Borrowings	6	9,538,740	-
(b) Other Current Liabilities	7	8,620,749	9,640,148
(c) Short Term Provisions	8	1,248,559	1,192,680
TOTAL		189,390,547	182,201,435
II. ASSETS			
1 Non-current assets			
(a) Property, Plant & Equipments			
(i) Tangible Assets	9	2,313,798	380,416
(b) Non-current Investments	10	1,000,000	6,000,000
(c) Long-term loans and advances	11	148,658,874	129,397,184
2 Current assets			
(a) Trade Receivables	12	1,052,362	1,412,768
(b) Cash and cash equivalents	1	28,812,707	37,571,723
(c) Short-term loans and advances	14	6,871,370	7,378,522
(d) Other current assets	15	681,436	60,822
TOTAL		189,390,547	182,201,435
III. Significant Accounting Policies & Notes To Accounts	22 To 45		

In terms of our Report of even date

For Swagat Housing Finance Company Limited

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

Sd/-
(Jay M. Doshi)
Partner
(Membership No 138134)
Mumbai, Dated 04.08.2020

Sd/-
(Mrs. Sahana Prabhu)
Director
DIN NO.00198276

Sd/-
(Mr. Siddharth Prabhu)
Director
DIN NO.07741882

Sd/-
(Sanjulata Jaiswal)
Company Secretary
MEM NO. A58877

Place: Mumbai
Date : 04.08.2020

SWAGAT HOUSING FINANCE COMPANY LIMITED

(CIN NO. U65922MH1996PLC101035)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31st March, 2020.

PARTICULARS	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I Revenue From Operations	16	22,665,172	21,243,163
II Other income	17	4,922,318	1,215,070
III Total Revenue (I+II)		27,587,490	22,458,233
IV Expenses:			
(A) Finance Costs	18	2,422,724	3,187,784
(B) Employee Benefit Expenses	19	10,025,296	6,871,772
(C) Other Expenses	20	7,774,441	5,828,893
(D) Depreciation and Amortization Expenses	9	208,109	345,021
(E) Provisions Against Assets	21	491,482	25,805
V Total Expenses		20,922,052	16,259,275
VI Profit Before Tax (III-V)		6,665,438	6,198,958
VII Tax expenses:			
(A) Current tax		1,325,154	1,192,680
(B) MAT Credit Entitlement		-	(76,595)
(C) Tax Adjustment of earlier years		-	380
(D) Deferred tax		412,843	251,373
VIII Total Tax Expenses		1,737,997	1,367,838
IX Profit After Tax (VI-VIII)		4,927,441	4,831,120
X Earnings Per Share:			
(A) Basic & Diluted		0.46	0.51
(B) Weighted Average No. of Equity Shares		10,792,800	9,439,954
XI Significant Accounting Policies & Notes To Accounts	22 To 45		

In terms of our Report of even date

For Swagat Housing Finance Company Limited

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

Sd/-
(Jay M. Doshi)
Partner
(Membership No 138134)
Mumbai, Dated 04.08.2020

Sd/-
(Mrs. Sahana Prabhu)
Director
DIN NO.00198276

Sd/-
(Mr. Siddharth Prabhu)
Director
DIN NO.07741882

Sd/-
(Sanjulata Jaiswal)
Company Secretary
MEM NO. A58877

Place: Mumbai
Date : 04.08.2020

SWAGAT HOUSING FINANCE COMPANY LIMITED
(CIN NO. U65922MH1996PLC101035)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	31.3.2020 Rs.	31.3.2019 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before Tax	6,665,438	6,198,958
<u>Adjustments for:</u>		
Depreciation and Amortization	208,109	345,021
Bad Debts written off	1,713,657	333,874
Provision against Standard Assets	37,147	25,805
Provision against Standstill Accounts	454,335	-
Reversal of Provisions no longer required	(210,790)	(934,710)
Gains on sale of Mutual Funds	(653,811)	(114,623)
Interest Income on Deposits	(1,103,137)	(110,665)
Operating Profit/(Loss) before Working Capital Changes	7,110,948	5,743,660
<u>Adjustments for:</u>		
Increase/(Decrease) in Current Liabilities	(19,361)	365,452
(Increase)/Decrease in Trade Receivables	360,406	(559,874)
(Increase)/Decrease in Other Current Assets	(620,614)	(41,538)
(Increase)/Decrease in Short Term Loans & Advances	(31,659)	130,582
(Increase)/Decrease in Long Term Loans & Advances	(20,975,348)	(1,527,773)
Cash generated from Operations	(14,175,628)	4,110,509
Less: Income Tax Paid (Net of Income Tax Refund)	730,464	1,443,515
Net Cash from/(used in) Operating Activities (A)	(14,906,092)	2,666,994
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets Sd/-	(2,141,491)	(514,188)
Sale/(Purchase) of Current Investments (Net)	5,000,000	(5,000,000)
Interest Income on investments (Gain on Sale of Mutual Funds)	653,811	114,623
Interest Income earned on Deposits	1,103,137	110,665
Net Cash from/(used in) Investing Activities (B)	4,615,457	(5,288,900)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short Term Borrowings (OD Facility)	9,538,740	-
Proceeds from Long Term Borrowings	-	10,000,000
Repayment of Long Term Borrowings	(8,007,121)	(7,622,430)
Issue of Equity Shares Capital	-	13,603,000
Securities Premium	-	6,801,500
Net Cash from/(used in) Financing Activities (C)	1,531,619	22,782,070
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS [A + B + C]	(8,759,016)	20,160,164
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	37,571,723	17,411,559
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	28,812,707	37,571,723

- Notes:**
- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standar 3 (AS-3).
 - Figures in the brackets indicate Cash Outflows.
 - 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

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

Sd/-
(Mrs. Sahana Prabhu)
Director
DIN NO.00198276

Sd/-
(Mr. Siddharth Prabhu)
Director
DIN NO.07741882

(Jay M. Doshi)
Partner
(Membership No 138134)
Mumbai, Dated

Sd/-
(Sanjulata Jaiswal)
Company Secretary
MEM NO. A58877

Place: Mumbai
Date : 10.06.2019

Note 1: SHARE CAPITAL

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Authorised: 1,20,00,000 Equity shares (As at 31st March, 2019: 1,20,00,000 Equity Shares) of Rs. 10 each.	120,000,000	120,000,000
Issued, Subscribed and Paid-up: 1,07,92,800 Equity shares (As at 31st March, 2019: 1,07,92,800 Equity Shares) of Rs. 10 each fully paid up.	107,928,000	107,928,000
Total Issued, Subscribed and Paid-up Share Capital	107,928,000	107,928,000

Note 1.1: Reconciliation of no. of Shares outstanding

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2019
	No. of Shares	Rs.	No. of Shares	Rs.
Equity Shares (Rs. 10 each fully paid up):				
Outstanding at the beginning of the year	10,792,800	10,792,800	9,432,500	9,432,500
Issued during the year	-	-	1,360,300	1,360,300
Outstanding at the end of the year	10,792,800	10,792,800	10,792,800	10,792,800

Note 1.2: Details of shareholders holding more than 5% shares in the company

PARTICULARS	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Mr. Ramesh S. Prabhu	1599600	14.82%	1599600	14.82%
Mrs. Sahana R. Prabhu	1837300	17.02%	1837300	17.02%
Mr.V.Vishwanathan	683000	6.33%	683000	6.33%
Prabhu Associates Consultants Pvt.Ltd	1574000	14.58%	1574000	14.58%
Anaga Swagat Finance & Investments Pvt.Ltd	1520000	14.08%	1520000	14.08%
Brahmadev Consultancy Pvt. Ltd.	894400	8.29%	894400	8.29%
Dhara Professional Consultants Pvt Ltd	544700	5.05%	544700	5.05%

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 2: RESERVES & SURPLUS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Statutory Reserve Account (As per Section 29C of National Housing Bank Act, 1987)		
Opening Balance	4,886,319	3,920,095
Add: Transfer from Surplus in the Statement of Profit & Loss A/c	-	966,224
Closing Balance	4,886,319	4,886,319
(b) Special Reserve Account (As per Section 36(1)(viii) of the Income Tax Act, 1961)		
Opening Balance	9,865,529	9,775,788
Add: Transfer from Surplus in the Statement of Profit & Loss A/c	1,176,115	89,741
Closing Balance	11,041,644	9,865,529
(c) Securities Premium		
Opening Balance	6,801,500	-
Add: During the year	-	6,801,500
Closing Balance	6,801,500	6,801,500
(d) Surplus in Statement of Profit & Loss		
Opening Balance	22,433,050	18,657,895
Add: Profit for the year	4,927,441	4,831,120
Amount Available for Appropriations	27,360,490	23,489,015
Less: Appropriations		
Transfer to Statutory Reserve	(1,176,115)	(1,055,965)
Transfer to Statutory Reserve Account (Section 29C of National Housing Bank Act, 1987)	-	(966,224)
Transfer to Special Reserve Account (As per Section 36(1)(viii) of the Income Tax Act, 1961)	(1,176,115)	(89,741)
Closing Balance	26,184,375	22,433,050
Grand Total	48,913,838	43,986,398

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, 2020	For the year ended 31st March, 2019
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>	14,751,848	13,695,883
<u>(a) Statutory Reserve as per Section 29C of National Housing Bank Act, 1987.</u>	4,886,319	3,920,095
<u>(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</u>	9,865,529	9,775,788
	14,751,848	13,695,883
<u>Add: Additions / Appropriations out of current years profit - (B)</u>	1,176,115	1,055,965
<u>(a) Amount Transferred u/s 29C of the NHB Act, 1987</u>	-	966,224
<u>(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</u>	1,176,115	89,741
	1,176,115	1,055,965
<u>Less: Withdrawals during the year - (C)</u>	-	-
<u>Balance at the end of the year - (D) = (A) + (B) - (C)</u>	15,927,963	14,751,848

NOTE 3: LONG TERM BORROWINGS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Term Loans: Secured: (a) From Banks/Financial Institutions <u>AU Small Finance Bank Ltd.</u>	15,355,256	15,355,256
NOTE 3.1: Total	15,355,256	15,355,256

Loans and Advances from AU Small Finance Bank Ltd. are secured by pari passu charge on the book debts 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 11% to 14.50% (Previous year 11% to 14.50%).

Current portion of above liability is disclosed under the head "Other Current Liabilities". (Refer Note 7)

NOTE 4: DEFERRED TAX LIABILITIES (NET)

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance at the beginning of the year	2,608,593	2,357,220
Add: Current year DTL due to addition in Reserves u/s 36(1)(viii)	305,790	274,551
Less: Current year DTA due to difference in Depreciation	107,053	(23,178)
Balance at the End of the year	3,021,436	2,608,593

NOTE 5: LONG TERM PROVISIONS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Provision for Bad & Doubtful Debts	901,557	1,112,347
Provision for Standard Assets	415,160	378,013
Provision for Standstill Accounts (Refer Note)	454,335	-
Balance at the End of the year	1,771,052	1,490,360

Note 5.1: The company has made additional provision of Rs.4.54 lacs for the year ended 31st March, 2020 (P.Y. Nil) towards Covid-19 in accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020. The company has offered moratorium to its customers and for all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification).

Note 6: SHORT TERM BORROWINGS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Secured: (a) From Banks/Financial Institutions OD from Bharat Co-operative Bank (Mumbai) Ltd.	9,538,740	-
Total	9,538,740	-

Note 6.1: Overdraft Facility availed from Bharat Co-operative Bank (Mumbai) Ltd. is secured against Fixed Deposit (Rate of Interest for OD-9.95%) (P.Y.-Nil).

Note 7: OTHER CURRENT LIABILITIES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current maturities of Long Term Borrowings (Refer Note-3)	7,007,082	8,007,120
Advance from Borrowers	119,167	-
TDS Payable	136,657	252,477
Professional Tax Payable	200	625
GST Payable	79,086	-
Audit Fees payable	112,500	112,500
Other Expenses Payable	1,166,057	1,267,426
Total	8,620,749	9,640,148

NOTE 8: SHORT TERM PROVISIONS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Provision for Income Tax	1,248,559	1,192,680
Total	1,248,559	1,192,680

NOTE 9: PROPERTY, PLANT & EQUIPMENTS (FIXED ASSETS)

Description	Gross Carrying Amount				Accumulated Depreciation/Amortisation				Net Carrying Amount	
	As at 01.04.2019	Additions	Deletions/ Adjustments	As at 31.03.2020	As at 01.04.2019	Depre- ciation	Deletions/ Adjustments	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
<u>(I) Tangible Assets</u>										
(i) Computer System	1,406,968	2,122,350	-	3,529,318	1,165,881	159,938	-	1,325,819	2,203,500	241,087
(ii) Furniture & fixtures	1,030,755	-	-	1,030,755	957,745	17,609	-	975,354	55,401	73,010
(iii) Air Conditioner	223,317	19,141	-	242,458	221,980	7,209	-	229,189	13,269	1,337
(iv) Office Equipments	432,179	-	-	432,179	367,197	23,353	-	390,550	41,628	64,982
Total	3,093,219	2,141,491	-	5,234,710	2,712,803	208,109	-	2,920,912	2,313,798	380,416
Previous Year	2,579,031	514,188	-	3,093,219	2,367,782	345,021	-	2,712,803	380,416	211,249

NOTE 10: NON-CURRENT INVESTMENTS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2019	For the year ended 31st March, 2018
OTHER INVESTMENTS (NON TRADE)		
UNQUOTED - (FULLY PAID)		
Equity Shares in Swagat Hire Purchase & Finance Pvt. Ltd. Face Value of Rs.10	500,000	500,000
Equity Shares in Anaga swagat Finance & Investments Pvt. Ltd. Face Value of Rs.100	500,000	500,000
Investments in Mutual funds - (Market Value - Rs. NIL)	-	5,000,000
Aggregate value of investments	1,000,000	6,000,000
Cost of Quoted investments	-	5,000,000
Cost of Unquoted investments	1,000,000	6,000,000

NOTE 10.1:

Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares/Units		Quoted/ Unquoted	Partly Paid/ Fully Paid	Extent of Holding(%)		Amount (Rs.)		Best of valuation
		2020	2019			2020	2019	2020	2019	
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Investment in Equity Instruments										
i) 50000 equity shares of 10/- each Swagat Hire Purchase & Finance Pvt. Ltd.	Others	50,000	50,000	Unquoted	Fully Paid	3.39	3.39	500,000	500,000	Face Value
ii) 5000 equity shares of 100/- each Anaga Swagat Finance & Investments Pvt. Ltd.	Others	5,000	5,000	Unquoted	Fully Paid	1.33	1.33	500,000	500,000	Face Value
Investments in Mutual funds										
Reliance Liquid Fund - Growth Plan - (Market Value - Rs. 5188767)		-	-	Quoted	-	-	-	-	5,000,000	
								1,000,000	1,000,000	

NOTE 11: LONG TERM LOANS AND ADVANCES

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2019
	Rs.	Rs.	Rs.	Rs.
a. Loans and advances to related parties				
Unsecured, considered good		1,652,653		3,186,967
(Intercompany loan-Anaga Swagat)				
Total - (A)		1,652,653		3,186,967
b. Other loans and advances				
<u>Secured, considered as Standard Assets</u>				
Housing Loans	132,996,840		94,535,763	
Non-Housing Loans	25,100,994		36,805,024	
<u>Secured, considered as Doubtfull Assets</u>				
Housing Loans	2,758,442		3,848,489	
Less: Securitised Loans	160,856,276		135,189,276	
Sub-Total	13,850,055	147,006,221	8,979,059	126,210,217
Total - (B)		147,006,221		126,210,217
TOTAL (A + B)		148,658,874		129,397,184

Note 11.1: 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. 1,38,50,055/- (Previous year-Rs. 89,79,059/-). 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 12: TRADE RECEIVABLES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Trade Receivables		
Secured, considered good	2,243,383	2,534,313
Secured, considered doubtful	214,524	195,923
Gross Trade Receivables	2,457,907	2,730,236
Less: Interest Due, considered doubtful (NPA Accounts)	(1,405,545)	(1,317,468)
Total Trade Receivables	1,052,362	1,412,768
Total	1,052,362	1,412,768

NOTE 13: CASH AND CASH EQUIVALENTS

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2019
	Rs.	Rs.	Rs.	Rs.
a. Balances with banks				
Canara Bank	548,766		7,108,834	
OBC Bank	5,531		5,626	
Axis Bank	12,587,922		-	
AU Bank	900,000		12,881,041	
Federal bank	1,500,256		16,754,644	
In Fixed Deposit Accounts (Including Accrued Interest)	12,191,107	27,733,582	99,328	36,849,473
b. Cash on hand		1,079,125		722,250
		28,812,707		37,571,723

NOTE 14: SHORT TERM LOANS AND ADVANCES

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Deposits for premises	3,794,600	3,794,600
Advance Tax / TDS	1,572,284	2,049,350
MAT Credit Entitlement	-	76,595
GST Input Credit	-	3,992
Security Deposits	1,300,000	1,300,000
Other Deposits	135,000	145,000
Short Term Advance	69,486	8,985
Total	6,871,370	7,378,522

NOTE 15: OTHER CURRENT ASSETS

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Prepaid - IT related charges	112,625	60,822
Prepaid - Other Expenses	46,097	-
Interest Accrued but not due (Refer Note)	522,714	-
Total	681,436	60,822

Note 15.1: Interest Accrued but not due amounting to Rs.5.23 lacs (P.Y.-Nil) constitutes the interest amount which is accrued but not due because of the Moratorium period opted by such accounts as specified in circular no. DOR.No.BP.BC.47/21.04.048/2019-20 dated 27th March, 2020 issued by RBI. (Refer Note no. 32 for additional details)

Note 16: Revenue From Operations

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<u>Interest Income from Financing activities:</u>		
Interest From Housing Loans	15,356,861	13,558,448
Interest From Non-Housing Loans	5,373,538	6,912,183
Non-Interest Income from Financing activities (Refer note below)	1,934,773	772,532
Total	22,665,172	21,243,163

Note 16.1: Non-Interest Income from Financing activity includes Loan Processing Fees & Other Charges.

Note 17: Other Income

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Bank Deposits	999,137	6,665
Interest on Security Deposit	104,000	104,000
Interest on Income Tax Refund	61,240	-
Other Income	2,893,340	55,072
Gain on sale of Mutual/Liquid funds (Net)	653,811	114,623
Provisions no longer required written back	210,790	934,710
Total	4,922,318	1,215,070

Note 18: Finance Cost

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Expenses	2,422,724	3,187,784
Total	2,422,724	3,187,784

Note 19: Employee Benefit Expenses

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, Bonus & Allowances	4,918,591	4,480,813
Directors Remuneration	4,980,000	2,255,307
Staff welfare / Staff Insurance	126,705	135,652
Total	10,025,296	6,871,772

Note 20: Other Expenses

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Advertisement & Business Promotion Expenses	173,687	85,121
Audit Fees	125,000	125,000
Bad Debts written off	1,713,657	333,874
Bank Charges	22,528	66,727
Compliance Related Expenses like CIBIL charges, etc.	308,589	75,394
Commission Expense	-	84,745
Conveyance & Travelling Expenses	223,705	301,467
Electricity Charges	208,290	200,570
General Office Expenses	255,021	185,858
GST ITC Reversed	329,462	159,880
Internal Audit Fees	500,000	-
IT Related Services Expenses	356,953	274,332
Legal & Professional Charges	1,765,420	2,043,165
Miscellaneous Expenses	31,770	9,080
Penalty (NHB)	-	15,000
Postage, Telephone & Other communication expenses	22,330	28,640
Printing & Stationery	188,282	193,255
Profession Tax	758	2,500
Recruitment Service charges	34,986	57,000
Rent Expenses	1,200,000	1,080,000
Repairs & Maintenance	90,290	378,181
Society Maintenance charges	91,684	64,216
System Audit Fees	80,040	-
TDS & GST Return Late filing Fees	-	750
Training Fees	51,989	64,138
TOTAL	7,774,441	5,828,893

Note 21: Provision Against Assets

(in Rs.)

PARTICULARS	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Provision for Bad and Doubtful Debts/Advances	-	-
Provision for Standard Assets	37,147	25,805
Provision for Standstill Accounts (Refer Note)	454,335	-
Total	491,482	25,805

Note 21.1: The company has made additional provision of Rs.4.54 lacs for the year ended 31st March, 2020 (P.Y. Nil) towards Covid-19 in accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020. The company has offered moratorium to its customers and for all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification). (Refer Note no. 32 for additional details)

SWAGAT HOUSING FINANCE COMPANY LIMITED

(CIN NO. U65922MH1996PLC101035)

YEAR ENDING 31.03.2019

NOTE- 22 TO 45 NOTES FORMING PART OF FINANCIAL STATEMENTS

Notes forming part of the Financial Statements for the year ended 31.03.2020

22. 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.

23. 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 Housing finance Companies, (NHB) Directions, 2010. The financial statements have been prepared on accrual basis under the historical cost convention. 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.

Due to the COVID-19 pandemic and the resultant lockdown and other restrictions imposed by the state Government and local authorities, the audit processes were carried out based on the remote access to the records and documents which were made available by the management through digital medium.

24. 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 Installments (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.

25. 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 provision on Standard and Non- Performing Loans is made as per the prudential norms prescribed in the Housing Finance Companies (NHB) Directions, 2010 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 NHB Directions.

26. 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.

27. 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.

28. 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.

29. 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.

30. 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.

31. 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.

32. The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as standard, even if overdue as on February 29, 2020, excluding the collections already made in the month of March 2020. For all such accounts where the moratorium is granted, the asset classification will remain at a standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification).

The extent to which the COVID-19 pandemic will impact the Company's Financial Statement will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial Statement and the Company will continue to closely monitor any material changes to future economic conditions.

Disclosure with respect to 'COVID-19 Regulatory Package' as per RBI circular dated 27th March 2020 & 17th March 2020 is provided below:

S.No.	Particulars	No. of Accounts	Amount (Rs. in Lacs)
1.	Credit facilities availing extension in repayment through deferment / moratorium	40	397.47
2.	Credit facilities to which asset classification benefits	7	90.87
3.	Provision made as on 31st March 2020	7	4.54
4.	Provisions adjusted against slippages during the period	NIL	NIL

33. CAPITAL TO RISK ASSETS RATION (CRAR)

		As at March 2020	As at March 2019
(i)	CRAR (%)	185.85%	169.73%
(ii)	CRAR- Tier I Capital (%)	185.36%	169.31%
(iii)	CRAR- Tier II Capital (%)	0.49%	0.42%

34. Exposure to Real Estate Sector

	Category	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
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.)	Nil	Nil

	Exposure would also include non-fund based (NFB) limits)		
(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

35. RELATED PARTY TRANSACTIONS:

Disclosure as required by Accounting Standard (AS) 18 on 'Related Party Disclosures' notified under Section 133 of the Companies Act 2013:

Sr. No.	Name of transacting related party	Nature of Payment	2019-20	2018-19
1.	Mrs. Sahana Prabhu (Director)	Director Remuneration	12,00,000/-	8,64,000/-
2.	Mr. Siddharth Prabhu (Director)	Director Remuneration	24,00,000/-	12,15,000/-
3.	Mr. Satish Kotian (Director)	Director Remuneration	13,80,000/-	NIL
4.	Mr. Sahana Prabhu (Director)	Rent	6,00,000/-	5,40,000/-
5.	Mr. Ramesh Prabhu (Director)	Rent	6,00,000/-	5,40,000/-
6.	Anagha Swagat Finance & Investments Pvt. Ltd. (Group Entity)	Interest Received on inter-corporate Loan	2,75,261/-	5,38,200/-
7.	Anagha Swagat Finance & Investments Pvt. Ltd. (Group Entity)	Loan Balance at year end	16,52,653/-	31,86,967/-

36. PAYMENT TO AUDITORS

	31/03/2020	31/03/2019
Auditors Remuneration		
Auditors Remuneration For Statutory Audit & Tax Audit	Rs. 1,25,000/-	Rs. 1,25,000/-
Auditors Remuneration For Internal Audit	Rs. 5,00,000/-	NIL

37. PORTFOLIO

a. Classification of Assets (portfolio):

Advances are classified as performing and non-performing assets in accordance with directions on prudential norms issued by National Housing Bank (NHB). Provisions on standard assets, sub-standard assets, doubtful assets and loss assets have been made as per NHB Directions, 2010 as amended from time to time. Details are given hereunder: (Rs. in Lacs)

Loans	Standard	Sub-Standard	Doubtful	Loss	Total
Housing Loans	1192.33	11.32	16.27	-	1219.92
(Previous Year)	856.55	12.31	26.17	-	895.03
Provision made	2.81	1.73	7.29	-	11.83
(Previous Year)	2.16	1.85	9.27	-	13.28
Non-Housing Loans	266.67	-	-	-	266.67
(Previous Year)	398.94	-	-	-	398.94
Provision made	1.34	-	-	-	1.34
(Previous Year)	1.62	-	-	-	1.62
Total Loans	1459.00	11.32	16.27	-	1486.59
(Previous Year)	1255.49	12.31	26.17	-	1293.97
Total Provision	4.15	1.73	7.29	-	13.17
(Previous Year)	3.78	1.85	9.27	-	14.90

The Provisions mentioned above does not include provision of Rs. 4.54 lacs made towards standstill accounts (Refer note no. 32 for additional details).

b. Maturity Pattern of Assets and liabilities

Asset Liability Management as on 31.03.2020 (Rs. In Lacs)				
Particulars	Liabilities		Assets	
	Bank Borrowings	Market/Other Borrowings	Loans & Advances	Investments
1 day to 30/31 days (One month)	6.67	0.00	6.24	10.00
Over 1 month upto 2 months	6.67	0.00	6.32	0.00
Over 2 months upto 3 months	6.67	0.00	6.40	0.00
Over 3 months upto 6 months	20.02	0.00	19.64	0.00
Over 6 months upto 1 year	30.04	0.00	41.02	0.00
Over 1 year upto 3 years	80.14	0.00	141.34	0.00
Over 3 years upto 5 years	3.34	0.00	147.68	0.00
Over 5 years upto 7 years	0.00	0.00	144.33	0.00
Over 7 years upto 10 years	0.00	0.00	220.71	0.00
Over 10 years	0.00	0.00	752.91	0.00
Total	153.55	0.00	1486.59	10.00

38. Contingent Liability & Movement of NPA & Provisions

(i) **CONTINGENT LIABILITY:**

(a) **INCOME TAX LIABILITY**

Income tax liability as per Income Tax CPC and not provided for Rs.95,900/-

(In opinion of the management demand is mainly on account of mismatch of Tax credit, after rectification demand will be reduced to NIL.)

(ii) **MOVEMENT OF NPA & PROVISIONS (AS-29)**

a. **Movement of NPA's**

Provision for	Opening as on 01/04/2019	Net Addition/ Deletion	Closing as on 31/03/2020
Sub-Standard Assets	12.31	(0.80)	11.51
Doubtful Assets	26.17	(7.95)	18.22
Loss Assets	-	-	-
Total NPA	36.48	(8.75)	29.73

c. **Depreciation on Investments**

Provision for	Opening as on 01/04/2019	Net Addition/ Deletion	Closing as on 31/03/2020
Against Standard Assets	3.78	0.37	4.15
Against NPA	11.12	(2.11)	9.01
Against Standstill Accounts	NIL	4.54	4.54
Against Investment	NIL	NIL	NIL

c. **Depreciation on Investments**

Provision for	Opening as on 01/04/2019	Net Addition/ Deletion	Closing as on 31/03/2020
Depreciation on Investments	NIL	NIL	NIL

39. 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	2019-20	2018-19
Profit After tax	49,27,441/-	48,31,120/-
Weighted average number of equity shares for Basic EPS	1,07,92,800 shares	94,39,954 shares
Weighted average number of equity shares for diluted EPS	1,07,92,800 shares	94,39,954 shares
Earnings per share		
Basic	0.46	0.51
Diluted	0.46	0.51

40. 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.

41. Details of Co-LENDING Transactions undertaken during the year:

Details of new transaction in current year (F.Y. 2019-20) are mentioned below:

Particulars	Amount/Numbers
Number of Accounts	7 Accounts
Aggregate Value (net of Provisions)	Rs. 62.85 lacs
Aggregate Consideration	Rs. 62.85 lacs

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

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. DISCLOSURE

Disclosure regarding penalty or adverse comments as per Housing Finance Companies (NHB) directions, 2010. During the current year, the company has:

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

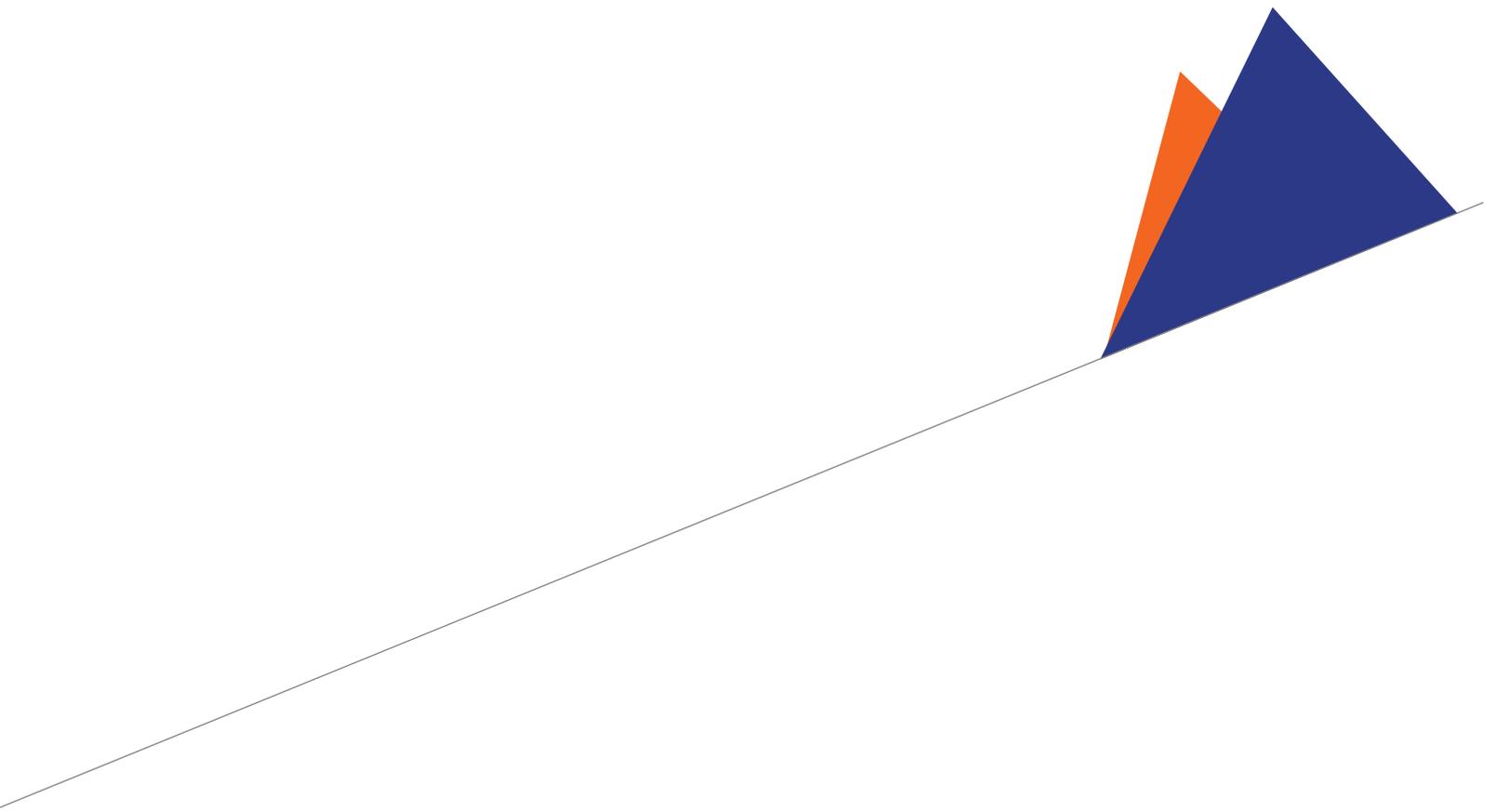
45. PREVIOUS YEAR FIGURE

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 TALATI & CO. CHARTERED ACCOUNTANTS (Firm Reg no 110757W)	For Swagat Housing Finance Company Limited	
(Jay M. Doshi) Partner (M.No 138134) Mumbai, Dated 04.08.2020	(Mrs. Sahana Prabhu) Director DIN NO.00198276	(Mr. Siddharth Prabhu) Director DIN NO.07741882
	(Sanjulata Jaiswal) Company Secretary M. No. A58877 Mumbai Dated: 04.08.2020	

CHAIRMAN	:	Mr. Ramesh Prabhu
DIRECTORS	:	CA Ramesh Shankar Prabhu (Non Executive Director) Mrs. Sahana Ramesh Prabhu (Managing Director) CA Siddharth Prabhu (Executive Director) Mr. Satish Kotian (Executive Director) R.B. Harnal (Independent Director) CA Manish Kumar Sharma (Independent Director) Mr. Ravindra Subanna Shetty (Non Executive Director)
STATUTORY AUDITORS	:	Ms Talati & Co., Chartered Accountants 201-204 Kala Mandir, Chitrakar Ketkar Marg, Vile Parle East, Mumbai 400057
INTERNAL AUDITORS	:	M/s Protune K S Aiyar Consultants Pvt Ltd 104, Reena Complex, Kirod Road, Vidhyavihar W, Mumbai, Maharashtra 400086
COMPANY SECRETARY	:	Ms. Sanjulata Jaiswal
REGISTERED OFFICE	:	A-1 207, Laram Centre, Opposite Railway Station, Andheri West, Mumbai 400058.
DATE OF AGM	:	Tuesday, September 01, 2020
TIME	:	2:00 P.M. (Through Video Conferencing)



Swagat Housing Finance Company Limited

Regd. Office: A-1/207, Laram Centre, Above Federal Bank, Opp. Railway Station, Andheri (West), Mumbai - 400 058.

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