



सेन्ट बैंक होम फायनेन्स लिमिटेड  
**Cent Bank Home Finance Limited**

सेन्ट्रल बैंक ऑफ इण्डिया की अनुषंगी

Subsidiary of Central Bank of India



# ANNUAL REPORT

## 2023-2024

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**CENT BANK HOME FINANCE LTD.**

**CIN: U65922MP1991PLC006427**

**Regd. Office:** Central Bank of India Building,  
 9, Arera Hills, Mother Teresa Road, Bhopal – 462 011.  
 Tel No: 0755-4019303; 0755-2766118/119

**Website-** [www.cbhfl.com](http://www.cbhfl.com) **e-mail id –** [customercare@cbhfl.com](mailto:customercare@cbhfl.com) ; [cs@cbhfl.com](mailto:cs@cbhfl.com)

**Corporate Office:** Central Bank of India, Mumbai Main Office building,  
 6<sup>th</sup> floor, MG Road, Fort, Flora Fountain, Hutatma Chowk, Mumbai 400023.  
 Tel No:- 022-69519303

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## **LIST OF SHAREHOLDERS AS ON 31<sup>ST</sup> MARCH, 2024**

<b>S. No</b>	<b>Name of Shareholders</b>
1.	Central Bank of India
2.	National Housing Bank (NHB)
3.	Housing & Urban Development Corporation Limited (HUDCO)
4.	Specified undertaking of Unit Trust of India (SU-UTI)
5.	Shri Vasti Venkatesh & Central Bank of India
6.	Shri Y Anil Kumar & Central Bank of India
7.	Shri Mukul Narayan Dandige & Central Bank of India
8.	Shri Kushal Pal & Central Bank of India

**LIST OF DIRECTORS AS ON 31<sup>ST</sup> MARCH, 2024**

S. No.	Full Name	DIN	Designation
1.	Shri Malladi Venkat Murali Krishna	09201111	Chairman
2.	Shri Anil Girotra	02221989	Independent Director
3.	Shri P. J. Thomas	10332033	Independent Director
4.	Shri Mukul Narayan Dandige	08861846	Director (Nominee Central Bank of India )
5.	Shri Vasti Venkatesh	09782983	Director (Nominee Central Bank of India )
6.	Shri Y. Anil Kumar	09284938	Director (Nominee Central Bank of India )
7.	Shri Anuj Rastogi	10327080	Director (Nominee National Housing Bank )
8.	Shri Navnath Rundekar	08472927	Director (Nominee SUUTI)
9.	Shri K. K. Chauhan	00226460	Director (Nominee HUDCO)
10	Shri Kushal Pal	09225722	Managing Director

## **LIST OF COMMITTEES AS ON 31<sup>ST</sup> MARCH, 2024**

<b>S. No.</b>	<b>Name Of Committee</b>	<b>Committee Members</b>
1.	Audit Committee	a) Shri Anil Girotra, Chairman b) Shri P. J. Thomas c) Shri Y. Anil Kumar
2.	Credit Management Committee	a) Shri Anil Girotra, Chairman b) Shri P. J. Thomas c) Shri Mukul Narayan Dandige d) Shri Vasti Venkatesh e) Shri Kushal Pal
3.	HR Committee	a) Shri Anil Girotra, Chairman b) Shri P. J. Thomas c) Shri Vasti Venkatesh d) Shri Anuj Rastogi e) Shri K. K. Chauhan f) Shri Navnath Rundekar g) Shri Kushal Pal
4	CSR Committee	a) Shri Anil Girotra, Chairman b) Shri P. J. Thomas c) Shri Vasti Venkatesh d) Shri Anuj Rastogi e) Shri Kushal Pal
5	Risk Management Committee	a) Shri Anil Girotra, Chairman b) Shri P. J. Thomas c) Shri Mukul Narayan Dandige d) Shri Vasti Venkatesh e) Shri Kushal Pal
6	Nomination & Remuneration Committee	a) Shri Anil Girotra, Chairman b) Shri P. J. Thomas c) Shri Anuj Rastogi
7	Stakeholders Relationship Committee	a) Shri P. J. Thomas, Chairman b) Shri Vasti Venkatesh c) Shri Kushal Pal
8	IT Strategy Committee	a) Shri P. J. Thomas, Chairman b) Shri Anil Girotra, c) Shri Vasti Venkatesh d) Shri Kushal Pal e) Shri Varun Mathur (CIO) f) Shri Pankaj Kumar (CTO)

9	Recovery Committee	a) Shri Anil Girotra, Chairman b) Shri P. J. Thomas c) Shri Y. Anil Kumar d) Shri Kushal Pal
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## DIRECTOR'S REPORT

**Dear Members,**

The Board of Directors of your Company takes pleasure in presenting 33<sup>rd</sup> Annual Report on the business and operations of the Company together with the Audited accounts for the financial year ended on March 31, 2024.

### 1) PERFORMANCE HIGHLIGHTS

Your Company's strategy for the financial year 2023-24 was to strengthen the productivity through the existing capacity. Company has taken a conscious decision to improve the asset quality and to upgrade its IT Platform to latest technology. Company was having 24 branches and 6 spoke locations as on 31<sup>st</sup> March, 2024. However, after the end of financial year Company has converted 5 SPOC into the full-fledged branches resulting in total business Locations in to 29 Branches and 1 SPOC. During the financial year 2023-24 your Company succeeded in gaining customer satisfaction and new business. Your Company achieved total revenue of **Rs. 162.30 Crores** as against **Rs. 140.93 Crores** in the previous year.

Your Company's profit before tax for the year ended 31<sup>st</sup> March 2024 stood at **Rs. 33.84 Crores** as against **Rs. 35.85 Crores** in the previous year. Your Company's profit after tax for the year stood at **Rs.25.10 Crores** as against **Rs. 26.76 Crores** in the previous year.

Further, your Company is relentlessly working on reduction of Gross NPA as on March 31, 2024 stood at **Rs. 58.10 Crore (3.74% of Total Advances)** as against **Rs. 50.36 Crore (3.56% of Total Advances)** for the previous year ended March 31, 2023 before any adjustment, rigorous steps have been initiated to recover NPA and prevent fresh slippage.

#### a) Financial Highlights

The financial performance for the Fiscal Year **2023-24** is summarized here below:

(Rs. in Crores)			
	Particulars	For the year ended	
		March 31, 2024	March 31, 2023
A)	Gross Income	<b>162.30</b>	<b>140.93</b>
B)	Total Expenses	122.87	99.04
C)	Profit before Provisions & Tax (A-B)	<b>39.43</b>	<b>41.89</b>
D)	Write off & Provisions	<b>3.95</b>	<b>6.18</b>
E)	Extraordinary Items +		-
F)	Adjustment related to previous year	1.64	(0.14)
G)	<b>Profit before tax (C-D-E-F)</b>	<b>33.84</b>	<b>35.85</b>
H)	Tax Expenses	8.74	9.09
I)	<b>Profit for the year (G-H)</b>	<b>25.10</b>	<b>26.76</b>
J)	<b>Profits brought forward from previous year</b>	79.50	56.50

<b>K)</b>	<b>Profits Available for Appropriation (I+J)</b>	<b>104.60</b>	<b>83.26</b>
	Transfer from General Reserve and other reserve	-	0.01
		<b>104.60</b>	<b>83.27</b>
	<b>Appropriations</b>		
	Transfer to Special Reserve (as per IT Act)	5.10	2.75
	Transfer to Additional Reserve (as per NHB Act)	-	-
	Transfer to CSR Reserve Fund	-	-
	Transfer to General Reserve	1.92	1.02
	Appropriation for dividend (Including dividend tax, surcharge & cess)	-	-
	Appropriation to DTL on Special Reserves Plus provision for tax for previous year	-	-
	Balance carried forward to Balance sheet	97.58	79.50
	<b>Total</b>	<b>104.6</b>	<b>83.27</b>

*Figures in parentheses are in negative.*

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.

## **(b) Lending Operation**

### **i) Sanctions**

During the year 2023-24, your Company has sanctioned loans amounting to **Rs. 412.04** Crores as compared to total sanctions of **Rs. 553.15** Crores during the previous year ended March 31, 2023, thus a decline of 26%.

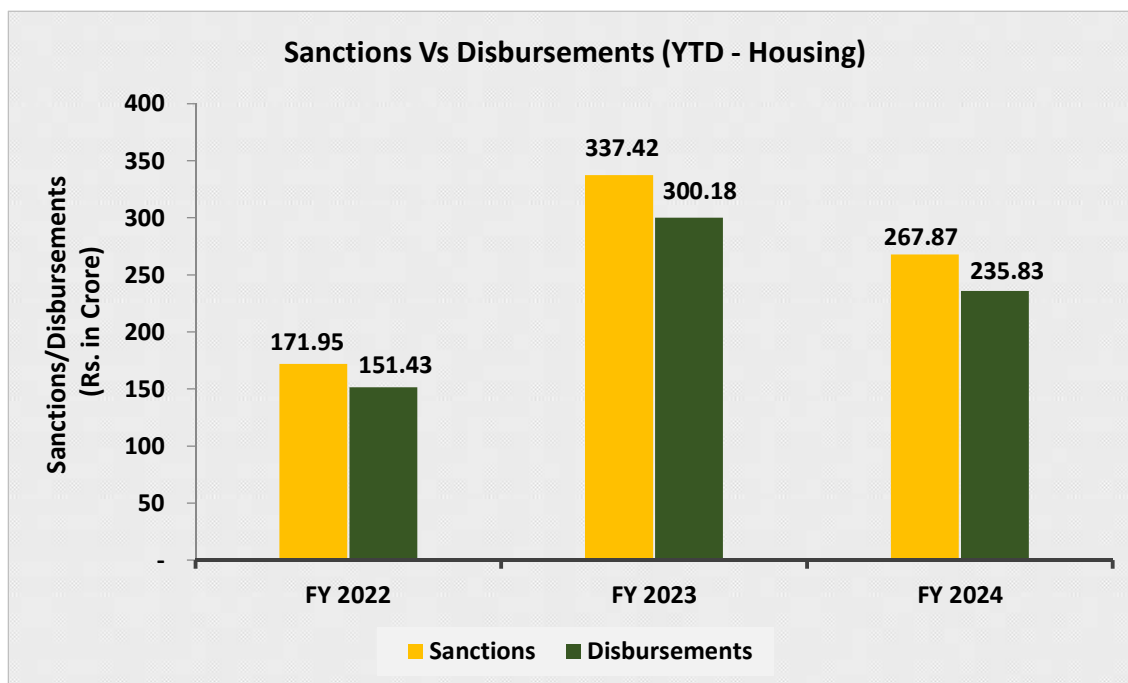
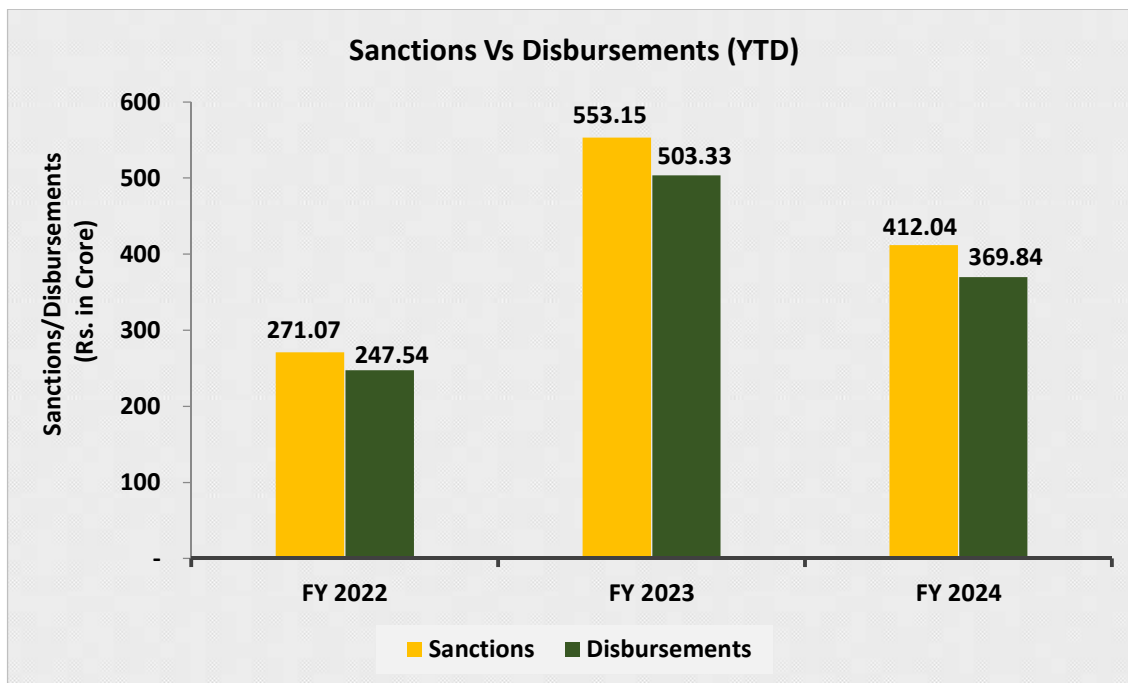
- Out of above, **Housing Loans** account for **Rs. 267.87** Crores as compared to **Rs. 337.42** Crores in the corresponding financial year ended March 31, 2023, resulting in a decline of 21%.
- **Non-Housing** Loan accounts for **Rs. 144.17** Crores for the year ended March 31, 2024 as compared to **Rs. 215.73** Crores in the previous financial year ended March 31, 2023, thus a decline of 33%.

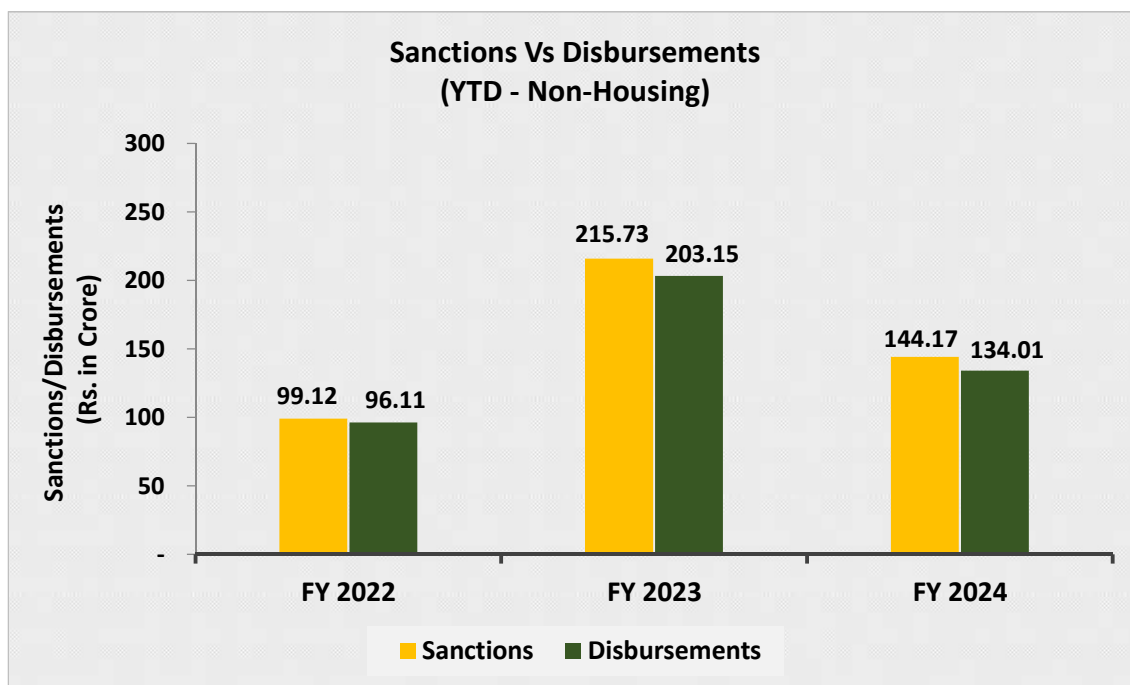
During the year 2023-24, your Company has disbursed loans amounting to **Rs. 369.84** Crores as compared to disbursement of **Rs. 503.33** Crores in previous financial year ended March 31, 2023, thus a decline of 26%.

- Out of above, **Housing Loans** account for **Rs. 235.83** Crores as compared to **Rs. 300.18** Crores disbursements in previous financial year ended March 31, 2023, resulting in a decline of 21%.
- **Non-Housing** loans account for **Rs. 134.01** Crores as compared to **Rs. 203.15** Crores in



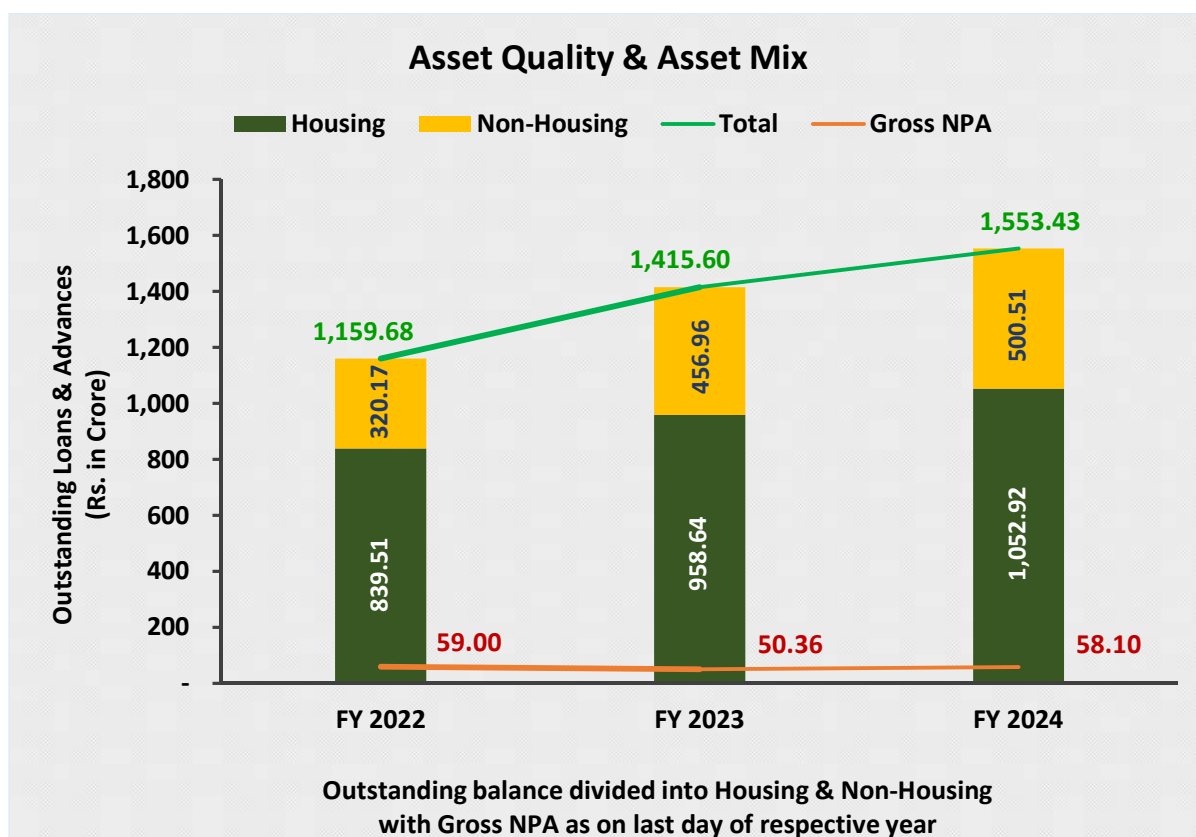
previous financial year ended March 31, 2023, resulting in a decline of 34%.





### c) Loan Outstanding

- Total Advances stands at ₹ **1,553.43** Crore as on March 31, 2024 as against ₹ **1,415.60** Crore as on March 31, 2023 with growth of **9.74%**.
  - Out of the above Advances, **Housing loans** increased to ₹ **1,052.92** Crore as on March 31, 2024 from ₹ **958.64** Crore as on March 31, 2023 registering a growth of around **9.83%**.
  - **Non-Housing** loans are ₹ **500.51** Crore as on March 31, 2023 as compared to ₹ **456.96** Crore as on Mar 31, 2023 with a growth around **9.53%**.
- Gross NPA stood at ₹ **58.10** Crore (**3.74%**) against ₹ **50.36** Crore (**3.56%**) Y-o-Y.
- Housing Loans as on March 31, 2024 is **67.78%** of total Loans & Advances and **65.16%** of Total Assets (Net of Intangible Assets).



#### d) Profit and Net Owned Funds

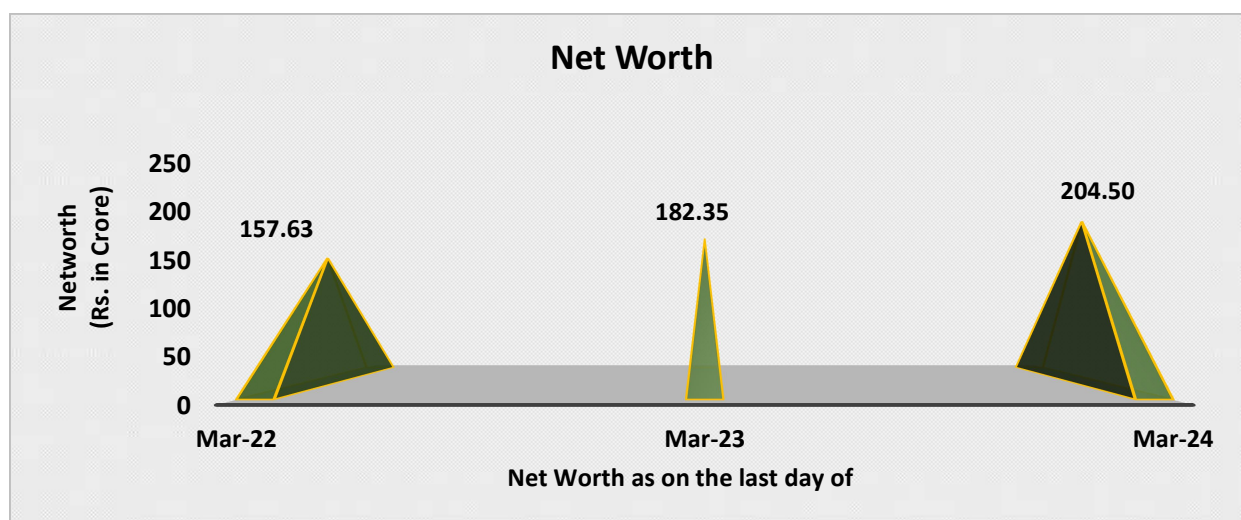
During the year 2023-24, your Company has made Profit before Tax of **Rs. 33.84** Crores as compared to **Rs. 35.85** Crores in 2023-24 and Profit after Tax (PAT) of **Rs. 25.10** Crores as against PAT of **Rs. 26.76** Crores in the previous year.

Net Owned Fund of your Company stood at **Rs. 204** Crores as on March 31, 2024 as against **Rs. 181.56** Crores in 2022-23.

The Capital Adequacy Ratio of your company is at **18.84%** as against the minimum requirement of **15%** as stipulated by the National Housing Bank (NHB). Earnings per Share (EPS) stood at **Rs. 10.04** as on March 31, 2024 as against **Rs. 10.70** as on March 31, 2023.

#### e) Net Worth

As a result of consistent profits quarter on quarter, the Net worth of the Company stands at **Rs. 204.50** Crores as on March 31, 2024 as against **Rs. 182.35** Crores as on 31<sup>st</sup> March, 2023. Thus, the net worth of the Company increased by around **12% Y-o-Y**.



#### f) Credit Rating

Instrument Type	Date of Issue	Coupon Rate (%)	Maturity Date	Size of Issue in (Crore.)	Rating Assigned along with Outlook/Watch	Rating Action
Bank Loan	-	-	-	450	IND A-/ Stable	Assigned
Fixed deposits	-	-	-	50	IND A-/ Stable	Assigned
Bank Loan	-	-	-	750	IND A-/ Stable	Affirmed
Fixed deposits	-	-	-	750	IND A-/ Stable	Affirmed

\*India Ratings and Research Pvt Ltd (Fitch Group) has been affirmed the rating for Rs. 1500 crores of existing Debt, consisting of Rs. 750 crore of Fixed Deposits (FD) and Rs. 750 crore of bank loan. Additionally, they have rated a new Rs. 500 crores, comprising of Rs. 450 crore of bank loans and Rs. 50 crores of FD. In total, India rating has rated Rs. 2000 crores of the company's Debt instruments. This rating action underscores the company's strong financial position and credit worthiness in market. The affirmation of existing rating and extension to new facility's demonstrate the agency's confidence in company's ability to meet financial obligation.

#### g) Future Outlook

##### Revamping IT system:

Company is focussing on advanced technologically driven delivery system; it will help your company to tap new markets. Our focus is to switch over to digital platform and to use Tab based technology. It will reduce TAT, increase accuracy and will reduce chances of human error resulting into mitigating credit risk.

The Company has procured new IT systems having end to end Solutions from Loan Origination to Loan Management and Collections, which will play a vital role to scale up the Company's business. The

manual intervention in Credit underwriting will be minimal resulting into error free appraisal. It will improve the quality of appraisal as well as reduce the TAT (Turnaround time). Digital on boarding is also a part of new IT system that will help us in canvassing the new leads from this platform.

### **Enhance Visibility:**

To enhance visibility, we would be focusing more on various marketing activities so that we can reach out to prospective customers prospective borrowers. We had in past also given our advertisement on local trains in Mumbai and also started using digital portals like India Mart and Social media channels like Facebook, LinkedIn etc. to promote our products and enhance visibility. It will help in canvassing new leads.

### **Branches Network:**

The company has presence in 11 states and presently having branch network of 29 branches and 1 spoke locations. Your Company is in process to expand its branch network during the F.Y. 2024-25

### **Network Building:**

The majority of our business is being sourced through DSA network. As on today, we have enrolled more than 279 DSA's out of which almost 200 DSA are regularly doing business with us. We would be increasing our distribution network this year also and add more than 100 more DSA's which will help us in increasing our network and business.

### **Recruiting right talent:**

Your Company is focusing on recruiting talent to head branches and stimulate business growth.

Your directors are hopeful that your Company would continue to exhibit good performance in the current year with its efforts to optimal utilization of all its resources available at its disposal and achieve the targeted result.

During F.Y. 2024-25, your Company will continue to take following initiatives to improve its operational as well as financial performance and to take it to the next level:

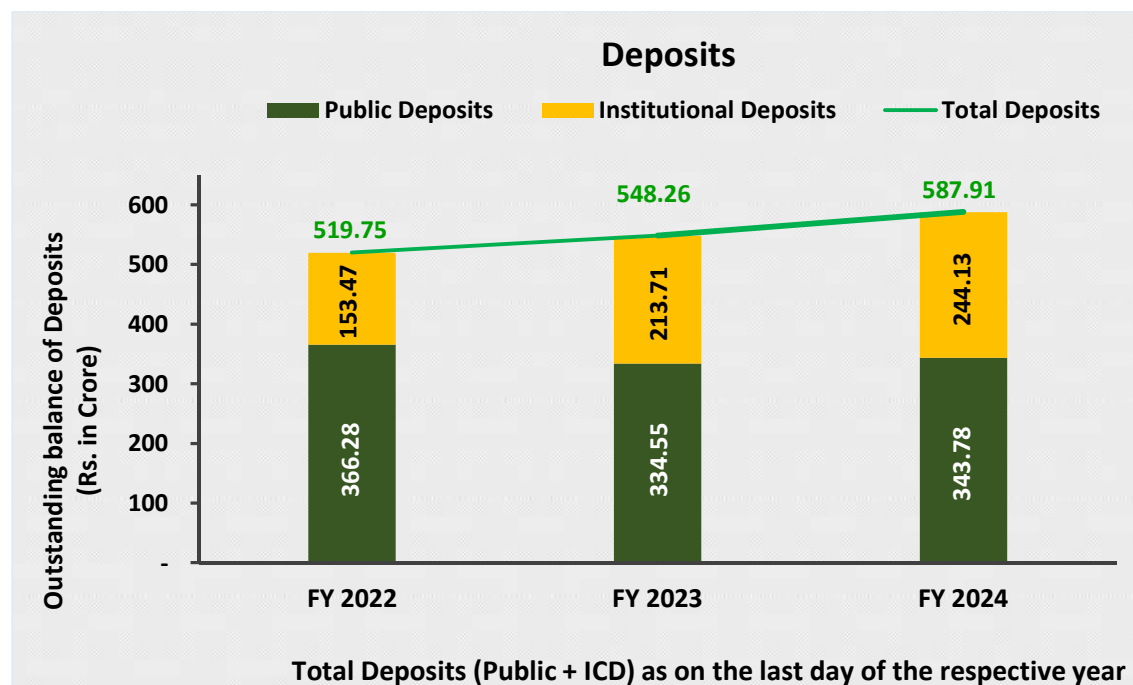
- To improve the asset quality and increase the portfolio of the Company.
- To continue Brand building exercise to improve general awareness about the Company and its business and to strengthen the Brand image of the Company.
- Strengthening of recovery mechanism to recover NPA a/cs and recycle blocked funds to generate more income.
- Focus on recovery in written off accounts of earlier years which will directly boost the income.

## 2) FINANCIAL RESOURCES

### i) Deposits

As on March 31<sup>st</sup> 2024, the total deposits of your Company are **Rs. 587.91** crores (which includes public deposit of **Rs. 343.78** crores and institutional deposits of **Rs. 244.13** crores) as compared to **Rs. 548.26** crores (which includes public deposits of **Rs. 334.55** crores and institutional deposits of **Rs. 213.71** crores) at the end of the previous year.

Your Company being a housing finance company registered with the National Housing Bank (NHB) has complied with the Directions/Guidelines issued by RBI/NHB with regard to deposit acceptance and renewal.



### ii) Borrowings from Banks

Your Company has availed Term Loan and Overdraft facility from Central Bank of India. The outstanding balance of the loan/facility as on March 31, 2024 is **Rs. 560.44** Crores as against **Rs. 506.65** Crores as on March 31, 2023.

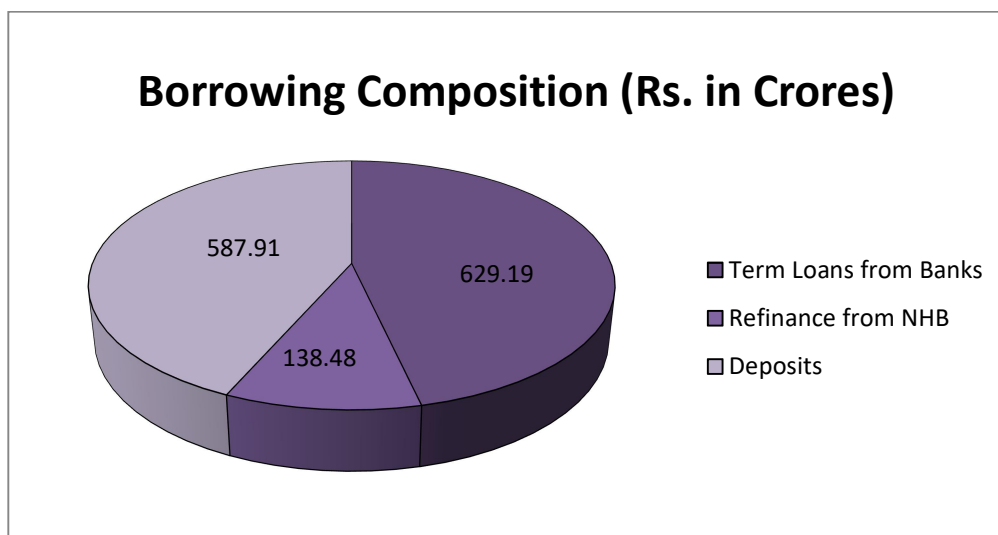
The Company has availed term loan from HDFC Bank. The outstanding balance of the term loans availed from HDFC Bank as on March 31, 2024 is **Rs. 68.75** Crores as against **Rs. 35.00** Crores as on March 31, 2023.

The total outstanding balance as of 31.03.2024 under the head 'borrowings from Banks' are at **Rs. 629.19** Crores as against **Rs. 541.65** Crores during the previous financial year.



### iii) Refinance From NHB:

In the Financial Year 2023-24, your Company has availed refinance from National Housing Bank and having outstanding amount of **Rs. 138.48 Crores** as on March 31<sup>st</sup>, 2024 in comparison to the previous outstanding of **Rs. 180.17 Crores** as on March 31<sup>st</sup>, 2023 from the National Housing Bank .



### 3) SHARE CAPITAL

The authorized & Paid-up capital of the Company as on 31.03.2024 are Rs. 50,00,00,000 divided into 5,00,00,000 equity shares of Rs.10/- each and Rs. 25,00,00,000 divided into 2,50,00,000 equity shares of Rs.10/- each respectively.

#### i) Dematerialization of Shares/Debentures and Liquidity

As on 31<sup>st</sup> March 2024, share capital of the Company representing 2,50,00,000 equity shares were held in dematerialized form.

#### ii) Appointment of Registrars & Share Transfer Agents

The Company has appointed Kfin Technologies Limited as Registrar & Share Transfer Agents of the Company. Hence all dematerialization/rematerialisation requests shall be routed through your depository participants addressing it to our R&T agents at the address mentioned below:

**Kfin Technologies Ltd.,**  
 Selenium, Tower B, Plot No-31 & 32, Financial District, Nanakramguda,  
 Serilingampally Hyderabad Rangareddi TG -500032.

#### 4) DIVIDEND

Considering the plans of expansion and business growth of the Company in the near future and maintain liquidity, no dividend is recommended to be distributed pertaining for the year ended 31<sup>st</sup> March, 2024.

#### 5) INVESTMENT

The Company has maintained its Statutory Liquidity Ratio (SLR) **13.89%** as per NHB guidelines which prescribes minimum 13% level. The Company has invested **Rs. 38.27 Cr.** in approved govt. securities & maintained deposits of **Rs. 10.10 Cr.** as on 31<sup>st</sup> March 2024 with Scheduled Banks.

#### 6) LIQUIDITY COVERAGE RATIO (LCR)

The Company has adequate Liquidity buffer in terms of LCR, promoting resilience to manage liquidity disruption which may raise in the next 30 days. LCR was **126%** and HQLA position was **Rs. 33.83 Crores** as on 31<sup>st</sup> March 2024 to meet out the net fund outflow requirement for next 30 days.

#### 7) UNCLAIMED DEPOSITS

As of March 31, 2024, **434 overdue** public deposit accounts amounting to Rs **9.10 crore** and **14 public deposit** accounts amounting to Rs. **10.71 lakhs** have remained unclaimed. Of these, **9 accounts** amounting to Rs **7.52 lakhs** have been transferred to the Investor Education and Protection Fund as per the provisions of Section 125 of the Companies Act, 2013 in respect of deposit and interest thereon unclaimed & unpaid for more than 7 years.

#### 8) NON-PERFORMING ASSETS

Your Company has been pursuing all the available options to recover its dues from non- performing accounts. Your Company has taken recourse under Securitization & Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, and Section 138 of Negotiable Instruments Act, 1881 and DRT for recovering the overdue and bringing down the NPA.

The gross NPA stood at Rs. **58.10 Crores** as on 31<sup>st</sup> March 2024 as against Rs. **50.36 Crores** for the previous financial year ended 31<sup>st</sup> March, 2023 before any adjustment.

The net NPA stood at **Rs. 36.47 Crores** as on 31<sup>st</sup> March 2024 as against **Rs. 35.50 Crores** as on 31<sup>st</sup> March 2023.

Particulars	Amount as on last day of		
	FY 2024	FY 2023	FY 2022
Gross NPA	58.10	50.36	59.00
<b>Gross NPA (%)</b>	<b>3.74</b>	<b>3.56</b>	<b>5.09</b>
NPA Provision	21.63	14.86	29.31
Net NPA	36.47	35.50	29.69
<b>Net NPA (%)</b>	<b>2.39</b>	<b>2.53</b>	<b>2.63*</b>
<b>Provision Coverage Ratio (%)</b>	<b>37.23</b>	<b>29.51</b>	<b>49.68</b>

\* Previously, it was shown as % to Gross Advance instead of Net Advance, now revised.



## 9) BRANCH NETWORK

Your Company was having 24 branches and 6 spoke locations as on 31<sup>st</sup> March, 2024. However, after the end of financial year Company has converted 5 SPOC into the full-fledged branches resulting in total business Locations in to 29 Branches and 1 SPOC. The company has presence in 11 states.

## 10) AUDITORS

In exercise of the powers conferred by Section 139(5) of the Companies Act, 2013, the Comptroller and Auditor General of India (C&AG) has appointed M/s Sarath & Associates Chartered Accountants, having Firm Registration No. 05120S as the statutory auditors of the Company for the financial year 2023-24.

No adverse comment has been made by the Auditors on the Financial Statements of the Company. Independent Auditor's Report is annexed as **Annexure - I**

Certificate issued by the Comptroller and Auditor General of India is annexed as **Annexure-II**.

## Review of Accounts by C&AG

The accounts of the Company were taken up for review by the Comptroller and Auditor General of India. Comments from CAG on Review of accounts for F.Y. 2023-24 was received by the Company same is enclosed as mentioned in **Annexure-II** to this report.

## 11) DIRECTORS

In terms of Article 99 read with Article 104 of the Articles of Association of your Company and the provisions of the Companies Act, 2013, Shri Kushal Pal, Managing Directors is liable to retire by rotation and is eligible for re-appointment.

None of the Directors of the Company is disqualified from being appointed as Director as specified in the Companies Act, 2013.

The following persons were ceased to be Directors of the Company during the year financial year 2023-24:

S. No.	Name OF The Directors	Date of cessation w.e.f
1	Shri Vishal Goyal (DIN: 05120754)	30/10/2023
2	Shri Rajeev Puri (DIN: 07330989)	29/09/2023
3	Shri Bibhas Kumar Srivastav (DIN: 06533710 )	13/08/2023

The following persons were ceased to be Directors of the Company after the end of financial year 2023-24:

S. No.	Name OF The Directors	Date of cessation w.e.f
4	Shri Kamal Kumar Chahuan (DIN:00226460)	06/05/2024
5	Shri Navnath Rundekar (DIN: 08472927)	31/05/2024

The Directors of your Company wish to place on record their appreciation for the services rendered and contribution made by them during their tenure as Nominee Directors of the Company.

The following Directors were inducted into the Board as Directors (in the capacity as Independent Director, Additional (Nominee) Directors and Executive director of Central Bank) of the Company:

S. No.	Name Of The Directors	Date of Appointment w.e.f.
1	Shri Pallatt Joseph Thomas (DIN: 10332033)	30/10/2023
2	Shri Anuj Rastogi (DIN: 10327080)	30/10/2023
3	Shri Malladi Venkat Murali Krishna (DIN: 09021111)	30/10/2023

## **Declaration of Independent Directors under section 149 (6) of the Act**

Your Company received declarations from the Independent Directors viz Shri. Anil Girotra & Shri P.J. Thomas for the financial year 2023-24 as required under the provisions of section 149(6) of the Companies Act, 2013. Hence, your directors are of the opinion that the Independent Directors are not disqualified to continue as Independent Directors on the Board of the Company.

## **12) BOARD EVALUATION**

The Nomination & Remuneration Committee meeting evaluated the performance of Chairman, Managing Director, Non-Executive Directors, and Board as a whole. The Nomination & Remuneration Committee carried the evaluation of each Director based on his contribution in the Board Meeting and other Committee Meetings.

## **13) CHANGE IN KEY MANAGERIAL PERSON (KMP):**

During the year under review following Change in KMP.

1.	Shri Ashish Srivastava	Company Secretary	Date of Cessation 07/03/2024
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There is change in the KMP (company secretary) during the Year.

## **14) NUMBER OF MEETINGS OF THE BOARD**

During the year the Board met four times, i.e. on 12/05/2023, 24/08/2023, 30/10/2023 and 03/02/2024. For the number of meetings attended by the Directors and other details, please refer to "Report on Corporate Governance" appended as **Annexure-III** to this Report.

## **15) AUDIT COMMITTEE**

Your Company duly constituted Audit Committee in terms of the Section 177 of the Companies Act, 2013. As on 31<sup>st</sup> March, 2024 the Committee comprised of 3 members:

S. No.	Name of Member	Designation
1	Shri Anil Girotra- Independent Director (DIN: 02221989)	Chairman
2	Shri Pallatt Joseph Thomas – Independent Director (DIN: 10332033)	Member
3	Shri Y. Anil Kumar (DIN: 09284938)	Member

## **VIGIL MECHANISM**

The Board adopted Vigil Mechanism as required under the provisions of section 177(9) wherein it provides adequate safeguards against victimization of persons who use such mechanism and also provides provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. This mechanism would enable your Company to evolve a process to encourage ethical corporate behavior.

## 16) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted under Section 178 of the Companies Act, 2013. As on 31<sup>st</sup> March 2024 the Committee comprised of 3 members:

S. No.	Name of Member	Designation
1	Shri Anil Girotra- Independent Director (DIN: 02221989)	Chairman
2	Shri Pallatt Joseph Thomas - Independent Director (DIN: 10332033)	Member
3	Shri Anuj Rastogi - Non-Executive Director (DIN: 10327080)	Member

The role of the Committee is to consider and recommend to the Board the appointment/reappointment of Managing Director/Executive Director(s) in addition to review of their performance and recommending to the Board remuneration for the said Directors and also for the key managerial personnel and other Senior Management employees as the case may be.

Nomination remuneration policy of the Company is annexed as **Annexure-IV**.

## 17) CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has duly constituted Corporate Social Responsibility (CSR) Committee in terms of the provisions of section 135 of the Companies Act, 2013 as on 31<sup>st</sup> March, 2024, the Committee comprised of 5 members:

S. No.	Name of Member	Designation
1	Shri Anil Girotra- Independent Director (DIN: 02221989)	Chairman
2	Shri Pallatt Joseph Thomas - Independent Director (DIN: 10332033)	Member
3	Shri Vasti Venkatesh- Non-Executive Director (DIN: 09782983)	Member
4	Shri Anuj Rastogi - Non-Executive Director (DIN: 10327080)	Member
5	Shri Kushal Pal- Managing Director (DIN: 09225722)	Member

### CSR COMMITTEE AND ITS ROLE:

The Board shall constitute CSR committee from time to time in accordance with provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee shall play the following role in fulfilling the Company's CSR objectives:

- Formulation and review of this CSR Policy indicating the activities to be undertaken by the Company towards CSR initiatives;
- Approval of the amount of expenditure to be incurred on the CSR activities;
- Formulation of a transparent monitoring mechanism for ensuring implementation of the projects/ programs/ activities proposed to be undertaken by the Company or the end use of the amount spent by it towards CSR activities.;
- Monitor and implement this Policy from time to time;
- Annually report to the Board, the status of the CSR activities and contributions made by the Company;
- Any other requirements mandated under the Act and Rules issued thereto.



The Committee performs the functions as defined under the provisions of section 135 of the Companies Act, 2013.

During the Financial Year 2023-24, Company contributed CSR fund amounting to **Rs. 68,73,505/-** for the following institutions:

Sr. no.	Name of the Schools/ College/ Trusts/ Foundation	District and Pin code	State	Estimated Amount in Rs.	Total Amount in Rs.
1.	<b>Akshaya Patra Foundation</b>	Bangalore 560010	Karnataka		
	Mid-Day Meal Program for underprivileged children, 666 (Rs.1500 per child per year)	Jodhpur	Rajasthan	10,00,000	
	Mid-Day Meal Program for underprivileged children, 1000 (Rs.1500 per child per year)	Lucknow,	U.P	15,00,000	
				25,00,000	<b>25,00,000</b>
2.	<b>Tata Memorial Centre (TMH)</b>	Mumbai 400012	Maharashtra		
	Robotic Surgery Instruments for cancer surgeries.			33,34,305	
					<b>33,34,305</b>
3.	<b>Gregorian Community, Charitable Trust for Special School</b>	Mumbai	Maharashtra		
	Furniture and equipment for 15 special children	Site at Roha, Raigarh	Maharashtra		<b>3,75,500</b>
4.	<b>Light of Life Trust, A Public Charitable Trust</b>	BKC, Mumbai 400051	Maharashtra		
	<b>Jeevan Asha Community Center</b> Livelihood Training Program: Beauctician Course	Cuffe Parade, Mumbai	Maharashtra	6,63,700	<b>6,63,700</b>
	<b>Total CSR Fund available for FY 2023-24</b>				<b>68,73,505</b>

The Company has verified the documents submitted by above institutions/organizations. It was found that all activities being undertaken by the organizations and these organizations are eligible to receive the contribution towards CSR activities as per Company Law and CSR Policy of the Company.

The disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been provided in this report as **Annexure-V** which forms part of this report.

## 18) DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors reports that:-

- (i) In the preparation of the annual accounts for the year 2023-24, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2023-24 and of the profit and loss of the Company for that period;
- (iii) The Directors have 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 frauds and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis, and
- (v) 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.

## 19) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Except in the ordinary course of business, your Company neither gave any loan or guarantee nor made any investment under the provisions of section 186 of the Companies Act, 2013.

## 20) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of all contracts or arrangements entered into by your 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 have been disclosed in Form No. AOC-2 which is annexed to this report as **Annexure-VI**. Company's Policy while dealing with Related Party Transaction is annexed to this report as **Annexure- VII**.

## 21) EXTRACTS OF ANNUAL RETURN

The extract of Annual return pursuant to section 92 (3) read with Section 132(3) of the Companies Act, 2013, the Annual Return as at March 31, 2024 is available on the Company's website on <https://www.cbhfl.com/>.

## 22) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

Since your Company is a housing finance company and does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated under rule 8 of the Companies (Accounts) Rules, 2014, are not applicable. However, the Company uses information technology extensively in its operations.

The Company did not earn any income nor incurred any expenditure in foreign currency during the year under review.

## 23) RISK MANAGEMENT FRAMEWORK

Risk Management is an integral part of the Company's business strategy. As a lending entity, your Company is exposed to various risks such as credit risk, market risk, liquidity risk, legal risk, interest rate risk and operational risk. Your Company emphasis on risk management practices to ensure an appropriate balance between risks & returns.

In compliance of Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 Board has constituted a Risk Management Committee to monitor measure and mitigate the risk faced by the Company.

In addition to Audit Committee and Risk Management Committee, the Asset Liability Committee monitors Structural Liquidity and Interest Rate Risk Management. ALCO is also responsible to supervise short term business requirements of the Company.

Credit risk is a risk of loss due to failure of a borrower to meet the contractual obligation of repaying debt which is also commonly known as a risk of default. Your Company has constituted Credit Committee of the Board in order to mitigate such risk. Operational Risk Management Committee (ORCO) was established via introduction of a revamped Operational Risk Management Policy. ORCO endeavors to mitigate operational risk by maintaining a system of internal control by establishing a system to monitor transactions and maintaining back-up at regular intervals.

The Committees review compliance with risk policies, monitor risk tolerance limits, review and analyze risk exposures related to specific issues and provide oversight of risk across the organization.

## 24) REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT

The Company has a Policy on 'Prevention of Sexual Harassment of Women at Workplace'. CBHFL has zero tolerance towards sexual harassment at workplaces and has put in place appropriate mechanism for prevention and redressal of complaints of sexual harassment so as to ensure that women work with dignity and without fear. During the year, NO Complaint is received from any female staff.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 25) FRAUD REPORTED DURING THE YEAR

There were Three (3) Fraud Accounts/Cases amounting to Rs 1,46,50,000/- was detected and reported by the Company during the current financial Year 2023-24 as per the Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016, as amended from time to time and other applicable circular (s) guidelines as may be issued, with respect to frauds involving value of Rs1,00,000/- and above.

## 26) STATEMENT OF CORPORATE GOVERNANCE

Your Company has been complying with the standards of Corporate Governance as required under the Companies Act, 2013. The Board discharges the duties and responsibilities as required under the applicable statute(s) including the Companies Act, 2013.

Your Company has Board of Directors which has formal schedule of matters reserved for its consideration and decision apart from legally required matters.

Since the Company's equity shares are not listed on any stock exchange, provisions relating to corporate governance as per listing agreement are not applicable. However, the Company voluntarily adopted them and is brought out in the report attached as **Annexure-III**. The Board of Directors regularly reviews the management reports on statutory and regulatory compliances.

## 27) HUMAN RESOURCES

Your Company aims to align HR practices with business goals, motivates people for higher performance and builds a competitive working environment. Productive high performing employees are vital to the Company's success. The Board values and appreciates the contribution and commitment of the employees towards the performance of your Company during the year.

As on March 31, 2024, the Company had 83 on roll and 114 off roll employees.

## Information as per Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

During the year under review, your Company had no employee whose remuneration exceeded the limits prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made under Chapter XIII of the Companies Act, 2013 and as amended from time to time.

## 28) COMPLIANCE WITH DIRECTIONS & GUIDELINES OF RBI/NHB

Your Company has complied with the guidelines and directions issued by RBI/National Housing Bank on asset classification, accounting standards, income recognition, provisioning, capital adequacy, credit rating, etc. as amended from time to time.

The Know Your Customer (KYC) guidelines, Fair Practices Code, Anti Money Laundering standards and Most Important Terms & Conditions as notified by the NHB are available on the Company's website.

Your Company is also registered with Central Registry of Securitization and Assets Reconstruction and Security Interest of India (CERSAI) and is registering its charge in respect of mortgages with CERSAI.

## **29) INTERNAL AUDIT, INTERNAL FINANCIAL CONTROL & ADEQUACY**

The Company has put in place organized and effective internal control systems in sync with the nature of the business and scale of operations. The Company has also implemented “Risk Based Internal Audit” system as per the guidelines specified by RBI.

Your Company performs internal audit of all the Branches. All Branches are subject to audit at least once in 12 months as per the policy. ‘Low risk’ & ‘Medium risk’ rated Branches will be audited once in 12 months. However, if Audit rating of last audit is ‘Extremely High risk’ or ‘Very High risk’ or ‘High risk’, next audit will be done within 6 months from the last audit. If the rating of the Branch which was rated previously ‘Extremely High or Very High or High risk’ gets changed to ‘Low or Medium risk’ in subsequent audit, next audit of the same Branch will be conducted within 12 months.

The operations and performance of the audit department are reviewed by the Audit Committee. Evaluation of the effectiveness and appropriateness of internal control systems and their compliance.

The robustness of internal processes, policies, accounting procedures, and compliance with laws and regulations are the goals of these efforts. Stringent systems are in place to ensure that the assets and properties of the Company are utilized in its best interest.

## **30) INFORMATION ON MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments affecting the financial position of the company which have occurred between 31<sup>st</sup> March, 2024 which the financial statements relate and the date of the report except of the following :

The following persons were appointed/ceased as Director of the Company after the end of Financial year 2023-24:

<b>S. No.</b>	<b>Name OF The Directors</b>	<b>Date of Appointment w.e.f</b>	<b>Date of cessation w.e.f</b>
1	Shri Kamal Kumar Chahuan (DIN:00226460)	-	06/05/2024
2	Shri Navnath Rundekar (DIN: 08472927)	-	31/05/2024
3.	Shri Shanuj Gupta (DIN:- 10589738)	25/07/2024	-

The Directors of your Company wish to place on record their appreciation for the services rendered and contribution made by them during their tenure as Nominee Directors of the Company.

## **31) CHANGE OF NATURE OF BUSINESS**

There has been no change in the nature of the business of the Company during the fiscal 2024.

### 32) SIGNIFICANT AND MATERIAL ORDERS

During the period under review, there were no significant and material orders passed by any regulator/Court/Tribunal impacting the going concern status and Company's operations in future.

### 33) SECRETARIAL STANDARDS

The Company is in compliance with SS-1; i.e., Secretarial Standard on meetings of Board of Directors and SS-2; i.e., Secretarial Standard on general meetings issued by the Institute of Company Secretaries of India.

### 34) PENALTY/ COMPOUNDING OF OFFENCES:

The members are here informed that the company has received a Show cause notice from the RBI vide its letter dated 12th March, 2024 for the Non-compliance with RBI direction on 'On-going Due Diligence' under the Know Your Customer (KYC) Norms/Anti- Money Laundering (AML) Standards on its failure to put in place a system of periodic review of risk categorization, with such periodicity being at least once in six months, despite having 17,724 accounts as on March 31,2022.

### 35) ACKNOWLEDGEMENT

Your directors wish to place on record their appreciation for the continued support and guidance from the Government of India, National Housing Bank, Central Bank of India, HUDCO and Specified Undertaking of Unit Trust of India. Your directors also wish to place on record their appreciation for the continued patronage and support extended to the Company by its clients and depositors and also the contribution made by the members of staff of the Company.

### 36) A DETAILED MANAGEMENT DISCUSSION AND ANALYSIS IS APPENDED AS ANNEXURE- VIII.

### 37) SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

In compliance with the Section 204 of Companies Act, 2013 M/s Saurabh Agarwal & Company, Company Secretaries, was appointed as a Secretarial Auditor of the company for Financial Year 2023-24. The Secretarial Audit Report has been annexed as **Annexure – IX**.

There are no adverse remarks, qualification remark of the secretarial auditor on the conduct of the company during the Financial Year 2023-24.

**For and On Behalf of the Board**

Place: Mumbai  
Date: 25-07-2024

Sd/-  
Malladi Venkat Murali Krishna  
Chairman  
DIN: 09021111

Sd/-  
Kushal Pal  
Managing Director  
DIN: 09225722





## **SARATH & ASSOCIATES**

### **CHARTERED ACCOUNTANTS**

**Mumbai Office :** 4th Floor, Indian Globe Chambers, W.H. Marg, D. N. Road, Mumbai - 400 001.  
Tel. : +91-22-22693132 | Mob : 9323075613 | Email : calakshmi.rao@gmail.com / casarathmumbai@gmail.com

## **INDEPENDENT AUDITORS' REPORT**

To the Members of Cent Bank Home Finance Limited

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Based on the C & AG observations and directions, we issue the revised Audited Report of Cent Bank Home Finance Limited.**

### **Opinion**

We have audited the accompanying Financial Statements of Cent Bank Home Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 Act 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 audit opinion on the Financial Statements.



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## Emphasis of Matters

We draw attention to the following matters in the Notes to the Financial Statements:

- (a) Note No. 25 (14) in the financial statements which indicate that the company has maintained Deferred Tax Liability on Special Reserves to the tune of Rs.1,661.00 Lakhs (Previous Year Rs. 1,532.98 Lakhs) in pursuance with NHB guidelines NHB(ND)/DRS/Policy Circular 65/2014-15 dated August 22, 2014 through P&L Appropriation.
- (b) We draw attention to the Note No.14 in the financial statements, wherein in the Financial Year 2022-23, company has recognised capital expenditure on implementation/ development of software for Rs. 209.27 Lakhs and classified as Non-Current assets as 'Intangible Assets under Development'.  
Since, no right on the asset/ownership is getting transferred to the company in future, as per the service agreement entered with vendor, the capital expenditure of Rs. 209.27 Lakhs is transferred to 'Unamortized Software Implementation Cost and will be amortised over five years of agreement including the period under audit in which 1/5<sup>th</sup> of the same is amortized.
- (c) Company was unable to claim ITC upto the Financial Year 21-22 for an amount of Rs. 118.10 lakhs as same was not reflecting in their GSTR 2B, which was adjusted as prior period adjustment expenses under extraordinary items in the Statement of Profit and Loss for the Financial Year 2023-24. Company was also unable to claim ITC in the Financial Year 2022-23 for same reason, and amount of Rs. 40.25 lakhs was booked under "Other Expenses" in the Statement of Profit and Loss for the Financial Year 2023-24.

**Our opinion is not modified in respect of these matters.**

## Key Audit Matters

Key Audit Matters are those matters that in our professional judgement were of most significance in our audit of the Financial Statements of the Current Period. These matters were addressed in the context our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
1.	<b>Classification of Advances and Identification and provisioning for non-performing Advances</b> in accordance with	Our audit approach towards advances with reference to the IRAC Norms and other related circulars/ directives issued by NHB and also







	<p>NHB/RBI guidelines. Advances include loans repayable on demand and term loans.</p> <p>(Refer Note- 5,10,13,16,25(12) and 25[34(7.4)] to the Financial Statement)</p>	<p>internal policies and procedures of the Company includes the testing of the following:</p> <p>-The accuracy of the data input in the system for income recognition, classification into performing and non-performing Advances and provisioning in accordance with the IRAC Norms.</p>
2.	<p><b>Assessment of Provisions and Contingent liabilities in respect of certain litigations of Direct Taxes:</b></p> <p>There is high level of judgment required in estimating the level of provisioning including provision for current tax. The Company's assessment is supported by the facts of matter, their own judgement, past experience, and advices from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Company's reported profit and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgement in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/interpretation of law involved.</p>	<p>Our audit approach involved:-</p> <ul style="list-style-type: none"><li>a) Understanding the current status of the litigations/tax assessments and claim of tax benefits under the tax laws;</li><li>b) Examining Consultants Opinion;</li><li>c) Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal/tax advice; and</li><li>d) Review and analysis of evaluation of the contentions of the Company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.</li></ul>
3.	<p>Advances governed by income recognition, asset classification and provisioning (IRAC) norms and other circulars and directives issued by the NHB/RBI from time to time which provides guidelines related to the classification of Advances (NPA). The Company classified these advances based on the IRAC norms. The Company accounts for all the transactions related to Advances in its Integrated Software System (IT System) viz. Azentio Software which also identifies whether the advances are performing or non-performing.</p>	<p>Due to existence and effectiveness of monitoring mechanisms such as Internal Audit, Management Audit and Audit by the Regulatory as per the policies and procedures of the Company; We have examined the efficiency of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with observations of the various audits conducted as per the monitoring mechanism of the Company and NHB Inspection.</p> <p>In carrying out substantive procedures, we have examined advances on sample basis, including</p>





	<p>nonperforming and make provisioning according to the classification of NPA.</p> <p>In the event of any improper application of the prudential norms or consideration of the incorrect value of the security, as the valuation of the security involves high degree of estimation and judgement, the carrying value of the advances could be materially misstated either individually or collectively and in view of the significance of the number of advances in the Financial statements i.e., the classification of the advances and provisioning thereon which is 95.57% of the total assets has been considered as key audit matter in our audit.</p> <p>Considering the nature of the transactions, regulatory requirements, existing business environment, estimation/ judgement involved in valuation of securities, it is a matter of high importance for the intended users of the Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter. Accordingly, our audit was focussed on income recognition, asset classification and provisioning pertaining to the advances due to the materiality of the balances.</p>	<p>review of valuation reports of independent valuer's provided by the Company's management.</p> <p>We have verified all the loan accounts and applied the prudential norms, on sample basis verified the value of the security based on the valuation reports.</p> <p>Based on the sample verification of the security values captured and application of the prudential norms, we verified the provisioning and classification of the asset that are reported in the financial statements and we have not come across any material misstatement.</p> <p>Our audit procedures had covered the verification of income recognition and asset classification covering all the advances that are reported in the financial statements.</p> <p>We applied the excel audit tools to verify the advances in the excel sheet with the software and considered for reporting in financial statements.</p>
4.	<p><b>Information Technology(IT) Systems and Controls:</b></p> <p>The Company uses Azentio Software for financial reporting which interface with other business operation softwares that process transactions related to loans, deposits and borrowings.</p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls implemented in IT systems. If there exist gaps in the IT control environment, then it could result in the financial accounting and reporting records being materially</p>	<p>Our key audit procedures on this matter included, but were not limited, to the following:</p> <ul style="list-style-type: none"><li>(a) obtained an understanding of the Company's information processing systems, IT General Controls and automated IT controls for applications, databases and operating systems relevant to our audit;</li><li>(b) Also, obtained an understanding of the changes that were made to the IT applications during the audit period;</li><li>(c) Also, performed following procedures:<ul style="list-style-type: none"><li>i) tested the IT General Controls around user access management, changes to IT</li></ul></li></ul>





	<p>misstated.</p> <p>Therefore, due to the complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p> <p>Company entered into agreement with M/s Azentio Software Private Limited on 30<sup>th</sup> day of June 2022 for implementation Azentio software and FY 2023-24 is the first year of the implementation of the information processing systems for loans, borrowings, deposits, interest income, interest expense and other significant financial statement items. However, as per the software consultant's certification, only 57% of the total implementation has taken place as on 31.03.2024. The financial statements and other reports are prepared manually in excel sheets.</p>	<p>environment and segregation of duties around program maintenance and security administration relating to key financial accounting and reporting processes;</p> <p>ii) tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization; and</p> <p>iii) tested the automated controls like interfaces, configurations and information generated by the entity's information processing systems for loans, borrowings, deposits, interest income, interest expense and other significant financial statement items.</p> <p>The implementation of the software is still in the process for the various automated generation of the reports by the system.</p> <p>Software is implemented only upto the generation of the information processing of loans, borrowings, interest, asset classification, security capture and documents uploading for each of the advances and generation of trial balance.</p> <p>The financial statements and few other periodical MIS as required by the company is yet to be implemented. Our audit procedure had to be modified according to the implementation stage of the systems, which included manual working verifications and system process verifications.</p>
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### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.







In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

### **Responsibilities of Management and those charged with Governance for the Financial Statement**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income cash flow and changes in equity of the Company in accordance with the accounting principles generally accepted in India. 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 the 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 Standalone 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.

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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







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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the Housing Finance Companies- ~~Master Direction- Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021~~ vide RBI/2020-21/73 DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21 February 17, 2021, we give in the "**Annexure- B**" statement on the matters specified in Paragraphs 70 and 71.
3. (A) 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - (c) The report on the accounts of the branch offices, as required by clause (c) of the sub section (8) of the section 143 of the Act, is not applicable for the year under report, since Company has appointed us as a Sole Statutory Auditor of the Company, to audit the company's books of account including the branch accounts, and accordingly requirement of dealing with the report of Branch Auditors, in preparing our report does not arise.







- (d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;
- (e) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, as amended;
- (f) The provisions of section 164(2) in respect of disqualifications of directors of the Companies Act, 2013 are not applicable to the Company being Government Company in the terms of notification no. G.S.R. 463(E) dated 05 June, 2015 issued by Ministry of Corporate Affairs.
- (g) With respect to the adequacy of the internal financial controls with reference to these Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**" to this report. Our report expresses a unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (B) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- 1) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 25 (15) to the Standalone Financial Statements;
  - 2) The Company has not entered into any long-term contract including derivative contract which may have any material foreseeable losses hence there is no need to create any provision, required under the applicable law or accounting standards,- Refer Note No. 25(28) to the standalone financial statements;
  - 3) The Company was regular in depositing the amounts required to be transferred to the Investor Education and Protection Fund;
  - 4) a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in Note No. 25(8) no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;





**SARATH & ASSOCIATES**  
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- b. The management has represented, that, to the best of it's knowledge and belief, as disclosed in Note No. 25(8), no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement;
- 5) As stated in Note No. 24(16)(a) to the financial statements, the Board of Directors of the Company have not proposed dividend for the current financial year (Previous Year- Nil)
- 6) Based on our sample test checks on the compliance of Audit trail, we found that the new software system used by the company for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the F.Y. 2023-24 for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act as amended, we report that the reporting requirements are not applicable in terms of Notification No GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs.
4. Our views on Directions under section 143(5) of the Companies Act 2013 by C&AG are enclosed as "Annexure D1".

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*Lakshmi Rao*



**CA R. Lakshmi Rao**  
**(Partner)**

**M. No.: 029081**

**Place : Mumbai**

**Date : 12.07.24**

**UDIN: 24029081BKEKZN2351**





**Annexure A to the Independent Auditors' Report**

**Annexure A to Independent Auditor's Report of even date to the members of Cent Bank Home Finance Limited on the Financial Statements as at and for the year ended March 31, 2024 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements), we report that:**

(1)

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

(B) The Company does not have any Intangible assets hence no question of maintenance of proper records showing full particulars including quantitative details and situation of Intangible asset arises.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

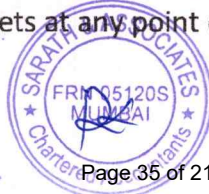
c) The Company does not have any immovable properties. Accordingly, reporting under clause 3(i)(c) of the Order is not required.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment during the year

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988, as amended and rules made there under.

(2) a) The Company is in the business of providing primarily Housing Finance Services and consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii) of the Order in respect of Inventory is not applicable to the company.

b) (i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crores, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year.





(ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the periodical returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the Company.

(3) According to the information and explanations given to us read with applicable norms (including exemptions or relaxations) of NHB/RBI and on the basis of our examination of the records of the Company, the company has made investments in, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year.

We further report that;

- (a) The Company is in the business of providing primarily Housing Finance Services whose principal business is to give loans and advances and consequently reporting of details under Clause 3(iii) (a) (A) and Clause 3(iii) (a) (B) of the order is not applicable.
- (b) According to the information and explanations given to us, the Company has not provided any guarantees or given any security or advances in the nature of loan during the year. Further, the investments made and the terms and conditions of the grant of loans during the year, are not prima facie prejudicial to the interest of the Company.
- (c) In respect of loans assets and advances in the nature of loans given, according to the information and explanations given to us and on the basis of our examination of the records of the Company read with applicable norms (including exemptions or relaxations) of NHB/RBI, the schedule of repayment of principal and payment of interest has been stipulated.

Further, except for loans and advances in the nature of loans given where there are delays or defaults in repayment of principal and/or payment of interest as at the balance sheet date, in respect of which the Company has disclosed the accounting policy (Note no.1) in Point No.3 and asset classification/ staging in Note No. 25(12) and Note No. 25(35) (7.1) to the Financial Statements in accordance with Accounting Standards and the guidelines issued by the regulators, the parties are repaying the principal amounts, as stipulated, and are also regular in payments of interest, as applicable. Having regard to the nature of the Company's business and





the voluminous nature of loan transactions involved, it is not practicable to furnish entry-wise list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company read with the applicable norms (including exemptions or relaxations) of NHB/RBI, there is overdue amount of Rs. 5,809.78 lakhs (Previous Year Rs. 5,036.38 lakhs) [irregularities /overdue are detailed in the Note No.13, Note No.16, Note No. 25(12), Note No. 25(13) and Note No. 25(35)(7.1 & 7.4)] of the financial statements for more than ninety days in respect of loans and advances in the nature of loans given. The Company is in the business of providing primarily Housing Finance Services whose principal business is to give loans and advance and consequently such overdue has been identified as per the applicable norms (including exemption or relaxation) of NHB/RBI which are issued time to time. In such instances, in our opinion, reasonable steps have taken by the company for recovery of the overdue amount of principal and interest as stated in the applicable Regulations and Loan agreements.
- (e) According to the records of the Company examined by us, the Company is engaged primarily in lending activities. Therefore, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the records of the Company examined by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Therefore, the provisions of clause 3(iii)(f) of the Order are not applicable to the Company.

(4) The Company has not granted any loans, made investments or provided guarantee or securities that are covered under the provision of section 185 or 186 of the Act during the year. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.

(5) The Company is in the business of providing primarily Housing Finance Services whose principal business is to give loans and/or advance and/or also accepting deposits as per the terms and conditions of the license issued to the company. Accordingly, the Company has accepted deposits from public in accordance with the directives issued by the National Housing Bank under the Housing Finance Company (NHB) Directions, 2010 (as amended as per Direction 2021 issued by RBI) with regard to deposits accepted from the public and the rules framed there under; and the provisions of Section 73 to 76 and other relevant provision of the Companies Act, 2013 and the rules framed there under.

According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or Reserve Bank of India or by any other court or tribunal with regard to aforesaid deposits.





According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(6) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act for the business activities carried out by the Company. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(7)

- (a) The Company does not have liability in respect of Service tax, excise duty, Sales tax and Value added tax, since effective 1<sup>st</sup> July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST").

According to the information and explanation given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

According to the information and explanation given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except followings:

**Name of the Statute: Income Tax Act, 1961**

S.No.	Period to which the amount relates (Financial Year)	Amount in dispute (Rs.in Lakh)	Forum where dispute is pending
1.	2016-17	399.65	CIT (Appeal) under the Income Tax Act
2.	2016-17	145.05	CIT (Appeal) under the Income Tax Act
3.	2020-21	275.01	CIT (Appeal) under the Income Tax Act
	<b>Total</b>	<b>819.70</b>	







**GST:**

S.No.	F.Y.	State	Total Liability (Rs. In Lakhs)	Forum where dispute is pending
1.	2017-18	Gujarat	10.58	Appellate Authority
2	2017-18	New Delhi	5.89	Appellate Authority
3	2017-18	Chhatisgarh	4.12	Appellate Authority
		<b>Total</b>	<b>20.58</b>	

(8) According to the information and explanation given to us and based on examination of the records, there were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Therefore, reporting under clause 3(viii) of the Order is not required.

(9) a) The Company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon during the year.

b) According to information and explanations given by the management, the Company has not been declared willful defaulter by any bank or financial institution or other lender during the year.

c) According to the information and explanations given to us and based on examination of the records, the term loans raised during the year were applied for the purposes for which the loans were raised other than temporary deployment pending application of proceeds.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have, prima facie not been used for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not hold any investment in any subsidiary, associate or joint venture (as defined in the Act) during the year ended 31<sup>st</sup> March 2024. Accordingly, reporting under clause 3(ix)(e) of the Order is not required.

f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries

(10) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.





b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.

(11) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations given to us. Company has detected frauds in 3 borrower accounts and same has been reported to RBI/NHB by the Company. Meanwhile, no instances of fraud by the company noticed or reported during the year.

b) According to the information and explanation given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the standalone financial statements.

14) Subject to our comment mentioned in the Opinion Paragraphs of Annexure-C "Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of Companies Act, 2013", we report that

a) Based on our examination, the Company has an adequate internal audit system commensurate with the size and nature of its business;

b) We have considered the internal audit reports for the year under audit to the extent received by us, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year hence provision of section 192 of the Act are not applicable to the Company. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.

16) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.







- b) The Company being a Housing Finance Company, is registered with National Housing Bank vide Registration No. 01.0004.02 by which NHB has granted status of Housing Finance Company (HFC) to the Company on 31.07.2001.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d) According to the representations given by the management, there is no CIC as part of the Group. Therefore, the provisions of clause 3(xvi)(d) of the Order are not applicable to the Company.

17) The Company has not incurred cash losses in current year and in immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.

18) There was no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the company.

19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, assets liability maturity (ALM) pattern and other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the special account in compliance with the provision of section 135(6) of the Act. Therefore, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not required for the year.





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(21) The reporting under clause (xxi) of this order is not applicable in respect of audit of financial statements of the company.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*

**CA R. Lakshmi Rao**  
**(Partner)**

**M. No.: 029081**



**Place : Mumbai**

**Date :12.07.24**

**UDIN: 24029081BKEKZN2351**





**Annexure B to the Independent Auditors' Report**

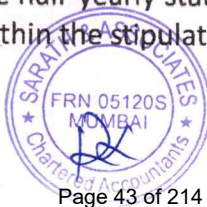
(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" of our Audit Report of even date with reference to Directions notified vide RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 February 17, 2021 hereinafter referred as "the directions" in this annexure and be read with NHB Directions 2016 to the extent applicable).

This is issued in pursuant to the paragraph 70 and 71 of the Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('Master Directions') issued by the Reserve Bank of India ('the RBI') and amended from time to time.

Based on our audit of the financial statements for the year ended 31<sup>st</sup> March 2024 and examination as above, evidences obtained and the information and explanations, along with the representations provided by the management, we report that;

**Matters referred in Para 70.1 of the directions**

- i. The company is registered with NHB vide registration certification No.01.0004.02 dated 31.07.2001. Further, we hereby certify that the Company is meets the Principal Business criteria requirement as laid down under Paragraph 4.1.17 of the directions;
- ii. The Company is meeting the required Net Owned Fund (NOF) requirement as prescribed under section 29A of National Housing Bank Act, 1987. The Company does not have paid up preference shares which are compulsorily convertible into equity that are required to be included in the calculation of NOF;
- iii. The Company has complied with the provisions of Section 29C of National Housing Bank Act, 1987 with regard to the requirement of the "Reserve fund";
- iv. The total borrowings of the company i.e., deposits inclusive of public deposits and borrowings, the aggregate amount of which together with the amounts, if any, held by it which are referred in clauses (iii) to (vii) of sub-section (bb) of Section 45 I of the Reserve Bank of India Act, 1934 as also loans or other assistance from the NHB, are within the limits prescribed in the said direction at Para No. 27.2.
- v. The company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in these directions.
- vi. The capital adequacy ratio as disclosed in the half-yearly statutory return, submitted to the NHB, as per the directions issued by NHB in this regard, has been correctly determined and such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR);
- vii. The Company has furnished the half-yearly statutory return to the NHB, as specified in the direction issued by NHB, within the stipulated period.





- viii.** The Company has furnished the quarterly statutory returns on Statutory Liquid Assets to the NHB, as specified in the directions issued by NHB, within the stipulated period.
- ix.** During the financial year, the company has not opened or closed any Branch Offices and SPOKE Offices.
- x.** The Company has not granted any loans against security of shares or security of single product- gold jewellery in terms of paragraph 3.1.3 and 3.1.4 of the Master Directions for the year ended 31<sup>st</sup> March, 2024. The Company has not granted any loan against its own shares in terms of paragraph 18 of the Master Directions for the year ended 31<sup>st</sup> March 2024.;
- xi.** The Board of Directors of the company has not passed a resolution for non-acceptance of any public deposits.;
- xii.** The Company has accepted public deposits (including renewal of existing public deposits) during the relevant period/ year;

### **Matters referred in Para 70.2 of the directions**

- i.** The public deposits accepted by the company together with other borrowings are indicated below viz.
  - a.** which are not excluded from the definition of 'public deposit; as per Paragraph 4.1.30 of these directions, are within the limits admissible to the company as per the provisions of these directions.
- ii.** The public deposits held by the company are not excess of the quantum of such deposits permissible to it under the provisions of these directions which are required to be regularized in the manner provided in the said Directions. Therefore, the provisions contained in these directions relating to the regularizations of excess deposit are not applicable to the company.
- iii.** Before accepting/holding "Public Deposits" the company has obtained minimum investment grade credit rating for deposits i.e., 'IND A-'/Stable ( Previous Year 'IND A-'/Stable) which has been assigned by the approved credit rating agency i.e., India Ratings & Research Pvt. Ltd. (Fitch Group)
- iv.** The company has not defaulted during the year in paying to its depositor the interest and/or principal amounts of deposits after such interest and/or principal became due.
- v.** The company has complied with the liquid assets requirement as prescribed by the National Housing Bank in exercise of powers under section 29B of the National Housing Bank Act, 1987 and the requirements as specified in paragraphs 40 and 42 of these directions.







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vi. The company has not violated any provisions under restriction on acceptance of public deposits, period of public deposits, joint public deposit, particulars to be specified in application form soliciting public deposits, ceiling on the rate of interest and brokerage and interest on overdue public deposits, renewal of public deposits before maturity as provided in these directions.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*



**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**

**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**



### **Annexure C to the Independent Auditors' Report**

~~Annexure C to Independent Auditor's Report of even date to the members of Cent Bank Home Finance Limited on the Financial Statements for the year ended March 31, 2024 (Referred to in paragraph 3(A)(g) under "Report on the Other Legal and Regulatory Requirements")~~

**Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls with reference to Standalone Financial Statements of "Cent Bank Home Finance Limited" ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls.**

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

### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their







operating effectiveness. Our audit of Internal Financial Controls with reference to Financial Statements included obtaining an understanding of Internal Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Financial Statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's Internal Financial Controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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





**SARATH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*Lakshmi Rao*



**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**

**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**





**SARATH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**Annexure D to the Independent Auditors' Report**

Statement on the directions/sub-directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act 2013, examined by the Statutory Auditors during the course of audit of Annual Accounts of **Cent Bank Home Finance Limited** for the year ended 31<sup>st</sup> March 2024.

**Compliance Certificate**

We have conducted the audit of the accounts of Cent Bank Home Finance Limited, for the year ended March 31, 2024 in accordance with the direction/sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-Directions issued to us Directions indicating the areas to be examined by the Statutory Auditor during the course of audit of annual accounts of the company.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*

**CA R. Lakshmi Rao**  
**(Partner)**

**M.No.: 029081**



**Place: Mumbai**

**Date: 12.07.2024**

**UDIN: 24029081BKEKZN2351**



**Annexure D1 to the Independent Auditors' Report**

The Statement on the directions/sub-directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act 2013, examined by the Statutory Auditors during the course of audit of Annual Accounts of **Cent Bank Home Finance Limited** for the year ended 31<sup>st</sup> March 2024'

Sr. No.	AREAS TO BE EXAMINED	REPLY FOR THE AREAS EXAMINED
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If, yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	<p>The Company has the system in place to process all the accounting transactions through IT systems as mentioned below:</p> <ol style="list-style-type: none"><li>1. Depreciation on Fixed Assets.</li><li>2. Consolidation of Trial balance of Branches and head-Office and generation of daily loan book etc.</li><li>3. Calculation of Provisioning on NPAs (Non-Performing Assets) including identification of Additional NPAs.</li><li>4. Interest accrual on Non-Cumulative Fixed Deposits as on 31.03.2024</li><li>5. As per notification no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 dated 15.02.2022, Paragraph 10 of the Circular stipulates that loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower. The Company IT system is functioning as per above RBI guidelines.</li></ol> <p>The following accounting transactions is maintained and controlled through <b>Excel Sheets</b> for calculation etc.:</p> <ol style="list-style-type: none"><li>1. Interest on Borrowings/debentures and Interest Income On investments.</li><li>2. Preparation of Balance Sheet</li><li>3. Provisioning on Standard Assets</li><li>4. Quantification of amount of Compromise, Waiver and OTS amount.</li><li>5. Quantification of Monthly deductions from salary of Employees viz Interest on Advances to staff etc.</li><li>6. Amortization of DSA on fore-closure loans &amp; advances and brokerage of pre-maturity of Fixed Deposits.</li></ol> <p>Apart from above, Loan processing start from customer on boarding to disbursement is fully automated. LTV and DBR calculation is in built in loan originating system.</p>



**SARATH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

		<p>As informed to us company's Vendor M/S AZENTIO SOFTWARE PVT LTD is using cloud- based AMAZON WEB SERVER.</p> <p>Further the Company's not processing any accounting transaction outside IT System.</p>
2.	<p>Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/ interest etc. made by a lender to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?</p>	<p>During the Financial Year 2023-2024, no cases of restructuring of an existing loan or cases of waiver/write off of debts/ loans/interest etc. made by a lender to the company has been observed.</p>
3.	<p>Whether funds (grants/subsidy,etc) received/ receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.</p>	<p>On the basis of selective audit procedures, we have observed that the funds received/ receivable for specific schemes [PMAY/NHB refinance Schemes] from Central/State agencies were properly accounted for /utilized as per its term and conditions.</p>

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*

**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**



**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**



**SARATH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

## **Auditor's Certificate**

(As per para 116 of Chapter XV of NBFC-HFC (Reserve Bank) Directions, 2021)

In respect of the Financial Statement for the financial year 2023-24 of the Cent Bank HomeFinance Ltd( CIN : U65922MP1991PLC006427) having its registered office address at Central Bank of India building, 9 Arera Hills, Mother Teresa Road, Bhopal-462011, hereinafter referred as "company" , we certify that

- (a) The full amount of liability to the depositors of the company including interest payable thereon are properly reflected in the balance sheet and
- (b) The company is in a position to meet the amount of such liabilities to the depositors

The above certificate is to be read together with our observations/ comments in the Independent Auditors' Report dated 12.07.2024. Further in order to certify the ability of the position of the company to meet the liabilities ( Depositors' of the Company including interest payable) we have relied upon the certificate and the explanation issued by the management of the company.

This certificate has been issued on the basis of the examination of the relevant documents, certificates and declarations given to us by the management of the company on which we have relied upon.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**



**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**



कार्यालय महानिदेशक लेखापरीक्षा,  
उद्योग एवं कॉर्पोरेट कार्य  
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,  
नई दिल्ली-110 002



OFFICE OF THE DIRECTOR GENERAL OF AUDIT,  
INDUSTRY AND CORPORATE AFFAIRS  
A.G.C.R. BUILDING I.P. ESTATE,  
NEW DELHI-110 002

संख्या: एएमजी-II/ 12(1) वार्षिक लेखा/  
CBHFL (2023-24)/2024-25/169-170  
दिनांक: 13 AUG 2024

सेवा में

अध्यक्ष,  
सेंट बैंक होम फाइनेंस लिमिटेड,  
छठा तल, सेंट्रल बैंक ऑफ़ इंडिया,  
मुंबई मेन ऑफिस बिल्डिंग, एमजी रोड,  
फ्लोरा फाउंटेन, हुतात्मा चौक,  
मुंबई - 400 023

विषय: कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2024 को समाप्त वर्ष के लिए सेंट बैंक होम फाइनेंस लिमिटेड के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2024 को समाप्त वर्ष के लिए सेंट बैंक होम फाइनेंस लिमिटेड के वार्षिक लेखों पर उपरोक्त विषय संबंधित संलग्न पत्र अग्रेषित है।

भवदीया,

र.स. ए. पंडा

(एस. आहलादिनी पंडा)  
महानिदेशक लेखा परीक्षा  
(उद्योग एवं कारपोरेट कार्य)  
नई दिल्ली

संलग्नक:- यथोपरि

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE  
FINANCIAL STATEMENTS OF CENT BANK HOME FINANCE LIMITED FOR  
THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of Cent Bank Home Finance Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 12 July 2024 which supersedes their earlier Audit Report dated 07 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Cent Bank Home Finance Limited for the year ended 31 March 2024 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

**Notes Forming Part of the Financial Statements**

**Contingent Liabilities and Commitments {Note No. 25 (15)}**

The above does not include claims aggregating to ₹73.66 lakh filed against the Company by five customers<sup>1</sup>, which were pending before various Consumer Disputes Redressal Forums. Since the claims were sub-judice as on 31 March 2024, these should have been

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<sup>1</sup> Five customers and the claim amounts were (i) Shri Shivendra Shukla (₹34.00 lakh); (ii) Shri Rajneesh Shukla (₹2.15 lakh); (iii) Shri Sita Ram Amb (₹0.21 lakh); (iv) Shri Sheetla Prasad Tripathi (₹37.00 lakh); and (v) Shri Bharat Lal Khare (₹0.30 lakh)

shown under Contingent Liabilities. Hence, the above note is deficient to that extent.

**For and on behalf of the  
Comptroller & Auditor General of India**



**(S. Ahladini Panda)  
Director General of Audit  
(Industry & Corporate Affairs)  
New Delhi**

**Place: New Delhi**

**Date: 13 AUG 2024**

Annexure - III

**REPORT OF DIRECTORS ON CORPORATE GOVERNANCE FOR 2023-24**

Cent Bank Home Finance Limited, its promoter institutions, Board of Directors and Management of the Company adopt the principles of corporate governance and endeavor to implement good corporate governance practices in the Company.

Cent Bank Home Finance Ltd. (CBHFL) is jointly promoted by four premier institutions of the country viz., Central Bank of India (CBI), Housing and Urban Development Corporation Limited (HUDCO), National Housing Bank (NHB) and Specified Undertaking of Unit Trust of India (SUUTI). All these institutions believe in strong Corporate Governance culture. Company is not only following the regulatory requirements of corporate governance but also striving hard to achieve customer satisfaction, employees' satisfaction and stakeholders' satisfaction as well as regulatory compliance. The Company and its Board of Directors strongly believe in the principles of transparency, accountability, integrity and maximization of shareholder's value. A brief report on the practices prevalent in Corporate Governance at CBHFL is given below:-

**BOARD OF DIRECTORS:**

**a) COMPOSITION:**

As on 31<sup>st</sup> March, 2024, there were ten Directors in the Board of the Company. Out of them, 7 were Non-Executive Nominee Directors, 2 were Non-Executive Independent Directors and 1 was Executive Director; i.e., Managing Director who is on deputation from Central Bank of India. Four Non-Executive Directors were Nominees of Central Bank of India and three Directors were Nominees of each Promoter Institution viz. SUUTI, HUDCO & NHB.

All the Directors are persons of eminence having vast and rich experience in the field of Banking & Finance, Housing, Law, Management and other relevant fields. The composition of Directors is in conformity with the Companies Act, 2013 and Articles of Association of the Company. The composition of Directors during the financial year ended 31<sup>st</sup> March 2024 is mentioned below:





Sr No.	Name of Directors	Category of Directors	No. of other Directorships (including Body Corporate)	No. of shares held in the Company	Committee Memberships in the Company		Committee membership in other Companies	
					As Member	As Chairman	As Member	As Chairman
1.	Shri Malladi Venkat Murali Krishna - Chairman (DIN: 09021111)	Non-Executive Director from Central Bank of India, acting as Chairman of the Company	1	Nil	-	-	-	-
2.	Shri Anil Girotra (DIN: 02221989)	Non-Executive Independent Director (Reappointed w.e.f. 05/08/2019 as independent Director in terms of provisions of section 149 of the Act in 28th AGM)	-	Nil	1	7	-	-
3.	Shri Pallatt Joseph Thomas (DIN: 10332033)	Non-Executive Independent Director (Appointed w.e.f. 30/10/2023 as independent Director	-	Nil	7	2	-	-
4.	Shri Vasti Venkatesh (DIN: 09782983)	Non-Executive Director from CBI (Appointed w.e.f. 28/11/2022)	2	20*	6	-	-	-
5.	Shri Anuj Rastogi (DIN:10327080)	Non-Executive Director from NHB Appointed w.e.f. 30/10/2023	-	Nil	3	-	-	-

6.	Shri Navnath Rundekar (DIN: 08472927)	Non-Executive Director from SUUTI	-	Nil	1	-	-	-
7.	Shri Y. Anil Kumar (DIN: 09284938)	Non-Executive Director from CBI	-	30*	2	-	-	-
8.	Shri Mukul Narayan Dandige (DIN: 08861846)	Non-Executive Director from CBI (Appointed w.e.f. 05/09/2020)	-	20*	2	-	-	-
9.	Shri K. K. Chauhan (DIN: 00226460)	Non-Executive Director from (HUDCO)	2	-	1	-	-	-
10.	Shri Kushal Pal (DIN: 09225722)	Managing Director	-	30*	7	-	-	-

**\*Holding on behalf of Central Bank of India**

- The Non-Executive Independent Directors of the Company do not have any pecuniary relationship or transaction with the Company which could materially interfere with exercise of independent judgment other than receiving sitting fees for the Board/committee meeting they attended.

**b) RESPONSIBILITIES OF THE BOARD:**

The Board of Directors of the Company represents the shareholders interest in the long run and provides guidance for the management of the Company in progressive direction on behalf of the shareholders of the Company.

The Board has a formal schedule of matters reserved for its consideration and decision, apart from those legally required e.g. at every Board Meeting quarterly performance is reviewed, actions on recovery of over dues are recommended, availability of financial resources are assessed, compromise proposals are discussed, strategy for better performance of the Company are framed, discussed and reporting to shareholders is approved. The Board also discharges the duties and responsibilities of the Company as required under various statutes that are applicable to the Company.

Each member of the Board invariably attends the Board Meeting unless preoccupied with some urgent matters. Hence, decisions of the Board are in true sense plural, transparent and duly accounted for. The members of the Board ensure that other responsibilities do not have any material impact on their responsibility as Directors of the Company.

Moreover, the Directors are ensuring that they do their duties in accordance with the provisions of section 166 of the Act, which prescribes as follows:

- A Director of a company shall act in accordance with the Articles of Association (AOA) of the company.
- A Director of the company shall act in good faith in order to promote the objects of the company the benefit of its members as a whole and in the best interest of the company, its employees, the shareholders, the community and for the protection of environment.
- A Director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- A Director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- A Director of a company shall not achieve or attempt to achieve any undue gain or advantages either to himself or to his relatives, partners, or associate and if such Directors is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- A director of a company shall not assign his office and any assignment so made shall be void.

During the year 2023-24, four Board Meetings were held on 12<sup>th</sup> May, 2023, 24<sup>th</sup> August, 2023, 30<sup>th</sup> October, 2023 and 3<sup>rd</sup> February, 2024. The number of meetings attended by the Directors is mentioned below:-

S.NO	Name of Director	Board Meeting held during tenure	No. of Meetings Attended	Last AGM Attended or not	Sitting Fees Paid (Rs.)
1.	Shri Malladi Venkat Murali Krishna <sup>1</sup> (DIN: 09201111)	2	2	NA	-
2.	Shri Rajeev Puri <sup>2</sup> (DIN: 07330989)	1	1	NA	
3.	Shri Anil Girotra (DIN: 02221989)	4	4	Yes	80,000
4.	Shri Bibhas Kumar Srivastav <sup>3</sup> (DIN: 06533710)	1	1	NA	20,000
5.	Shri Pallatt Joseph Thomas <sup>4</sup> (DIN: 10332033)	2	2	NA	40,000
6.	Shri Mukul Narayan Dandige(DIN: 08861846)	4	4	Yes	-

7.	Shri Vasti Venkatesh <sup>4</sup> (DIN: 09782983)	4	4	No	
8.	Shri Vishal Goyal (DIN: 05120754)	2	1	NA	-
9.	Shri Anuj Rastogi (DIN: 10327080)	2	2	NA	
9.	Shri Navnath Rundekar (DIN: 08472927)	4	3	No	-
10.	Shri Y. Anil Kumar (DIN: 09284938)	4	3	Yes	-
11.	Shri K. K. Chauhan (DIN: 00226460)	4	1	No	-
12.	Shri Kushal Pal (DIN: 09225722)	4	4	Yes	-

- <sup>1</sup> Shri Malladi Venkat Murali Krishna is appointed as Director and Chairman of Company w.e.f. 30<sup>th</sup> October 2023.
- <sup>2</sup> Shri Rajeev Puri has ceased to be director w.e.f. 21-09-2023 after superannuation from services of Central Bank of India.
- <sup>3</sup> Shri Bibhas Kumar Srivastav has ceased to be director w.e.f. 13-08-2023 due to Completion of his Tenure as Independent Director.
- <sup>4</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.
- <sup>5</sup> Shri Vishal Goyal has ceased to be director w.e.f. 30-10-2023.
- <sup>6</sup> Shri Anuj Rastogi is appointed as nominee director of National Housing Bank on 30-10-2023.

#### **c) AUDIT COMMITTEE:**

The Company has an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 as on March 31, 2024. The Audit Committee consists of 2 Non-Executive Independent Directors; 1 Non-Executive Director. The Members of the Audit Committee as on March 31, 2024 are Shri Anil Girotra (Chairman); Shri Pallatt Joseph Thomas and Shri Y Anil Kumar.

The scope and functions of the Committee inter-alia includes review of financial reporting systems, review of the internal audit system, internal/statutory audit reports and review of risk management policies of the company with the management, approval of related party transactions etc. Role of the Audit Committee includes discussion and reviewing with the Internal Auditors any significant findings on any internal investigation by the internal auditors into matters of suspected fraud and irregularity. The Company Secretary acts as the Secretary to the Audit Committee. The recommendations of the Audit Committee were considered/accepted and implemented by the Board.



During 2023-24, four Audit Committee meetings were held i.e. on 11<sup>th</sup> May, 2023, 11<sup>th</sup> August, 2023, 30<sup>th</sup> October, 2023 and 30<sup>th</sup> January, 2024, to consider quarterly financial statements apart from other items.

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Anil Girotra, Chairman (DIN: 02221989)	Independent Director	4	4	80,000
2.	Shri Bibhas Kumar Srivastav <sup>1</sup> (DIN: 06533710)	Independent Director	2	2	40,000
3.	Shri Pallatt Joseph Thomas <sup>2</sup> (DIN: 10332033)	Independent Director	1	1	20,000
4.	Shri Y. Anil Kumar (DIN: 09284938)	Nominee Director	4	3	-

<sup>1</sup> Shri Bibhas Kumar Srivastav has ceased to be director w.e.f. 13-08-2023 due to Completion of his tenure as Independent Director.

<sup>2</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

#### **d) ASSET & LIABILITY COMMITTEE (ALCO):**

As on March 31, 2024, the ALCO of the Company comprises of Shri Kushal Pal, Managing Director, as Chairman; Shri Sachin Sudhakar, General Manager, Shri Suyogya Chandra Mehta, Chief Financial Officer, Shri Narayan Shrivastava, Sr. Manager (Credit), Shri Vaibhav Shrivastava, (Chief Risk Officer) Shri S. N. Das, Assistant Manager, Fixed Deposit . ALCO Meetings are convened with an objective to review the asset liability match & mismatches and to decide interest rates on loans and deposits. The meetings are held at least once every month and recommendations are given to correct mismatches, if required, as observed in the ALM statements.

During the 2023-24, the Committee met 14 times i.e. on 29<sup>th</sup> April, 2023, 31<sup>st</sup> May, 2023, 28<sup>th</sup> June, 2023, 28<sup>th</sup> July, 2023, 28<sup>th</sup> August, 2023, 28<sup>th</sup> September, 2023 , 31<sup>st</sup> October, 2023, 23<sup>rd</sup> November, 2023, 29<sup>th</sup> December, 2023, 16<sup>th</sup> January, 2024, 24<sup>th</sup> January, 2024, 9<sup>th</sup> February, 2024, 29<sup>th</sup> February, 2024 and 27<sup>th</sup> March, 2024.

#### **e) CREDIT MANAGEMENT COMMITTEE:**

Your Company has constituted Credit Management Committee with the following objectives:

- to oversee the credit and lending strategies of the Company in accordance with the objectives of the Company;
- to oversee the credit risk management of the Company including reviewing internal credit policies; and

- (c) to review the quality and performance of the Company's credit portfolio. The Committee shall also be responsible for any other matters as delegated to it by the Board.

As on March 31, 2024, the Committee comprises of 5 members with 2 Non-executive Independent Directors, 2 Non-Executive Directors and one Executive Director. The Members of the Committee are Shri Anil Girotra (Chairman); Shri Pallatt Joseph Thomas; Shri Mukul Dandige; Shri Vasti Venkatesh; Shri Kushal Pal.

During 2023-24, the Committee met 3 times i.e. 27<sup>th</sup> June, 2023, 30<sup>th</sup> December, 2023 and 12<sup>th</sup> March, 2024.

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Anil Girotra, Chairman (DIN: 02221989)	Independent Director	3	3	60,000
2.	Shri Bibhas Kumar Srivastav <sup>1</sup> (DIN: 06533710)	Independent Director	1	1	20,000
3.	Shri Pallatt Joseph Thomas <sup>2</sup> (DIN: 10332033)	Independent Director	2	2	40,000
4.	Shri Kushal Pal (DIN: 09225722)	Managing Director	3	3	-
5.	Shri Vasti Venkatesh (DIN: 09782983)	Nominee Director	3	3	-
6.	Shri Mukul Narayan Dandige (DIN: 08861846)	Nominee Director	3	3	-

<sup>1</sup> Shri Bibhas Kumar Srivastav has ceased to be director w.e.f. 13-08-2023 due to Completion of his tenure as Independent Director.

<sup>2</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

#### **f) HR COMMITTEE:**

The Company has constituted HR Committee to assist the Board in smooth & quick disposal of HR issues of the Company relating to Human Resource Management, Compensation and such other related activities.

The Committee from time to time reviews and recommends to the Board HR policies, organizational structure, annual plans, remuneration proposals, recruitment, succession and development plans and also provides support in handling the nomination and compensation proposals for the Board.

As on 31<sup>st</sup> March 2024, the committee consists of 7 Members with 2 Non – Executive independent Directors, 4 Non- Executive directors and one executive director. The Members of the Committee are Shri Anil Girotra (Chairman); Shri Pallatt Joseph Thomas ; Shri Navnath Rundekar; Shri Anuj Rastogi; Shri K.K. Chauhan; Shri Vasti Venkatesh; Shri Kushal Pal. HR Committee Meeting was held on 23<sup>rd</sup> August, 2023 during the year.

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Anil Girotra, Chairman (DIN: 02221989)	Chairman - Independent Director	1	1	20,000
2.	Shri Pallatt Joseph Thomas <sup>1</sup> (DIN: 10332033)	Independent Director	0	0	-
3.	Shri Vishal Goyal (DIN: 05120754)	Nominee Director	1	1	-
4.	Shri Navnath Rundekar (DIN: 08472927)	Nominee Director	1	1	-
5.	Shri K. K. Chauhan (DIN: 00226460)	Nominee Director	1	0	-
6.	Shri Vasti Venkatesh (DIN: 09782983)	Nominee Director	1	1	-
7.	Shri Kushal Pal (DIN: 09225722)	Managing Director	1	1	-

<sup>1.</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

**g) NOMINATION & REMUNERATION COMMITTEE:**

The Company had constituted Remuneration Committee in terms of provisions of Schedule XIII of the Companies Act, 1956. The Committee was renamed as Nomination & Remuneration Committee and reconstituted in terms of the provisions of section 178 of the Companies Act, 2013. as on 31st March, 2023, the Committee comprises of three members with 2 Non-Executive Independent Directors and 1 Non-Executive Director. The Committee met two times during the year i.e. on 7<sup>th</sup> October, 2023 and 20<sup>th</sup> February, 2024. The following members were present:

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Anil Girotra, Chairman (DIN: 02221989)	Independent Director	2	2	40,000

2.	Shri Pallatt Joseph Thomas (DIN: 10332033)	Independent Director	1	1	20,000
3.	Shri Anuj Rastogi (DIN:10327080)	Nominee Director	1	1	-
4.	Shri Navnath Rundekar (DIN: 08472927)	Nominee Director	1	1	-
5.	Shri Y Anil Kumar (DIN: 09284938)	Nominee Director	1	1	-

During the year the Committee considered the Evaluation reports of the independent directors on performance of the directors and board as a whole. According to the Companies act 2013, role of the committee is to consider and recommend to the Board the appointment/reappointment of Managing Director/ Executive Directors in addition to review of their performance and recommending to the Board Remuneration for the said Directors and also for the key Managerial personnel and other senior management Positions as the case may be.

#### **h) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

Our Company has constituted CSR Committee in terms of provisions of section 135 of the Companies Act, 2013. The Committee shall assist the Board in fulfilling its duty towards the issues of social responsibility including diversity, human rights, philanthropy and sustainability and in framing the Company's policies, practices and progress with respect to such issues.

The role of the CSR Committee is as follows:

- Formulation and review of CSR Policy indicating the activities to be undertaken by the Company towards CSR initiatives;
- Approval of the amount of expenditure to be incurred on the CSR activities;
- Formulation of a transparent monitoring mechanism for ensuring implementation of the projects/ programmers/ activities proposed to be undertaken by the Company or the end use of the amount spent by it towards CSR activities.
- Monitor and implement the Policy from time to time
- Annually report to the Board, the status of the CSR activities and contributions made by the Company
- Any other requirements mandated under the Act and Rules issued thereto.

As on 31<sup>st</sup> March 2024, the Committee comprises of five members with 2 Non-Executive Independent Directors and 2 Non-Executive Directors and one Executive Director. The Committee met once during the year i.e. on 30<sup>th</sup> January, 2024. The following members were present:



S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Anil Girotra, Chairman (DIN: 02221989)	Independent Director	1	1	20,000
2.	Shri Pallatt Joseph Thomas <sup>1</sup> (DIN: 10332033)	Independent Director	1	1	20,000
3.	Shri Vasti Venkatesh (DIN: 09782983)	Nominee Director	1	1	-
4.	Shri Anuj Rastogi <sup>2</sup> (DIN: 10327080)	Nominee Director	1	1	-
5.	Shri Kushal Pal (DIN: 09225722)	Managing Director	1	1	-

<sup>1</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

<sup>2</sup> Shri Anuj Rastogi is appointed as nominee director of National Housing Bank on 30-10-2023.

#### **i) STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Company has constituted Stakeholders Relationship Committee as per the provisions of section 178(6) of the Companies Act, 2013 since there are more than 1000 deposit holders as on March 31<sup>st</sup> 2024. The Committee consists of three members chaired by Shri Pallatt Joseph Thomas, Independent Director, Shri Vasti Venkatesh, Non-Executive Director and Shri Kushal Pal, Managing Director.

The Committee was constituted in order to oversee and redress the complaints of the deposit holders related to payment of interests, repayment of maturity amount, non-receipt of deposit receipts and other related issues. The Committee met once during the year on 20<sup>th</sup> February, 2024.

The following members were present in the meeting:

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Pallatt Joseph Thomas, Chairman <sup>1</sup> (DIN: 10332033)	Independent Director	1	1	20,000
2.	Shri Vasti Venkatesh (DIN: 09782983)	Nominee Director	1	0	-

3.	Shri Kushal Pal (DIN: 09225722)	Managing Director	1	1	-
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<sup>1</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

**j) RISK MANAGEMENT COMMITTEE:**

Company constituted Risk Management Committee to oversee management of various risks to which the Company is exposed to. The Committee met four times during the year i.e., on 19<sup>th</sup> June, 2023, 28<sup>th</sup> September, 2023, 19<sup>th</sup> December, 2023 and 12<sup>th</sup> March, 2024.

The following members were present:

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1	Shri Anil Girotra, Chairman (DIN: 02221989)	Independent Director	4	4	80,000
2	Shri Bibhas Kumar Srivastav* (DIN: 06533710)	Independent Director	1	1	20,000
3	Shri Pallatt Joseph Thomas (DIN: 10332033)*	Independent Director	2	2	40,000
4	Shri Vasti Venkatesh (DIN: 09782983)	Nominee Director	4	3	-
5	Shri Mukul Narayan Dandige (DIN: 08861846)	Nominee Director	4	4	-
6	Shri Kushal pal (DIN: 09225722)	Managing Director	4	4	-

<sup>1</sup> Shri Bibhas Kumar Srivastav has ceased to be director w.e.f. 13-08-2023 due to Completion of his tenure as Independent Director.

<sup>2</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

**k) RECOVERY COMMITTEE:**

The Recovery Committee of Board was constituted for sanctioning of OTS proposal. The recovery Committee shall comprise of Managing Director and two Independent Directors, one Nominee Director from Central Bank of India. During the year, the Committee met twice during the year i.e. on 19<sup>th</sup> December, 2023 and 4<sup>th</sup> March, 2024.

The following members were present:

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Anil Girotra, Chairman (DIN: 02221989)	Independent Director	2	2	40,000
2.	Shri Pallatt Joseph Thomas (DIN: 10332033) <sup>1</sup>	Independent Director	2	2	40,000
3.	Shri Y. Anil Kumar (DIN: 09284938)	Nominee Director	2	2	-
4.	Shri Kushal pal (DIN: 09225722)	Managing Director	2	2	-

<sup>1.</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

**l) IT STRATEGY COMMITTEE:**

The IT Strategy Committee has been constituted in accordance with the Policy Circular No. 90/2017-18 dated June 15, 2018 issued by National Housing Bank regarding Information Technology Framework for HFCs.

The IT Strategy Committee comprises of two Independent Directors, one Director from Central Bank of India, Managing Director, Chief Information Officer and Chief Technology Officer of the Company. The Committee is chaired by Shri Pallatt Joseph Thomas.

Roles and Responsibilities of IT Strategy Committee includes inter alia approving the IT strategy and policy documents, assessing the implementation of the IT plan, reviewing IT investment requirements and overseeing the execution of IT related policies on governance, cyber and information security, business continuity and IT outsourcing.



During the year, the Committee met thrice. The meetings of the Committee were held on 27<sup>th</sup> June, 2023, 30<sup>th</sup> December, 2023 and 30<sup>th</sup> March, 2024.

S. No.	Name of Director	Category	Committee Meetings held during tenure	No. of Meetings Attended	Sitting Fee Paid
1.	Shri Bibhas Kumar Srivastav, Chairman <sup>1</sup> (DIN: 06533710)	Independent Director	1	1	20,000
2.	Shri Pallatt Joseph Thomas, Chairman (DIN: 10332033) <sup>2</sup>	Independent Director	2	2	40,000
3.	Shri Anil Girotra (DIN: 02221989)	Independent Director	3	3	60,000
4.	Shri Vasti Venkatesh (DIN: 09782983)	Nominee Director, Central Bank of India	3	2	-
5.	Shri Kushal Pal (DIN: 09225722)	Managing Director	3	3	-
6.	Shri Varun Mathur	Chief Information Officer	3	3	-
7.	Shri Pankaj Kumar	Chief Technology officer	3	3	-

<sup>1</sup> Shri Bibhas Kumar Srivastav has ceased to be director w.e.f. 13-08-2023 due to Completion of his tenure as Independent Director.

<sup>2</sup> Shri Pallatt Joseph Thomas is appointed as Independent Director w.e.f. 30-10-2023.

#### **m) GENERAL BODY MEETINGS:**

Particulars of venue, date and time of the General Meetings held during the previous three years and the details of Special Resolution passed in the respective meetings are given below:

#### **ANNUAL GENERAL MEETING:**

Financial Year	Particulars	Date & Time	Venue	Special Resolution
2022-23	32 <sup>nd</sup> AGM	26 <sup>th</sup> September 2023	Central Bank of India Building, 9 <sup>th</sup> Floor, Chander Mukhi, Nariman Point, Mumbai 400021.	-

2021-22	31 <sup>st</sup> AGM	27 <sup>th</sup> September 2022	Central Bank of India Building, 11 <sup>th</sup> Floor, ChanderMukhi, Nariman Point, Mumbai 400021.	Maintenance of Statutory Registers and Annual Returns of the Company at Corporate Office, Mumbai.
2020-21	30 <sup>th</sup> AGM	24 <sup>th</sup> September 2021	Registered Office, Bhopal	- To approve borrowing limits of the company

**EXTRA-ORDINARY GENERAL MEETINGS:**

Financial Year	Particulars	Date & Time	Venue	Special Resolution Passed
2022-23			NIL	
2021-22				
2020-21				

**Disclosures:**

- None of the transactions with any of the related parties were in conflict with the interests of the Company. Details of related party transactions as per Accounting Standard – 18 are included in Notes to the Accounts.
- There were no instances of non-compliance of any matter related to capital markets during the last three years.
- The Company has complied with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India from time to time.
- The Company has laid down procedures regarding key risk assessment and risk mitigation mechanisms wherever it is required.
- The Non-Executive Independent Directors of the Company are paid only sitting fees for attending meetings of the Board and Committees.
- Your Company has no subsidiaries and as such the requirement relating to certain compliances as prescribed are not applicable.
- The Board of Directors of your Company is satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the Going Concern concept in preparing its financial statements.

h) There are no adverse remarks on the financial statements for the financial year 2023-24 of the company. However, the company has received a comment from CAG on Review of accounts for F.Y. 2023-24.

**DISCLOSURES AS PER THE NON-BANKING FINANCIAL COMPANY- HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 (AS AMENDED FROM TIME TO TIME)**

**Public Deposits:**

As of March 31, 2024, 434 overdue public deposit accounts amounting to Rs. 9.10 crore and 14 public deposit accounts amounting to Rs. 10.71 lakhs have remained unclaimed. Of these, 9 accounts amounting to 7.52 lakhs have been transferred to the Investor Education and Protection Fund as per the provisions of Section 125 of the Companies Act, 2013 in respect of deposit and interest thereon unclaimed & unpaid for more than 7 years.

**n) DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**Share Capital & Shareholding pattern of the Company as on March 31, 2024:**

The shareholding pattern of the Company as on March 31, 2024 is given below:

Name of the Shareholder	No. of shares of Rs.10 each	Amount (Rs. in Cr.)	Percentage (%)
Central Bank of India	1,61,00,000	16.10	64.40
National Housing Bank (NHB)	40,00,000	4.00	16.00
Specified Undertaking of The Unit Trust of India (SUUTI)	32,00,000	3.20	12.80
Housing & Urban Development Corporation Ltd (HUDCO)	17,00,000	1.70	6.80
<b>TOTAL</b>	<b>2,50,00,000</b>	<b>25.00</b>	<b>100.00</b>

The Authorized share capital of the Company is Rs. 50 Crores and paid up capital is Rs. 25 Crores as stated above.

**Scrutiny by National Housing Bank:**

NHB, being the Regulator of HFCs, conducts periodical review of the Company's operations and gives report for rectification of any shortcoming, thereby ensuring transparency, accountability and adherence to standards.



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**Review and Monitoring by Central Bank of India:**

Senior Management staff of the Company is on deputation from Central Bank of India, who holds majority of the shares of the Company. Central Bank of India is also one of the principal lenders to the Company for its fund-based requirements. It reviews and monitors the operations of the Company by getting Monthly Progress Reports and placing the quarterly review of the Company in its Board meetings. Corporate Governance Review/ Management Audit are conducted every year by audit team of Central Bank of India.

**For and On Behalf of the Board**

**Place: Mumbai**  
**Date: 25-07-2024**

**Sd/-**  
**Malladi Venkat Murali Krishna**  
**Chairman**  
**DIN: 09021111**

**Sd/-**  
**Kushal Pal**  
**Managing Director**  
**DIN: 09225722**

Annexure - IV

## NOMINATION AND REMUNERATION POLICY

The Board of Directors of Cent Bank Home Finance Ltd (“the Company”) renamed and reconstituted the “Remuneration Committee” as “Nomination and Remuneration Committee consisting of three (3) or more Non-Executive Directors out of which one-half should be independent Directors.

### 1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Managerial Personnel, Independent Director, Key Managerial Personnel and Senior Management.
- b) To recommend to the Board on Remuneration payable to the Managerial Personnel, Key Managerial Personnel and Senior Management.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- d) To develop a succession plan for the Board and to regularly review the plan;

### 2. APPLICABILITY

This Policy shall not be applicable to Managerial Personnel who are on deputation from Promoter Institution(s) i.e. Central Bank of India as a whole. They shall be guided as per the Service Manual of their Institution to the extent not inconsistent with the Act.

### 3. DEFINITIONS

- a) **Act** means the Companies Act, 2013 and Rules framed there under and as amended from time to time.
- b) **Board** means Board of Directors of the Company.
- c) **Key Managerial Personnel** for the purpose of this policy means only
  - Chief Financial Officer;
  - Company Secretary
- d) **Managerial Personnel** means Managing Director, Whole Time Director(s), Executive Director(s) or Manager appointed by the Company pursuant to provisions of section 196 of the Act.
- e) **Senior Management** means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

#### 4. ROLE OF COMMITTEE

The Committee shall:

- Identify persons who are qualified to become Managerial personnel, Independent Director (IDs) and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Managerial personnel, KMP and Senior Management Personnel.
- Annual review of the performance of Managerial Personnel

#### 5. POLICY FOR APPOINTMENT AND REMOVAL OF MANAGERIAL PERSONNEL, IDS, KMP AND SENIOR MANAGEMENT

##### (i) Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Independent Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any Managerial Personnel who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

##### (ii) Term / Tenure

###### **Managing Director/Whole-time Director/Executive Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director or a Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term

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### **Independent Director**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not during the aforesaid period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- Independent Directors shall be issued an appointment letters in the format enclosed as **Annexure-I** and they shall abide by the code of conduct as specified under Schedule IV of the Companies Act, 2013, which is enclosed as **Annexure-II**.

**(iii) Evaluation**

The Committee shall carry out evaluation of performance of Managerial Personnel at regular intervals on annual basis.

**(iv) Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Personnel, Independent Directors subject to the provisions and compliance of the said Act, rules and regulations.

**(v) Retirement**

The Managerial Personnel, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Managerial Personnel, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company as per the applicable provisions of Act and prevailing policy of the Company.



## 6. POLICY RELATING TO THE REMUNERATION FOR MANAGERIAL PERSONNEL

### (i) General:

The remuneration/compensation/commission etc. to the Managerial Personnel, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.

The Committee while determining the remuneration shall ensure the following

- The level of composition of remuneration is reasonable and sufficient to attract, retain and motivate Managerial Personnel of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to Managerial Personnel, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives of the Company.

### (ii) Remuneration to Managerial Personnel, KMP and Senior Management Personnel:

#### a) **Fixed pay:**

The Managerial Personnel, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, medical expenses, club fees etc. shall be decided and approved by the Board/ the Chairman on the recommendation of the Committee and then approved by the shareholders and Central Government, wherever required.

#### b) **Variable pay:**

The Managerial Personnel, KMP and Senior Management will also be eligible for Variable Compensation linked to performance as per the terms of their appointment. Payment modalities for Variable Compensation shall be decided by the Board on the recommendations of the Committee after submission of performance report. The Variable Compensation will be paid per annum unless otherwise decided by the Board.

#### c) **Minimum Remuneration for Managerial Personnel:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**d) Provisions for excess remuneration:**

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**(iii) Remuneration to Non- Executive / Independent Director:**

**a) Sitting Fees:**

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**b) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

**7. MEMBERSHIP**

- a) The Committee shall consist of a minimum 3 non-executive directors out of which not less than one half shall be independent directors
- b) The quorum for the meeting shall be  $1/3^{rd}$  of total strength or 2 members whichever is higher.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

**8. CHAIRPERSON**

- a) Chairperson of the Committee shall be Non-Executive Director
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**9. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

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## 10. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

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**Annexure-V**

**Corporate Social Responsibility (CSR)**

**[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]**

- 1. A Brief Outline of CSR Policy, including overview of projects and programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or program**

Company's CSR Policy is available on the Web link:

<https://www.cbhfl.com/pdf/CSR%20Policy%20amended%20in%20145th%20Board%20Meeting.pdf>

**The Board in its 105<sup>th</sup> Board Meeting held on August 5<sup>th</sup>, 2014 adopted CSR Policy of the Company in terms of the provisions of Section 135 of the Companies Act, 2013. The CSR Policy was last amended in 145<sup>th</sup> Board Meeting held on 27<sup>th</sup> March, 2023.**

a) The Company endeavors to contribute to CSR activities as specified under Schedule VII of the Companies Act, 2013. A corpus with an amount at least 2% of the Average Net Profits\* of the Company made during the 3 (Three) immediately preceding financial years will be made for this purpose as per the provisions of the Act and rules made there under.

- Average Net Profits means- Net Profit calculated in terms of section 198 of the Companies Act, 2013 for the last three financial years.

b) As a part of CSR program, the Company plans to focus on the following activities:

- i) Community Development Projects as enumerated in CSR POLICY;
- ii) Contribution to the Prime Minister's National Relief Fund or other fund set- up by the Central Government or the State-Governments for the socio- economic developments and relief and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women.
- iii) Contribution to the Armed forces veterans, war widows and their dependents.
- iv) Contribution to eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- v) Contribution to Health and family welfare.
- vi) Contribution for promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and livelihood enhancement projects.



## 2. Composition of the CSR Committee:

The CSR Committee comprises of 5 members with 2 Independent Directors, 2 Non-Executive Directors and 1 Executive Director. The following are the Committee Members as on 31st March, 2024:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Anil Girotra (DIN: 02221989)	Independent Director	1	1
2.	Shri Pallatt Joseph Thomas (DIN: 10332033) <sup>2</sup>	Independent Director	1	1
3.	Shri Vasti Venkatesh (DIN: 09782983)	Non-Executive Director	1	1
5.	Shri Anuj Rastogi <sup>4</sup> (DIN: 10327080)	Non-Executive Director	1	1
6.	Shri Kushal Pal (DIN: 09225722)	Managing Director	1	1

1. Shri Anuj Rastogi has appointed as nominee director of National Housing Bank w.e.f 30<sup>th</sup> October 2023 in place of Shri Vishal Goyal, Nominee Director who has ceased to be director w.e.f. 30<sup>th</sup> October 2023

## 3. Web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee	<a href="https://www.cbhfl.com/pdf/Composition%20of%20CSR%20Committee.pdf">https://www.cbhfl.com/pdf/Composition%20of%20CSR%20Committee.pdf</a>
CSR Policy	<a href="https://www.cbhfl.com/pdf/CSR%20Policy%20amended%20in%20145th%20Board%20Meeting.pdf">https://www.cbhfl.com/pdf/CSR%20Policy%20amended%20in%20145th%20Board%20Meeting.pdf</a>
CSR Projects/Activities	<a href="https://www.cbhfl.com/pdf/CSR%20Activities%20for%20FY%202022-23.pdf">https://www.cbhfl.com/pdf/CSR%20Activities%20for%20FY%202022-23.pdf</a>

## 4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

Provision related impact assessment of CSR projects is not applicable to the Company.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ **34,36,75,241**  
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ **68,73,505**

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial

Years: **Nil**

(d) Amount required to be set-off for the financial year, if any: **Nil**

(e) Total CSR obligation for the financial year [(5b) +(5c) -(5d)]: **₹ 68,73,505**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 68,73,505**

(b) Amount spent in Administrative Overheads: **Nil**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year (6a+6b+6c): **₹ 68,73,505**

(e) CSR amount spent or unspent for the financial year:

Total amount Spent for the Financial Year(in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to UnspentCSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
68,73,505	Not Applicable		Not Applicable		

(f) Excess amount for set-off:

SI No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

**7. (a) Details of Unspent CSR amount for the preceding three financial years: Nil**

SI No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
-	-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 – **Not Applicable**

**For and on Behalf of the Board**

**Place: Mumbai**  
**Date: 25-07-2024**

Sd/-  
**Anil Girotra**  
**Chairman of CSR Committee**  
**(Independent Director)**  
**DIN 02221989**

Sd/-  
**Kushal Pal**  
**Managing Director**  
**DIN 09225722**

**Annexure - VI**

**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, All transactions held with related parties were on arm's length basis:**

**1. Details of contracts or arrangement or transaction not at arm's length basis**

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March, 2024 which were not at arm's length basis.

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

<b>LOANS AVAILABLE FROM RELATED PARTIES</b>				
<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/ Arrangement/ Transaction</b>	<b>Duration of the contracts/ Arrangement/ Transaction</b>	<b>Salient terms of the contracts or arrangement or transaction including the value, if any:</b>	<b>Amount of loan as on 31.03.2024 (Rs.)</b>
Central bank of India, Holding Company	OD facility Renewal on 29.08.2022	Renewal of Rs. 100 Crs, with an addition of Rs. 100 Crs, total of Rs. 200 Crs for 1 Year.	Charge is created by way of specific lien on book debts of 1:1 times. Rate of interest is equal to MCLR	1,03,34,25,904
Central Bank of India, Holding Company	Term Loan facility Sanctioned on 04.08.2017	Term loan repayable in 84 monthly installments after moratorium period of 6 months Rs. 100 Cr.	Charge is created by way of specific lien on book debts of 1:1 times. Rate of interest is equal to MCLR	12,64,92,503
Central Bank of India, Holding Company	Term Loan facility Sanctioned on 06.11.2018	Term loan repayable in 84 monthly installments after moratorium period of 6 months of Rs. 100 Cr.	Charge is created by way of specific lien on book debts of 1:1 times. Rate of interest is equal to MCLR	2,7,44,24,977



Central Bank of India, Holding Company	Term Loan Sanctioned on 29.08.2022	Term loan repayable in 84 monthly Installments after moratorium period of 6 months Rs. 150 Cr.	Charge is created by way of specific lien on book debts of 1:1.1 times. Rate of interest is equal to MCLR	1,24,16,06,566
Central Bank of India, Holding Company	Term Loan Sanctioned on 28.02.2023	Term loan repayable in 84 monthly Installments after moratorium period of 12 months Rs. 300 Cr.	Charge is created by way of specific lien on book debts of 1:1.1 times. Rate of interest is equal to MCLR	2,92,84,40,897
<b>REMUNERATION PAID/PAYABLE TO MANAGING DIRECTOR</b>				
<b>Name(s) of the Related Party And nature of relationship</b>	<b>Nature of Contracts/ Arrangement/ Transaction</b>	<b>Duration of the contracts/ Arrangement/ Transaction</b>	<b>Salient terms of the contracts or arrangement or transaction including the value, if any:</b>	<b>Amount paid during the year (Rs.)</b>
Mr. Kushal Pal	Appointment as Managing Director of the Company	From 05/07/2021	As per the Central Bank of India (Officers) Services Regulation	39,92,833.84

<b>REIMBURSEMENT OF SALARY &amp; PERQUISITES OF STAFF ON DEPUTATION FROM CENTRAL BANK OF INDIA, HOLDING COMPANY</b>				
<b>Name(s) of the Related Party And nature of relationship</b>	<b>Nature of Contracts/ Arrangement/ Transaction</b>	<b>Duration of the contracts/ Arrangement/ Transaction</b>	<b>Salient terms of the contracts or arrangement or transaction including the value, if any:</b>	<b>Amount paid During the year (Rs.)</b>
Central Bank of India, Holding Company	Reimbursement of salaries & perquisites of staff of holding company on deputation to the company	As long as company remains Subsidiary of Central Bank of India	Staff will be on the rolls of Central Bank of India and will be under service conditions of the Bank. Bank may withdraw their staff at any point of time and replace with others.	76,38,353.28

<b>PREMISES MAINTENANCE CHARGES PAID/PAYABLE TO CENTRAL BANK OF INDIA, HOLDING COMPANY</b>				
<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/ Arrangement/ Transaction</b>	<b>Duration of the contracts/ Arrangement/ Transaction</b>	<b>Salient terms of the contracts or arrangement or transaction including the value, if any</b>	<b>Amount paid During the year (Rs.)</b>
Central Bank of India, Holding Company	Sub-letting part of its premises to the Registered Office of the Company at Bhopal	Agreement made on 21.06.1999 Renewed on 13.08.2019	Bank shall recover maintenance charges at a rate of Rs. 25,700 p.m. excluding electricity charges for an area of 750 sq.ft, which is payable on Quarterly basis is still continuing.	3,08,400
Central Bank of India, Holding Company	Sub-letting part of its premises to the Corporate Office of the Company at <b>Mumbai</b>	Premises under use from 09.08.2021, however consent letter was signed on 14.10.2021	Bank shall recover maintenance charges of Rs.1,50,000 (+ GST @ 18%) per month for an area of 1700 sq. ft, which is payable on Monthly basis.	21,24,000
Central Bank of India, Holding Company	Sub-letting part of its premises to the Branch Office of the Company at <b>Pune</b>	Agreement made on 14.01.1999, renewed on 31.01.2023	Bank shall recover maintenance charges at a rate of Rs.60,259 p.m. (+ GST @ 18%) excluding electricity charges for an area of 728 Sq. ft, which is payable on Quarterly basis.	10,23,924

**For and On Behalf of the Board**

**Place: Mumbai**  
**Date: 25-07-2024**

**Sd/-**  
**Malladi Venkat Murali Krishna**  
**Chairman**  
**DIN: 09021111**

**Sd/-**  
**Kushal Pal**  
**Managing Director**  
**DIN: 09225722**

**Annexure - VII**

**RELATED PARTY TRANSACTION POLICY**

Cent Bank Home Finance Limited recognizes that related party transactions present a potential or actual risk of conflicts of interest (or the perception thereof) and therefore the Company has adopted this policy, under which all Related Party Transactions will be subject to approval or ratification in accordance with the procedures set forth in this policy.

**1) Definitions:**

- i) Related Party: [section 2(76) of the Companies Act, 2013]

With reference to company, Related Party would mean and include the following:

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager or his relative is a member or director;
- (v) a public company in which a director or manager and holds along with his relatives, more than two per cent. of its paid-up share capital;
- (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

- <sup>1</sup> (viii) any body corporate which is—

- (A) a holding, subsidiary or an associate company of such company; or
- (B) a subsidiary of a holding company to which it is also a subsidiary;
- (C) an investing company or the venturer of the company;"

Explanation.—For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

(ix) such other person as may be prescribed\*;

\*For the purposes of sub-clause (ix) of clause (76) of section 2 of the Act, a director [other than an independent director] or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.

<sup>1</sup> **Section 2 (76) Substituted by the Companies (Amendment) Act, 2017**

ii) Relative: [section 2(77)]

For the purpose of this policy and pursuant to Rule 4 of the Companies (Specification of Definitions, Details) Rules, 2014 a person shall be deemed to be the relative of another if he or she is related to another in the following manner, namely:

- i) They are members of a Hindu Undivided Family
- ii) They are husband and wife; or
- iii) One person is related to the other as
  - a) Father (including step father);
  - b) Mother (including step mother);
  - c) Son (including step-son);
  - d) Son’s wife;
  - e) Daughter;
  - f) Daughter’s husband;
  - g) Brother (including step-brother);
  - h) Sister (including step-sister).

iii) Key Managerial Personnel: [section 2(51)]

In relation to a company, Key Managerial Personnel means the following:

- (i) The Chief Executive Officer or the managing director or the manager;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The Chief Financial Officer;

- 2 (v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed\*;

\*Includes any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act;



## 2) Related Party Transactions

As per the provisions of Section 188 of the Companies Act, 2013, the following transactions are liable to be treated as Related Party Transactions:

- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services;
- e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- f) Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
- g) Underwriting the subscription of any securities or derivatives thereof, of the company;

### <sup>2</sup> **Section 2 (51) clause (v) Substituted by the Companies (Amendment) Act, 2017**

Provided that nothing in this section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

### 3) Procedures:

- The Audit Committee of the Board of the Company will review the relevant facts and circumstances of each Related Party Transaction, including if the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party and the extent of the Related Party's interest in the transaction, take into account the conflicts of interest and either approve or disapprove the Related Party Transaction.
- Any Related Party Transaction that would be entered into and would continue only if the Audit Committee has approved or ratified such transaction in accordance with the guidelines set forth in this policy.
- If advance approval of a Related Party Transaction requiring the Audit Committee's approval, is not practicable, then the transaction may be preliminarily entered into by management subject to ratification of the transaction by the Audit Committee at the Audit Committee's next regularly scheduled meeting; provided that if ratification is not done, management will make all reasonable efforts to cancel or annul such transaction.
- Management will present to the Audit Committee each proposed Related Party Transaction, including all relevant facts and circumstances, and will update the Audit Committee as to any material changes to an approved or ratified Related Party Transaction and will provide a status report annually at a regularly scheduled meeting of the Audit Committee, of all then current Related Party Transactions.
- No director shall participate in approval of a Related Party Transaction for which he or she is a Related Party.

### 3 Approval of Shareholders in certain transactions: -

Except with the prior approval of the company by a resolution, a company shall not enter into a transaction or transactions, where the transaction or transactions to be entered into,-

as contracts or arrangements with respect to clauses (a) to (e) of sub-section (1) of section 188, with criteria as mention below-

(i) sale, purchase or supply of any goods or material, directly or through appointment of agent, amounting to ten percent or more of the turnover of the company, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188:

(ii) selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten percent or more of net worth of the company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188;

(iii) leasing of property any kind amounting to ten percent or more of the turnover of the company, as mentioned in clause (c) of sub-section (1) of section 188:

(iv) availing or rendering of any services, directly or through appointment of agent, amounting to ten percent or more of the turnover of the company as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188:

<sup>3</sup> Substituted by the Companies (Meeting of Board and its Powers) Second Amendment Rules, 2014

Explanation.- It is hereby clarified that the limits specified in sub-clause (i) to (iv) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

a) In case it is for appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and half lakh rupees as mentioned in clause (f) of subsection (1) of section 188; or

b) In case it is for remuneration for underwriting the subscription of any securities or derivatives thereof, of the company exceeding one percent of the net worth as mentioned in clause (g) of sub-section (1) of section 188.

Explanation.- (1) The turnover or net worth referred in the above sub-rules shall be computed on the basis of the audited financial statement of the preceding financial year.

### 4) Pre-Approved Transactions:

The Audit Committee has reviewed and pre-approved each of the following types of Related Party Transactions, which will be deemed to be approved or ratified, as applicable under this policy:

a) Managerial Remuneration

- To Managing Director of the Company if the remuneration is required to be reported/circulated to the shareholders pursuant to requirement of the Companies Act, 2013 and such remuneration has been approved, or recommended to the Company's Board of Directors for approval, by Nomination and Remuneration Committee of the Board of Directors of the Company; or
- To Key Managerial Personnel if the remuneration is required to be reported / circulated to the shareholders pursuant to requirement of the Companies Act, 2013 and such remuneration has been approved, or recommended to the Company's Board of Directors for approval, by Nomination and Remuneration Committee of the Board of Directors of the Company.

- b) Transactions that are in the Company's ordinary course of business such as the following: Borrowing or Raising of funds in the nature of deposits, NCD, Bonds (Tier I or II, subordinate etc.) including Term loans, OD facilities & other credit facilities for business of the company from the promoter(s) & their Associate Companies (including Body Corporates), repayment/ payment of interest or principal towards secured or unsecured loans, deposits. Issue of equity shares, PTC and payment of interest or other return on such subscription
- c) Transactions that are in the nature of payment of rent, dividend, reimbursement of municipal taxes, reimbursement of electricity expenses, reimbursement of gratuity for staff on deputation from promoter(s) including payment for staff training, conference and towards renovation and repairs either to promoter or subsidiary or associate.
- d) Transactions that are in the nature of payment/reimbursement of rent, municipal taxes, electricity expenses with respect to premises of Promoters occupied by the branches/Head Office of the Company.

Disclosure:

All Related Party Transactions are to be disclosed in the Company's applicable returns/report as required by the Companies Act, 2013. Furthermore, any material Related Party Transactions will be disclosed to the Board of Directors.

Other Agreements:

Management will assure that all Related Party Transactions are not in violation of and are approved in accordance with any requirements of the Company's financing or other material agreements.

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Annexure- VIII

Management Discussion & Analysis Report

Industry Outlook

The global economy has shown remarkable resilience over the past four years, despite facing multiple shocks, including the COVID-19 pandemic, geopolitical conflicts in Europe and the Middle East, and tightened monetary policies to combat inflation. Major economies have largely remained stable after experiencing the fastest interest rate increases in 40 years. The World Bank suggests that inflation is being controlled without pushing the world into recession. With declining inflation rates and steady growth in key economies, the global economy appears to be approaching a soft landing.

Downside risks to the global growth outlook include potential commodity price shocks due to heightened geopolitical tensions in Europe and the Middle East, financial stress from high debt levels and elevated borrowing costs, trade fragmentation, and climate-related disasters. However, despite these challenges, inflation is decreasing more rapidly than anticipated in many regions, thanks to easing supply chain issues and tight monetary policies. Overall, the risks to global growth appear to be relatively balanced.

According to projections from the International Monetary Fund (IMF), global inflation is anticipated to decline from its peak in 2022 to 5.8% in 2024 and further to 4.4% in 2025. Additionally, the IMF forecasts global growth of 3.1% in 2024 and 3.2% in 2025, driven by stronger-than-expected resilience in developed economies and large emerging markets.

Indian economic overview

India is one of the fastest-growing major economies globally, with its GDP projected to expand by 7.6% in FY 2023-24. The Indian economy has demonstrated resilience while facing several challenges in the past financial year. This strong performance is attributed to a combination of factors, including sound economic fundamentals, improved balance sheets for banks and corporations, fiscal discipline, stable external balances, and significant foreign exchange reserves.

- **Services Sector:** Contributes about 55% of GDP, including IT, telecommunications, and tourism.
- **Industrial Sector:** Accounts for around 25%, with significant contributions from manufacturing and construction.
- **Agriculture:** Represents roughly 15% of GDP, employing a large portion of the workforce.



## Economic Fundamentals

- **Fiscal Discipline:** The government has focused on maintaining fiscal balance and reducing the fiscal deficit.
- **Investment Climate:** India has improved its ease of doing business rankings, attracting both domestic and foreign investments.

## Indian housing finance industry

The Indian housing finance industry is on a growth trajectory with a robust 13% Compound Annual Growth Rate (CAGR) over FY23-26. In the past few years, specifically post-Covid, there has been a consistently robust performance, punctuated by occasional seasonal dips.

Recently, the Reserve Bank of India (RBI) in its data on 'Sectoral Deployment of Bank Credit' said that the credit outstanding to the housing sector rose by nearly Rs 10 lakh crore in the last two fiscals to reach a record Rs 27.23 lakh crore.

As per the Finance Minister's narrative, the Indian economy is expected to reach ~USD 5 trillion by FY 2028. With an expected resilient mortgage penetration growth, the housing sector will play a pivotal role in contributing towards Indian economic growth and in achieving the government's objective of making India the world's 3rd largest economy.

A growing middle class and improved GDP per capita, a growing need for more per capita per square feet space, and an increasing number of nuclear families are altering the rental-to-EMI ratio, making homeownership more accessible, and hence the demand for affordable housing will continue to rise.

### Market insights:

The housing finance market is projected to grow at a compound annual growth rate (CAGR) of 7% from FY 2023 to FY 2028. This growth is driven primarily by rising urbanization and favorable mortgage rates. Millennials and young borrowers under 36, who have significant disposable incomes and a heightened demand for urban housing, represent a key consumer segment, making up 27% of all borrowers.

### Market Influencers:

Demand for housing is closely linked to income levels and home affordability. Government initiatives promoting affordable housing and interest subsidies under PMAY have boosted the demand for housing finance. Additionally, lifestyle changes and increased labor mobility have driven young people to seek separate nuclear homes, particularly in metro cities. While young borrowers are eager for housing loans, often requiring their own spaces, this trend is fueling growth in the housing finance market. However, housing finance is a long-term investment that requires substantial funding, and one significant challenge facing the sector is the lack of long-term capital for investments.

## KEY REGULATORY DEVELOPMENTS

As a result of the monetary policy measures by central banks across the globe, the inflationary pressures were contained and the RBI put a pause to further rate hikes during the last fiscal 2024. The repo rate remained at 6.50% throughout the last fiscal and there was no change in prime lending rate (PLR) by the Company.

The major regulatory developments as announced by various agencies/regulatory bodies during the last fiscal are as under:

1. RBI introduced regulatory measures towards consumer credit and bank credit to NBFCs, increasing its risk weight from 100% to 125%.
2. RBI issued guidelines for investment in Alternate Investment Funds that covers transactions which involves substitution of direct exposures to borrower through investment in AIFs.
3. RBI issued guidelines with respect to fair lending practices for penal charges in loan accounts.
4. RBI issued comprehensive regulatory framework for compromise settlements and technical write-offs.
5. RBI issued guidelines with respect to responsible lending for release of movable or immovable property documents on repayment/settlement of personal loans.
6. RBI issued guidelines with respect to reset of floating interest rate on EMI based personal loans (incl. housing loans).

### **The major opportunities in the HFC sector comprise of the following:**

- Rapid urbanization and increase in purchasing power of public in general gives Housing sector a real boost.
- Favorable growth prospects for affordable housing in India; India having one of the lowest Mortgage to-GDP ratios vis-à-vis developed economies indicating strong growth potential.
- Government's emphasis on promoting housing and promotional schemes like the PMAY.
- Product-process innovation, digitalization, easy processing of housing loans giving a new dimension to the Housing Sector.

### **Key Challenges for HFCs**

Some of the key challenges faced by the housing finance companies are as under:

- Policy rates are still remain at elevated level. This has led to compression of NIMs of lending institutions.
- High costs: Delays in completion of housing projects, cost overruns due to the unavailability of labour and delayed investments by buyers in the affordable housing sector are affecting the housing market relatively.
- HFCs are facing more and more difficulty in retaining customers. Borrowers with good track record are easy targets of banks who have the ability to lend at much more competitive rates as compared to HFCs.

- New regional housing finance companies are giving stiff competition to the established players and at the same time, banks have stepped up efforts in increasing their presence in housing finance space. This would put additional pressure on the productivity and margins of housing finance companies.
- Competition from banks and other large non-bank players in the industry will always prove to be a challenge for the housing finance companies with high risk of balance transfers.

### **Segment-wise or product-wise performance**

The main objects of your Company, inter alia, are to carry out the business of providing long term finance to individuals, companies, corporations, societies or associations of persons for purchase/construction/repair and renovation of new/ existing flats/ houses for residential purposes and provide Loans against property and loan for purchase of commercial property. CBHFL is one of the few deposit accepting HFCs in India.

During the year, Company has opted for change in product mix and offering higher yielding products such as Post Pension Program, Income Estimation Program, Low LTV etc.

### **Outlook**

The outlook of India's housing finance sector is likely to be robust across the long-term for a fundamental reason: more Indians want to buy houses for enhanced security and asset creation even though renting could be cheaper in the short-term.

Affordable housing is a crucial sub- segment in the housing and real estate sector. Real estate prices are gradually rising led by the pent-up ready inventory and keenness of potential homebuyers. Continuous support of the Indian government in the affordable real estate sector is driving demand further. With the Credit-linked Subsidy Scheme, homebuyers of the economically weaker sections are finding it easier to acquire a home. The Reserve Bank of India (RBI) doubled the limit for individual housing loans offered by urban cooperative banks (UCBs) and rural cooperative banks (RCBs) to improve credit flow for the housing sector. Given the rise in housing prices, the revised limits will facilitate the growth of the sector.

Going forward, house prices are expected to increase. However, the price increase is likely to be gradual and not as sharp as that being witnessed in many of the other countries. The housing sales boom in India has so far been led by end-user demand. Hence, increase in prices and interest rates may not destabilize the housing growth momentum.

### **Risk and Concerns:**

The Company has a well-defined risk governance structure which includes periodic review and close monitoring to enable building a sustainable business that takes care of the interests of all stakeholders. Comprehensive annual risk review exercises go towards continually updating the risk management policy. The Company's Chief Risk Officer (CRO) oversees the Company's risk management structure.

The Company's Credit Committee works to identify and mitigate credit risks to the Company by formulating policies on limits on large credit exposures, asset concentrations, standards for loan collateral, loan review mechanism, pricing of loans etc. A strong credit management process helps in containing the portfolio quality of the company. Key elements of the Credit Committee include a structured and standardized credit approval process supported by a strong system, effective training programs, legal and technical due diligence, monitoring and robust credit risk management strategy at a senior management level.

The Company also has a system for evaluating Grievance Redressal Mechanism and undertaking complete Root Cause Analysis (RCA) to ensure recurring grievances are avoided in future leading to improved customer service standards. Price based internal Audit (RBIA) framework.

On October 22, 2021, RBI vide its notification no. RBI/2021-22/112DOR.CRE.REC.60/03.10.001/ 2021-22 issued a Scale Based Regulation (SBR)-revised regulatory framework for NBFCs. These guidelines are also applicable to middle layer deposit taking NBFCs irrespective of asset size w.e.f. October 1, 2022.

As the SBR framework encompasses different facets of regulation of NBFCs covering capital requirement, governance standards, prudential regulation, internal capital adequacy assessment process (ICAAP), appointment of Chief Compliance Officer, Core Banking Solution etc.

#### **Internal Control System and their adequacy**

Internal control is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies. Abroad concept, internal control involves everything that controls risks to an organization. It plays an important role in detecting and preventing and protecting the organization's resources, both physical and intangible. In this regard the Board has formed Audit Committee to strengthen its internal control system. Internal Audit Department of the Company inspects the branches at least once in 12 months as per this policy and reports discrepancies, if any to the Audit Committee of the Board, at regular intervals.

#### **Discussion on financial performance with respect to operational performance.**

During the year, even with competitive rate of interest in housing finance industry, your Company managed to achieve total revenue of Rs. **162.30** Crores for the financial year ended 2023-24 against Rs. **140.93** Crores in the previous year.

Despite numerous challenges, Your Company's profit before tax for the year ended 31<sup>st</sup> March 2024 stood at Rs. **33.84** Crores as against Rs **35.85** Crores in the previous year. Your Company's profit after tax for the year stood at Rs **25.10** Crores as against Rs. **26.76** Crores in the previous year.

Further, your Company is relentlessly working on reduction of Gross NPA as on March 31, 2024 stood at Rs. **58.10** Crore (**3.74%** of Total Advances) as against Rs. **50.36** Crore (**3.56%** of Total Advances) for the previous year ended March 31, 2023 before any adjustment, rigorous steps have been initiated to recover NPA and prevent fresh slippage.



## BALANCE SHEET MOVEMENT:

The Summary of the Company's balance sheet as on 31<sup>st</sup> March, 2024, is as under:

(Rs. in Cr.)

Particulars	FY-2023-24	FY-2022-23
<b>Sources of Funds</b>		
<b>(A) Owned Funds</b>	<b>213.94</b>	<b>188.84</b>
- Equity Capital	25.00	25.00
- Reserves & Surplus	182.04	156.94
- Share Premium	6.90	6.90
<b>(B) Deferred Tax</b>	<b>11.10</b>	<b>10.75</b>
<b>(C) Borrowed Funds</b>	<b>1,355.57</b>	<b>1,270.08</b>
- Term Loan & OD from Banks	629.19	541.65
- Refinance from NHB	138.47	180.17
- Deposits	587.91	548.26
Non-convertible debentures	-	-
<b>(D) Current Liabilities &amp; Provisions</b>	<b>44.76</b>	<b>34.48</b>
- Provision for Standard Assets & NPA	29.18	23.71
- Other Current Liabilities	15.58	10.77
<b>TOTAL [A+B+C+D]</b>	<b>1,625.37</b>	<b>1,504.15</b>
<b>Application of Funds</b>		
<b>(A) Investments</b>	<b>48.37</b>	<b>48.37</b>
- Securities	38.27	38.27
- Bank deposits	10.10	10.10
<b>(B) Loans Net of Unrealized Interest</b>	<b>1,553.43</b>	<b>1,415.60</b>
<b>(C) Fixed Assets</b>	<b>0.52</b>	<b>0.38</b>
<b>(D) Current Assets</b>	<b>23.05</b>	<b>39.80</b>
Cash & Bank balances	3.13	22.23
Others	19.92	17.57
<b>TOTAL [A+B+C+D]</b>	<b>1,625.37</b>	<b>1,504.15</b>

Net owned fund of the Company as on 31.03.2024 and 31.03.2023 is Rs.**204** Crores and Rs.**181.56** Crores respectively.

## AUTHORISED SHARE CAPITAL

During the financial year under review the Authorized Share Capital of the Company stands at Rs. 50 Crores comprising of 5,00,00,000 equity shares of Rs. 10 each aggregating Rs. 50,00,00,000 out of which paid-up Share capital is Rs. 25,00,00,000 comprising of 2,50,00,000 equity shares of Rs.10 each.

There was no change in the Share Capital during the financial year under review.

## RESERVES AND SURPLUS

The growth in reserves was achieved through strong profitability despite a challenging business environment. Reserves and Surplus as at March 31, 2024 for your Company increased by Rs.25.10 Crores to Rs. 188.94 Crores as against Rs. 163.84 Crores in the previous financial year. Your Company has transferred Rs. 5.10 Crores to Special Reserve and Statutory reserve u/s 29C of National Housing Bank Act and an amount of Rs.1.92 Crores to General Reserve. Net owned fund of the Company as on 31.03.2024 and 31.03.2023 is Rs. 204 Crores and Rs. 181.56 Crores respectively.

## DIVIDEND

Considering the plans of expansion and business growth of the Company in the near future and maintain liquidity, no dividend is recommended to be distributed pertaining for the year ended 31<sup>st</sup> March 2024.

## CAPITAL ADEQUACY

During the Financial Year 2023-24, Net worth of the company stood at Rs. **204.50** Cr. as against Rs. **182.35** Cr. for the Financial Year 2022-23. The Capital Adequacy Ratio of your company is at **18.84%** as against the norm of 15 percent stipulated by the National Housing Bank (NHB).

## BORROWINGS

### Term Loans from Banks:

Your Company has availed Term Loan and Overdraft facility from Central Bank of India. The outstanding balance of the loan/facility as on March 31, 2024 is Rs. **560.44** Crores as against Rs. **506.65** Crores as on March 31, 2023.

The Company has availed term loan from HDFC Bank. The outstanding balance of the term loans availed from HDFC Bank as on March 31, 2024 is Rs. **68.75** Crores as against Rs. **35.00** Crores as on March 31, 2023.

The total outstanding balance as of 31.03.2024 under the head 'borrowings from Banks' are at Rs. **629.19** Crores as against Rs. **541.65** Crores during the previous financial year. The said loans are secured by pari-passu charge created on the Company's present and future receivables including book debts in favour of lenders.

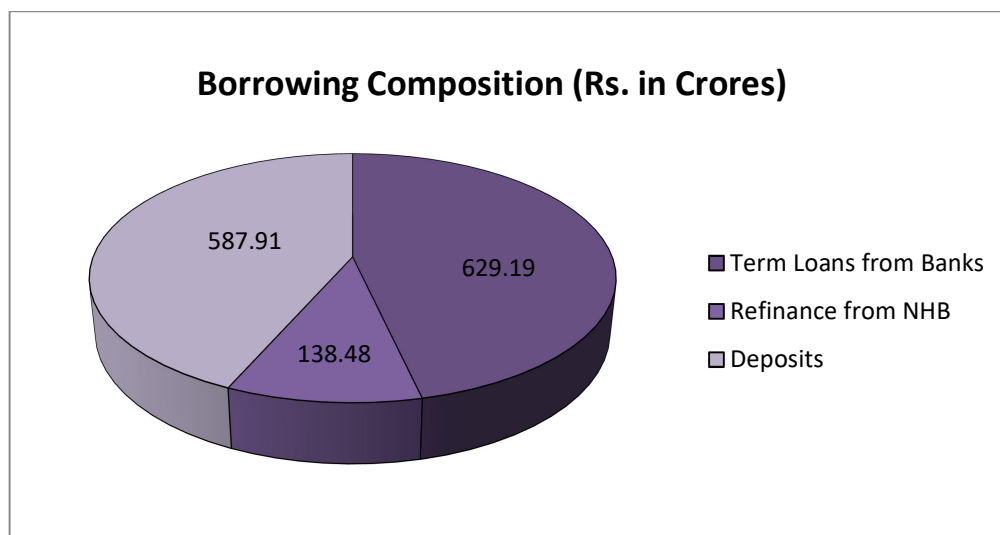
### Refinance From NHB:

In the Financial Year 2023-24, your Company has availed refinance from National Housing Bank and having outstanding amount of Rs. 138.48 Crores in comparison to the previous outstanding of Rs.180.17 Crores from the National Housing Bank.

### Deposits:

The Company took several initiatives during the year to extend its reach by expanding network and connecting with customers. As on March 31<sup>st</sup> 2024, the total deposits of your Company are **Rs. 587.91** crores (which includes public deposit of **Rs. 343.78** crores and institutional deposits of **Rs. 244.13** crores) as compared to **Rs. 548.26** crores (which includes public deposits of **Rs. 334.55** crores and institutional deposits of **Rs. 213.71** crores) at the end of the previous year.

Your Company being a housing finance company registered with the National Housing Bank (NHB) has complied with the Directions/Guidelines issued by RBI/NHB with regard to deposit acceptance and renewal.



### FIXED ASSETS

The Company's investments in tangible assets represents cost of computers, office equipment's, furniture & fixtures and vehicles. During the financial year under review your Company's gross block increased by 9.95% over the previous year.

### INVESTMENTS

Your Company continues to maintain an adequate amount of liquidity/treasury to meet strategic and growth objectives. The Company has ensured a balance between earning adequate returns on liquidity/treasury assets; and the need to cover financial and business risks.

As on March 31, 2024 the investment portfolio stood at Rs. 48.37 Crores as against Rs. 48.37 Crores in the previous year.

Housing Finance Companies (HFCs) are required to maintain Statutory Liquidity Ratio (SLR) in respect of public deposits raised. Currently the SLR requirement is 13% of public deposits. As on March 31, 2024 your Company has invested Rs. 38.26 Crores in approved securities and Rs. 10.10 Crores in bank deposits.

## PROFIT AND LOSS STATEMENT:

(Rs. In Crores)

Particulars	FY-2023-24	FY-2022-23
<b>Income from Operations</b>		
Interest Income	162.03	140.92
Other Income	0.27	-
<b>Total Income</b>	<b>162.30</b>	<b>140.93</b>
<b>Expenses</b>		
Finance Costs	93.84	76.25
Employee Benefits Expenses	12.91	11.32
Depreciation	0.17	0.12
Other Expenses	15.95	11.35
<b>Total Expenses</b>	<b>122.87</b>	<b>99.04</b>
<b>PROFIT BEFORE PROVISIONS</b>	<b>39.43</b>	<b>41.89</b>
Provisions for NPA & others	5.26	6.07
Provision for Standard Assets	-1.31	0.11
<b>PROFIT BEFORE TAX &amp; EXTRA-ORDINARY ITEMS</b>	<b>35.48</b>	<b>35.71</b>
Adjustments related to previous years	1.64	-0.14
Tax Expenses/Provision for Tax	8.74	9.09
<b>PROFIT AFTER TAX</b>	<b>25.10</b>	<b>26.76</b>

## INCOME FROM OPERATIONS

Your Company's income from operations during the F.Y. 2023-24 was Rs. 162.30 Cr. as against Rs. 140.93 Cr. for the FY 2022-23.

## INTEREST AND FINANCE COST

Your Company's interest & finance expenses during the F.Y. 2023-24 was Rs.93.84 Crores as against Rs. 76.25 Crores in the previous financial year i.e. 2022-23.

## EMPLOYEES REMUNERATION & BENEFITS

Employee costs Increased to Rs. 12.91 Crores for the financial year ended March 31, 2024 from Rs. 11.32 Crores for the financial year ended March 31, 2023.



## OTHER EXPENSES

Other expenses increased to Rs.15.95 Crores for the F.Y. ended 31<sup>st</sup> March, 2024 from Rs. 11.35 Crores for the financial year ended March 31, 2023 to Rs. 15.95 Crores for the financial year ended March 31, 2024.

## DEPRECIATION

Depreciation charged on fixed assets was Rs. 0.17 Crores in the financial year 2023-24 as against to Rs. 0.12 Crores during the financial year 2022-23.

## PROVISION

Your Company has made full provisions for Contingencies for diminution in investment value and on standard as well as on non-performing housing loans and other property loans as per the Prudential Norms prescribed by the National Housing Bank. Your Company has made provision amounting to Rs. 21.63 Crores for NPA a/c and Rs. 7.54 Crores for Standard assets for the Financial Year 2023-24 and Rs. 14.86 Crores for NPA a/c and Rs. 8.85 Crores for Standard assets for the Financial Year 2022-23.

## NET PROFIT

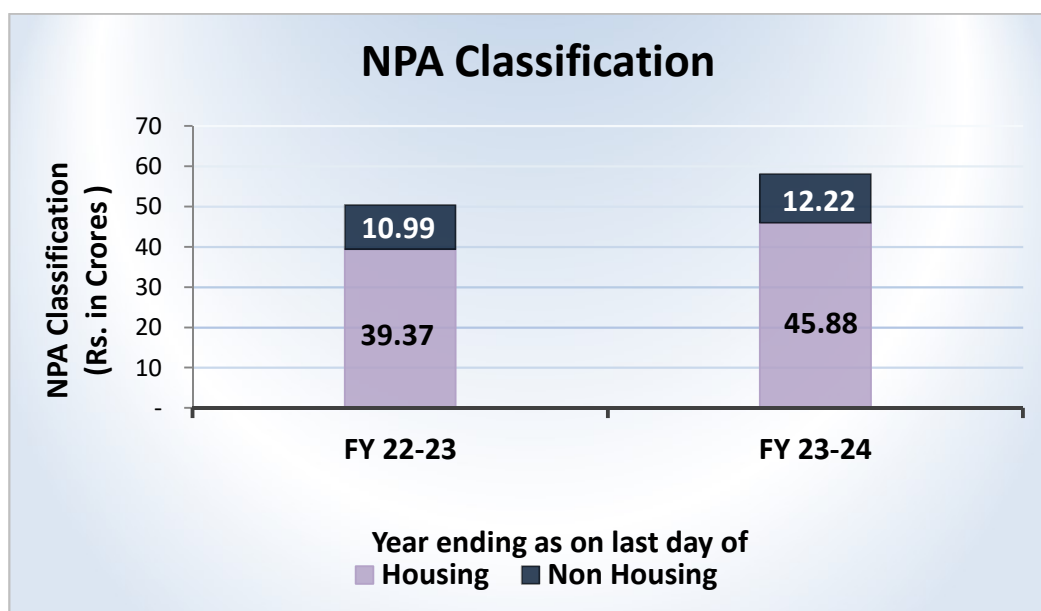
During the year 2023-24, your Company has made net profit of Rs. 25.10 Crores in the financial year ended March 31, 2024 as against Rs. 26.76 Crores for the financial year ended March 31, 2023.

## NON-PERFORMING ASSETS

Your Company has been pursuing all the available options to recover its dues from non- performing accounts. Your Company has taken recourse under Securitization & Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, and Section 138 of Negotiable Instruments Act, 1881 and DRT for recovering the overdue and bringing down the NPA.

The gross NPA stood at Rs. **58.10** Crores (post technical & prudential Write off) as on 31<sup>st</sup> March 2024 as against Rs. **50.36** Crores for the previous financial year ended 31<sup>st</sup> March, 2023 before any adjustment.

The net NPA stood at **Rs. 36.47** Crores as on 31<sup>st</sup> March 2024 -as against **Rs. 35.50** Crores as on 31<sup>st</sup> March 2023.



**NPA Ratios:**

Particulars	31st March 2024	31st March 2023
% of Gross NPA to Gross Advances	3.74%	3.56%
% of Net NPA to Net Advance	2.39%	2.53%

**Material Developments in Human Resources**

Human resources are the people who make up the workforce of an organization. The human resource department (HR department) of our Company performs human resource management, overseeing various aspects of employment, such as compliance with labour law and employment standards, administration of employee benefits, and the aspects of recruitment and training. Main focus of your Company is to give a conducive atmosphere to every employee, providing them proper training at periodic intervals.

The Company assigns the recruitment work to IBPS, in order to attract capable talent. The Company also has its own recruitment policy approved by the Board and has its own interview committee to select the potential aspirants. The recruitment process of the Company is transparent providing equal opportunity to everyone.

As on March 31, 2024, the Company had 83 on roll and 114 off roll employees.

**Vigilance Oversight**

Being a Public Sector Company, the affairs of operations and activities are under oversight of Central Vigilance Commission through the Chief Vigilance Officer of Central Bank of India.



## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31<sup>st</sup> March, 2024

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

To

The Members

**Cent Bank Home Finance Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Cent Bank Home Finance Limited** (herein after called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Cent Bank Home Finance Limited** books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications provided to us and the representations made by the Management. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under as amended from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - **Not Applicable as the Securities of the Company are not listed on any Stock Exchange.**
- (iii) The Depositories Act, 1956 and the regulations and Bye-laws framed there under;



- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not Applicable to the Company during the Audit Period;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable to the Company during the Audit Period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable to the Company during the Audit Period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable to the Company during the Audit Period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable to the Company during the Audit Period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable to the Company during the Audit Period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable to the Company during the Audit Period;**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable to the Company during the Audit Period;** and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**
- (vi) The company has complied with other Laws as applicable to the industry as per the undertaking given by the company:
1. The Employee's Provident Fund and Miscellaneous Provisions Act, 1952;
  2. Payment of Gratuity Act, 1972;
  3. National Housing Bank Act, 1987
  4. Master Direction - Housing Finance Company (Reserve Bank ) Directions 2021
  5. prevention of Money Laundering Act, 2002 and the Prevention of Money Laundering (Amendment) Act, 2012 as applicable.
  6. Securitization and Reconstruction of Financial Assets and Enforcement of Security interest Act, 2002 (SARFAESI) .
  7. Central Registry of Securitization Assets Reconstruction and Security interest (CERSAI),





We have also examined with:

- i) Applicable Secretarial Standards issued by the Institute of Company Secretaries of India; and
- ii) The Listing Agreements entered into by the Company with Stock Exchange(s) and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 - **Not Applicable to the Company during the Audit Period.**

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

In respect of other laws specifically applicable to the company, we have relied on information/data provided by the Company during the course of audit and reporting is limited to that extent.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Independent Directors as per Section 149 of the Companies Act, 2013. The following change took place during the period under review:

1. Mr. Murali Krishna Malladi Venkat (DIN- 09021111) has appointed as additional Director with effect from 30/10/2023.
2. MR. Anuj Rastogi (DIN- 10327080) has appointed as Additional Director with effect from 30/10/2023.
3. Mr. Pallatt Joseph Thomas (DIN- 10332033) has appointed as Additional Director with effect from 30/10/2023.
4. Mr. Ashish Shrivastava, Company Secretary of the Company resigned on 7<sup>th</sup> March, 2024.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent within prescribed time limit, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of Board of Directors and Committee Meeting were carried unanimously.

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

We further report that the company has received a Show cause notice from the RBI vide its letter dated 12<sup>th</sup> March, 2024 for the Non-compliance with RBI direction on 'On-going Due Diligence' under the Know Your





Customer (KYC) Norms/ Anti- Money Laundering (AML) Standards on its failure to put in place a system of periodic review of risk categorization, with such periodicity being at least once in six months, despite having 17,724 accounts as on March 31,2022.

**We further report that** during the audit period the no event has occurred which had a major bearing on the Company's Affair in pursuance of the laws, rules, regulations and standards etc.

Place: New Delhi

Date: 16/07/2024

UDIN: F005430F000747611

For Saurabh Agrawal & Co  
Company Secretaries

Signature:

Saurabh Agrawal

Partner

FCS No.: 5430

C.P. No.: 4868



This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

**'ANNEXURE A'**

To  
The Members  
Cent Bank Home Finance Limited

Our Secretarial Audit Report for the financial year 31<sup>st</sup> March, 2024 is to be read along with this letter.

➤ **Management Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively;

➤ **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances;
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion;
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
5. Wherever required we have obtained the management's representation about the Compliance of laws, rules and regulations and happening of events etc;

➤ **Disclaimer**

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company;
7. We have not verified the correctness and appropriations of financial records and books of accounts of the Company.

For Saurabh Agrawal & Co  
Company Secretaries



Signature:

**Saurabh Agrawal**

Partner

FCS No.: 5430

C.P. No.: 4868

Place: New Delhi

Date: 16/07/2024

UDIN: F005430F000747611





## **SARATH & ASSOCIATES**

### **CHARTERED ACCOUNTANTS**

**Mumbai Office :** 4th Floor, Indian Globe Chambers, W.H. Marg, D. N. Road, Mumbai - 400 001.  
Tel. : +91-22-22693132 | Mob : 9323075613 | Email : calakshmi.rao@gmail.com / casarathmumbai@gmail.com

## **INDEPENDENT AUDITORS' REPORT**

To the Members of Cent Bank Home Finance Limited

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Based on the C & AG observations and directions, we issue the revised Audited Report of Cent Bank Home Finance Limited.**

### **Opinion**

We have audited the accompanying Financial Statements of Cent Bank Home Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 Act 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 audit opinion on the Financial Statements.



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Tel. : +91-40-23357090 | Fax : +91-40-23356716 | Email : info@sarathcas.in



## Emphasis of Matters

We draw attention to the following matters in the Notes to the Financial Statements:

- (a) Note No. 25 (14) in the financial statements which indicate that the company has maintained Deferred Tax Liability on Special Reserves to the tune of Rs.1,661.00 Lakhs (Previous Year Rs. 1,532.98 Lakhs) in pursuance with NHB guidelines NHB(ND)/DRS/Policy Circular 65/2014-15 dated August 22, 2014 through P&L Appropriation.
- (b) We draw attention to the Note No.14 in the financial statements, wherein in the Financial Year 2022-23, company has recognised capital expenditure on implementation/ development of software for Rs. 209.27 Lakhs and classified as Non-Current assets as 'Intangible Assets under Development'.  
Since, no right on the asset/ownership is getting transferred to the company in future, as per the service agreement entered with vendor, the capital expenditure of Rs. 209.27 Lakhs is transferred to 'Unamortized Software Implementation Cost and will be amortised over five years of agreement including the period under audit in which 1/5<sup>th</sup> of the same is amortized.
- (c) Company was unable to claim ITC upto the Financial Year 21-22 for an amount of Rs. 118.10 lakhs as same was not reflecting in their GSTR 2B, which was adjusted as prior period adjustment expenses under extraordinary items in the Statement of Profit and Loss for the Financial Year 2023-24. Company was also unable to claim ITC in the Financial Year 2022-23 for same reason, and amount of Rs. 40.25 lakhs was booked under "Other Expenses" in the Statement of Profit and Loss for the Financial Year 2023-24.

**Our opinion is not modified in respect of these matters.**

## Key Audit Matters

Key Audit Matters are those matters that in our professional judgement were of most significance in our audit of the Financial Statements of the Current Period. These matters were addressed in the context our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
1.	<b>Classification of Advances and Identification and provisioning for non-performing Advances</b> in accordance with	Our audit approach towards advances with reference to the IRAC Norms and other related circulars/ directives issued by NHB and also







	<p>NHB/RBI guidelines. Advances include loans repayable on demand and term loans.</p> <p>(Refer Note- 5,10,13,16,25(12) and 25[34(7.4)] to the Financial Statement)</p>	<p>internal policies and procedures of the Company includes the testing of the following:</p> <p>-The accuracy of the data input in the system for income recognition, classification into performing and non-performing Advances and provisioning in accordance with the IRAC Norms.</p>
2.	<p><b>Assessment of Provisions and Contingent liabilities in respect of certain litigations of Direct Taxes:</b></p> <p>There is high level of judgment required in estimating the level of provisioning including provision for current tax. The Company's assessment is supported by the facts of matter, their own judgement, past experience, and advices from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Company's reported profit and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgement in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/interpretation of law involved.</p>	<p>Our audit approach involved:-</p> <ul style="list-style-type: none"><li>a) Understanding the current status of the litigations/tax assessments and claim of tax benefits under the tax laws;</li><li>b) Examining Consultants Opinion;</li><li>c) Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal/tax advice; and</li><li>d) Review and analysis of evaluation of the contentions of the Company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.</li></ul>
3.	<p>Advances governed by income recognition, asset classification and provisioning (IRAC) norms and other circulars and directives issued by the NHB/RBI from time to time which provides guidelines related to the classification of Advances (NPA). The Company classified these advances based on the IRAC norms. The Company accounts for all the transactions related to Advances in its Integrated Software System (IT System) viz. Azentio Software which also identifies whether the advances are performing or non-performing.</p>	<p>Due to existence and effectiveness of monitoring mechanisms such as Internal Audit, Management Audit and Audit by the Regulatory as per the policies and procedures of the Company; We have examined the efficiency of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with observations of the various audits conducted as per the monitoring mechanism of the Company and NHB Inspection.</p> <p>In carrying out substantive procedures, we have examined advances on sample basis, including</p>





	<p>nonperforming and make provisioning according to the classification of NPA.</p> <p>In the event of any improper application of the prudential norms or consideration of the incorrect value of the security, as the valuation of the security involves high degree of estimation and judgement, the carrying value of the advances could be materially misstated either individually or collectively and in view of the significance of the number of advances in the Financial statements i.e., the classification of the advances and provisioning thereon which is 95.57% of the total assets has been considered as key audit matter in our audit.</p> <p>Considering the nature of the transactions, regulatory requirements, existing business environment, estimation/ judgement involved in valuation of securities, it is a matter of high importance for the intended users of the Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter. Accordingly, our audit was focussed on income recognition, asset classification and provisioning pertaining to the advances due to the materiality of the balances.</p>	<p>review of valuation reports of independent valuer's provided by the Company's management.</p> <p>We have verified all the loan accounts and applied the prudential norms, on sample basis verified the value of the security based on the valuation reports.</p> <p>Based on the sample verification of the security values captured and application of the prudential norms, we verified the provisioning and classification of the asset that are reported in the financial statements and we have not come across any material misstatement.</p> <p>Our audit procedures had covered the verification of income recognition and asset classification covering all the advances that are reported in the financial statements.</p> <p>We applied the excel audit tools to verify the advances in the excel sheet with the software and considered for reporting in financial statements.</p>
4.	<p><b>Information Technology(IT) Systems and Controls:</b></p> <p>The Company uses Azentio Software for financial reporting which interface with other business operation softwares that process transactions related to loans, deposits and borrowings.</p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls implemented in IT systems. If there exist gaps in the IT control environment, then it could result in the financial accounting and reporting records being materially</p>	<p>Our key audit procedures on this matter included, but were not limited, to the following:</p> <ul style="list-style-type: none"><li>(a) obtained an understanding of the Company's information processing systems, IT General Controls and automated IT controls for applications, databases and operating systems relevant to our audit;</li><li>(b) Also, obtained an understanding of the changes that were made to the IT applications during the audit period;</li><li>(c) Also, performed following procedures:<ul style="list-style-type: none"><li>i) tested the IT General Controls around user access management, changes to IT</li></ul></li></ul>





<p>misstated.</p> <p>Therefore, due to the complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p> <p>Company entered into agreement with M/s Azentio Software Private Limited on 30<sup>th</sup> day of June 2022 for implementation Azentio software and FY 2023-24 is the first year of the implementation of the information processing systems for loans, borrowings, deposits, interest income, interest expense and other significant financial statement items. However, as per the software consultant's certification, only 57% of the total implementation has taken place as on 31.03.2024. The financial statements and other reports are prepared manually in excel sheets.</p>	<p>environment and segregation of duties around program maintenance and security administration relating to key financial accounting and reporting processes;</p> <p>ii) tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization; and</p> <p>iii) tested the automated controls like interfaces, configurations and information generated by the entity's information processing systems for loans, borrowings, deposits, interest income, interest expense and other significant financial statement items.</p> <p>The implementation of the software is still in the process for the various automated generation of the reports by the system.</p> <p>Software is implemented only upto the generation of the information processing of loans, borrowings, interest, asset classification, security capture and documents uploading for each of the advances and generation of trial balance.</p> <p>The financial statements and few other periodical MIS as required by the company is yet to be implemented. Our audit procedure had to be modified according to the implementation stage of the systems, which included manual working verifications and system process verifications.</p>
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### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.







In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

### **Responsibilities of Management and those charged with Governance for the Financial Statement**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income cash flow and changes in equity of the Company in accordance with the accounting principles generally accepted in India. 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 the 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 Standalone 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.

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







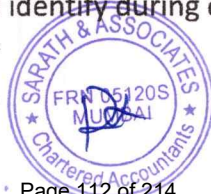
and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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







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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the Housing Finance Companies- ~~Master Direction- Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021~~ vide RBI/2020-21/73 DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21 February 17, 2021, we give in the "**Annexure- B**" statement on the matters specified in Paragraphs 70 and 71.
3. (A) 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - (c) The report on the accounts of the branch offices, as required by clause (c) of the sub section (8) of the section 143 of the Act, is not applicable for the year under report, since Company has appointed us as a Sole Statutory Auditor of the Company, to audit the company's books of account including the branch accounts, and accordingly requirement of dealing with the report of Branch Auditors, in preparing our report does not arise.





- (d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;
- (e) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, as amended;
- (f) The provisions of section 164(2) in respect of disqualifications of directors of the Companies Act, 2013 are not applicable to the Company being Government Company in the terms of notification no. G.S.R. 463(E) dated 05 June, 2015 issued by Ministry of Corporate Affairs.
- (g) With respect to the adequacy of the internal financial controls with reference to these Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**" to this report. Our report expresses a unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (B) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- 1) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 25 (15) to the Standalone Financial Statements;
  - 2) The Company has not entered into any long-term contract including derivative contract which may have any material foreseeable losses hence there is no need to create any provision, required under the applicable law or accounting standards,- Refer Note No. 25(28) to the standalone financial statements;
  - 3) The Company was regular in depositing the amounts required to be transferred to the Investor Education and Protection Fund;
  - 4) a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in Note No. 25(8) no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;







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b. The management has represented, that, to the best of it's knowledge and belief, as disclosed in Note No. 25(8), no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement;

- 5) As stated in Note No. 24(16)(a) to the financial statements, the Board of Directors of the Company have not proposed dividend for the current financial year (Previous Year- Nil)
- 6) Based on our sample test checks on the compliance of Audit trail, we found that the new software system used by the company for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the F.Y. 2023-24 for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act as amended, we report that the reporting requirements are not applicable in terms of Notification No GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs.

4. Our views on Directions under section 143(5) of the Companies Act 2013 by C&AG are enclosed as "Annexure D1".

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*Lakshmi Rao*



**CA R. Lakshmi Rao**  
**(Partner)**

**M. No.: 029081**

**Place : Mumbai**

**Date : 12.07.24**

**UDIN: 24029081BKEKZN2351**



**Annexure A to the Independent Auditors' Report**

**Annexure A to Independent Auditor's Report of even date to the members of Cent Bank Home Finance Limited on the Financial Statements as at and for the year ended March 31, 2024 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements), we report that:**

(1)

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

(B) The Company does not have any Intangible assets hence no question of maintenance of proper records showing full particulars including quantitative details and situation of Intangible asset arises.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

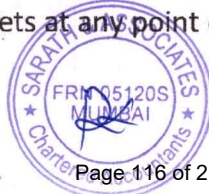
c) The Company does not have any immovable properties. Accordingly, reporting under clause 3(i)(c) of the Order is not required.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment during the year

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988, as amended and rules made there under.

(2) a) The Company is in the business of providing primarily Housing Finance Services and consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii) of the Order in respect of Inventory is not applicable to the company.

b) (i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crores, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year.







(ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the periodical returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the Company.

(3) According to the information and explanations given to us read with applicable norms (including exemptions or relaxations) of NHB/RBI and on the basis of our examination of the records of the Company, the company has made investments in, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year.

We further report that;

- (a) The Company is in the business of providing primarily Housing Finance Services whose principal business is to give loans and advances and consequently reporting of details under Clause 3(iii) (a) (A) and Clause 3(iii) (a) (B) of the order is not applicable.
- (b) According to the information and explanations given to us, the Company has not provided any guarantees or given any security or advances in the nature of loan during the year. Further, the investments made and the terms and conditions of the grant of loans during the year, are not prima facie prejudicial to the interest of the Company.
- (c) In respect of loans assets and advances in the nature of loans given, according to the information and explanations given to us and on the basis of our examination of the records of the Company read with applicable norms (including exemptions or relaxations) of NHB/RBI, the schedule of repayment of principal and payment of interest has been stipulated.

Further, except for loans and advances in the nature of loans given where there are delays or defaults in repayment of principal and/or payment of interest as at the balance sheet date, in respect of which the Company has disclosed the accounting policy (Note no.1) in Point No.3 and asset classification/ staging in Note No. 25(12) and Note No. 25(35) (7.1) to the Financial Statements in accordance with Accounting Standards and the guidelines issued by the regulators, the parties are repaying the principal amounts, as stipulated, and are also regular in payments of interest, as applicable. Having regard to the nature of the Company's business and



the voluminous nature of loan transactions involved, it is not practicable to furnish entry-wise list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company read with the applicable norms (including exemptions or relaxations) of NHB/RBI, there is overdue amount of Rs. 5,809.78 lakhs (Previous Year Rs. 5,036.38 lakhs) [irregularities /overdue are detailed in the Note No.13, Note No.16, Note No. 25(12), Note No. 25(13) and Note No. 25(35)(7.1 & 7.4)] of the financial statements for more than ninety days in respect of loans and advances in the nature of loans given. The Company is in the business of providing primarily Housing Finance Services whose principal business is to give loans and advance and consequently such overdue has been identified as per the applicable norms (including exemption or relaxation) of NHB/RBI which are issued time to time. In such instances, in our opinion, reasonable steps have taken by the company for recovery of the overdue amount of principal and interest as stated in the applicable Regulations and Loan agreements.
- (e) According to the records of the Company examined by us, the Company is engaged primarily in lending activities. Therefore, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the records of the Company examined by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Therefore, the provisions of clause 3(iii)(f) of the Order are not applicable to the Company.

(4) The Company has not granted any loans, made investments or provided guarantee or securities that are covered under the provision of section 185 or 186 of the Act during the year. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.

(5) The Company is in the business of providing primarily Housing Finance Services whose principal business is to give loans and/or advance and/or also accepting deposits as per the terms and conditions of the license issued to the company. Accordingly, the Company has accepted deposits from public in accordance with the directives issued by the National Housing Bank under the Housing Finance Company (NHB) Directions, 2010 (as amended as per Direction 2021 issued by RBI) with regard to deposits accepted from the public and the rules framed there under; and the provisions of Section 73 to 76 and other relevant provision of the Companies Act, 2013 and the rules framed there under.

According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or Reserve Bank of India or by any other court or tribunal with regard to aforesaid deposits.







According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(6) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act for the business activities carried out by the Company. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(7)

- (a) The Company does not have liability in respect of Service tax, excise duty, Sales tax and Value added tax, since effective 1<sup>st</sup> July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST").

According to the information and explanation given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

According to the information and explanation given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except followings:

**Name of the Statute: Income Tax Act, 1961**

S.No.	Period to which the amount relates (Financial Year)	Amount in dispute (Rs.in Lakh)	Forum where dispute is pending
1.	2016-17	399.65	CIT (Appeal) under the Income Tax Act
2.	2016-17	145.05	CIT (Appeal) under the Income Tax Act
3.	2020-21	275.01	CIT (Appeal) under the Income Tax Act
	<b>Total</b>	<b>819.70</b>	





**GST:**

S.No.	F.Y.	State	Total Liability (Rs. In Lakhs)	Forum where dispute is pending
1.	2017-18	Gujarat	10.58	Appellate Authority
2	2017-18	New Delhi	5.89	Appellate Authority
3	2017-18	Chhatisgarh	4.12	Appellate Authority
		<b>Total</b>	<b>20.58</b>	

(8) According to the information and explanation given to us and based on examination of the records, there were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Therefore, reporting under clause 3(viii) of the Order is not required.

(9) a) The Company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon during the year.

b) According to information and explanations given by the management, the Company has not been declared willful defaulter by any bank or financial institution or other lender during the year.

c) According to the information and explanations given to us and based on examination of the records, the term loans raised during the year were applied for the purposes for which the loans were raised other than temporary deployment pending application of proceeds.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have, prima facie not been used for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not hold any investment in any subsidiary, associate or joint venture (as defined in the Act) during the year ended 31<sup>st</sup> March 2024. Accordingly, reporting under clause 3(ix)(e) of the Order is not required.

f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries

(10) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.







b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.

(11) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations given to us. Company has detected frauds in 3 borrower accounts and same has been reported to RBI/NHB by the Company. Meanwhile, no instances of fraud by the company noticed or reported during the year.

b) According to the information and explanation given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the standalone financial statements.

14) Subject to our comment mentioned in the Opinion Paragraphs of Annexure-C "Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of Companies Act, 2013", we report that

a) Based on our examination, the Company has an adequate internal audit system commensurate with the size and nature of its business;

b) We have considered the internal audit reports for the year under audit to the extent received by us, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year hence provision of section 192 of the Act are not applicable to the Company. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.

16) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.





- b) The Company being a Housing Finance Company, is registered with National Housing Bank vide Registration No. 01.0004.02 by which NHB has granted status of Housing Finance Company (HFC) to the Company on 31.07.2001.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d) According to the representations given by the management, there is no CIC as part of the Group. Therefore, the provisions of clause 3(xvi)(d) of the Order are not applicable to the Company.

17) The Company has not incurred cash losses in current year and in immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.

18) There was no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the company.

19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, assets liability maturity (ALM) pattern and other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the special account in compliance with the provision of section 135(6) of the Act. Therefore, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not required for the year.







**SARATH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

(21) The reporting under clause (xxi) of this order is not applicable in respect of audit of financial statements of the company.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*

**CA R. Lakshmi Rao**  
**(Partner)**

**M. No.: 029081**



**Place : Mumbai**

**Date :12.07.24**

**UDIN: 24029081BKEKZN2351**



**Annexure B to the Independent Auditors' Report**

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" of our Audit Report of even date with reference to Directions notified vide RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 February 17, 2021 hereinafter referred as "the directions" in this annexure and be read with NHB Directions 2016 to the extent applicable).

This is issued in pursuant to the paragraph 70 and 71 of the Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('Master Directions') issued by the Reserve Bank of India ('the RBI') and amended from time to time.

Based on our audit of the financial statements for the year ended 31<sup>st</sup> March 2024 and examination as above, evidences obtained and the information and explanations, along with the representations provided by the management, we report that;

**Matters referred in Para 70.1 of the directions**

- i. The company is registered with NHB vide registration certification No.01.0004.02 dated 31.07.2001. Further, we hereby certify that the Company is meets the Principal Business criteria requirement as laid down under Paragraph 4.1.17 of the directions;
- ii. The Company is meeting the required Net Owned Fund (NOF) requirement as prescribed under section 29A of National Housing Bank Act, 1987. The Company does not have paid up preference shares which are compulsorily convertible into equity that are required to be included in the calculation of NOF;
- iii. The Company has complied with the provisions of Section 29C of National Housing Bank Act, 1987 with regard to the requirement of the "Reserve fund";
- iv. The total borrowings of the company i.e., deposits inclusive of public deposits and borrowings, the aggregate amount of which together with the amounts, if any, held by it which are referred in clauses (iii) to (vii) of sub-section (bb) of Section 45 I of the Reserve Bank of India Act, 1934 as also loans or other assistance from the NHB, are within the limits prescribed in the said direction at Para No. 27.2.
- v. The company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in these directions.
- vi. The capital adequacy ratio as disclosed in the half-yearly statutory return, submitted to the NHB, as per the directions issued by NHB in this regard, has been correctly determined and such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR);
- vii. The Company has furnished the half-yearly statutory return to the NHB, as specified in the direction issued by NHB, within the stipulated period.







- viii.** The Company has furnished the quarterly statutory returns on Statutory Liquid Assets to the NHB, as specified in the directions issued by NHB, within the stipulated period.
- ix.** During the financial year, the company has not opened or closed any Branch Offices and SPOKE Offices.
- x.** The Company has not granted any loans against security of shares or security of single product- gold jewellery in terms of paragraph 3.1.3 and 3.1.4 of the Master Directions for the year ended 31<sup>st</sup> March, 2024. The Company has not granted any loan against its own shares in terms of paragraph 18 of the Master Directions for the year ended 31<sup>st</sup> March 2024.;
- xi.** The Board of Directors of the company has not passed a resolution for non-acceptance of any public deposits.;
- xii.** The Company has accepted public deposits (including renewal of existing public deposits) during the relevant period/ year;

### **Matters referred in Para 70.2 of the directions**

- i.** The public deposits accepted by the company together with other borrowings are indicated below viz.
  - a.** which are not excluded from the definition of 'public deposit; as per Paragraph 4.1.30 of these directions, are within the limits admissible to the company as per the provisions of these directions.
- ii.** The public deposits held by the company are not excess of the quantum of such deposits permissible to it under the provisions of these directions which are required to be regularized in the manner provided in the said Directions. Therefore, the provisions contained in these directions relating to the regularizations of excess deposit are not applicable to the company.
- iii.** Before accepting/holding "Public Deposits" the company has obtained minimum investment grade credit rating for deposits i.e., 'IND A-'/Stable ( Previous Year 'IND A-'/Stable) which has been assigned by the approved credit rating agency i.e., India Ratings & Research Pvt. Ltd. (Fitch Group)
- iv.** The company has not defaulted during the year in paying to its depositor the interest and/or principal amounts of deposits after such interest and/or principal became due.
- v.** The company has complied with the liquid assets requirement as prescribed by the National Housing Bank in exercise of powers under section 29B of the National Housing Bank Act, 1987 and the requirements as specified in paragraphs 40 and 42 of these directions.





**SARATH & ASSOCIATES**  
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vi. The company has not violated any provisions under restriction on acceptance of public deposits, period of public deposits, joint public deposit, particulars to be specified in application form soliciting public deposits, ceiling on the rate of interest and brokerage and interest on overdue public deposits, renewal of public deposits before maturity as provided in these directions.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*



**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**

**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**





### **Annexure C to the Independent Auditors' Report**

~~Annexure C to Independent Auditor's Report of even date to the members of Cent Bank Home Finance Limited on the Financial Statements for the year ended March 31, 2024 (Referred to in paragraph 3(A)(g) under "Report on the Other Legal and Regulatory Requirements")~~

**Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls with reference to Standalone Financial Statements of "Cent Bank Home Finance Limited" ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

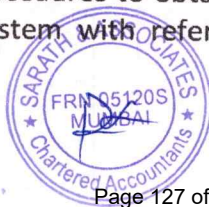
### **Management's Responsibility for Internal Financial Controls.**

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

### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their







operating effectiveness. Our audit of Internal Financial Controls with reference to Financial Statements included obtaining an understanding of Internal Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Financial Statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's Internal Financial Controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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







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### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*Lakshmi Rao*



**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**

**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**



**SARATH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**Annexure D to the Independent Auditors' Report**

Statement on the directions/sub-directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act 2013, examined by the Statutory Auditors during the course of audit of Annual Accounts of **Cent Bank Home Finance Limited** for the year ended 31<sup>st</sup> March 2024.

**Compliance Certificate**

We have conducted the audit of the accounts of Cent Bank Home Finance Limited, for the year ended March 31, 2024 in accordance with the direction/sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-Directions issued to us Directions indicating the areas to be examined by the Statutory Auditor during the course of audit of annual accounts of the company.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*

**CA R. Lakshmi Rao**  
**(Partner)**

**M.No.: 029081**



**Place: Mumbai**

**Date: 12.07.2024**

**UDIN: 24029081BKEKZN2351**



### Annexure D1 to the Independent Auditors' Report

The Statement on the directions/sub-directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act 2013, examined by the Statutory Auditors during the course of audit of Annual Accounts of **Cent Bank Home Finance Limited** for the year ended 31<sup>st</sup> March 2024'

Sr. No.	AREAS TO BE EXAMINED	REPLY FOR THE AREAS EXAMINED
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If, yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	<p>The Company has the system in place to process all the accounting transactions through IT systems as mentioned below:</p> <ol style="list-style-type: none"> <li>1. Depreciation on Fixed Assets.</li> <li>2. Consolidation of Trial balance of Branches and head-Office and generation of daily loan book etc.</li> <li>3. Calculation of Provisioning on NPAs (Non-Performing Assets) including identification of Additional NPAs.</li> <li>4. Interest accrual on Non-Cumulative Fixed Deposits as on 31.03.2024</li> <li>5. As per notification no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 dated 15.02.2022, Paragraph 10 of the Circular stipulates that loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower. The Company IT system is functioning as per above RBI guidelines.</li> </ol> <p>The following accounting transactions is maintained and controlled through <b>Excel Sheets</b> for calculation etc.:</p> <ol style="list-style-type: none"> <li>1. Interest on Borrowings/debentures and Interest Income On investments.</li> <li>2. Preparation of Balance Sheet</li> <li>3. Provisioning on Standard Assets</li> <li>4. Quantification of amount of Compromise, Waiver and OTS amount.</li> <li>5. Quantification of Monthly deductions from salary of Employees viz Interest on Advances to staff etc.</li> <li>6. Amortization of DSA on fore-closure loans &amp; advances and brokerage of pre-maturity of Fixed Deposits.</li> </ol> <p>Apart from above, Loan processing start from customer on boarding to disbursement is fully automated. LTV and DBR calculation is in built in loan originating system.</p>



**SARATH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

		<p>As informed to us company's Vendor M/S AZENTIO SOFTWARE PVT LTD is using cloud- based AMAZON WEB SERVER.</p> <p>Further the Company's not processing any accounting transaction outside IT System.</p>
2.	<p>Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/ interest etc. made by a lender to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?</p>	<p>During the Financial Year 2023-2024, no cases of restructuring of an existing loan or cases of waiver/write off of debts/ loans/interest etc. made by a lender to the company has been observed.</p>
3.	<p>Whether funds (grants/subsidy,etc) received/ receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.</p>	<p>On the basis of selective audit procedures, we have observed that the funds received/ receivable for specific schemes [PMAY/NHB refinance Schemes] from Central/State agencies were properly accounted for /utilized as per its term and conditions.</p>

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

*R. Lakshmi Rao*

**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**



**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**





**SARATH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

## **Auditor's Certificate**

(As per para 116 of Chapter XV of NBFC-HFC (Reserve Bank) Directions, 2021)

In respect of the Financial Statement for the financial year 2023-24 of the Cent Bank HomeFinance Ltd( CIN : U65922MP1991PLC006427) having its registered office address at Central Bank of India building, 9 Arera Hills, Mother Teresa Road, Bhopal-462011, hereinafter referred as "company" , we certify that

- (a) The full amount of liability to the depositors of the company including interest payable thereon are properly reflected in the balance sheet and
- (b) The company is in a position to meet the amount of such liabilities to the depositors

The above certificate is to be read together with our observations/ comments in the Independent Auditors' Report dated 12.07.2024. Further in order to certify the ability of the position of the company to meet the liabilities ( Depositors' of the Company including interest payable) we have relied upon the certificate and the explanation issued by the management of the company.

This certificate has been issued on the basis of the examination of the relevant documents, certificates and declarations given to us by the management of the company on which we have relied upon.

**For Sarath & Associates**  
**Chartered Accountants**  
**FRN: 005120S**

**CA R. Lakshmi Rao**  
**(Partner)**  
**M.No.: 029081**



**Place: Mumbai**  
**Date: 12.07.2024**  
**UDIN: 24029081BKEKZN2351**



**सेन्ट बैंक होम फायनेन्स लिमिटेड**  
**Cent Bank Home Finance Limited**

सेन्ट्रल बैंक ऑफ इण्डिया की अनुषंगी Subsidiary of Central Bank of India

**CENT BANK HOME FINANCE LIMITED**

(CIN: U65922MP1991PLC006427)

Balance Sheet as at 31st March, 2024

Particulars	Note No.	As at 31.03.2024 Rs. In Lakhs	As at 31.03.2023 Rs. In Lakhs
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	2,500.00	2,500.00
(b) Reserves and surplus	3	18,893.82	16,383.71
		<b>21,393.82</b>	<b>18,883.71</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	80,858.83	72,559.34
(b) Deferred tax liabilities	3a	1,109.90	1,075.45
(c) Long-term provisions	5	2,813.06	2,244.39
		<b>84,781.79</b>	<b>75,879.18</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	6	41,609.73	41,453.93
(b) Trade payables			
(i) total outstanding dues of MSME	7	-	-
(ii) total outstanding dues of creditors other than MSME	7	78.16	239.47
(c) Current maturities of long term borrowings	8	13,088.86	12,995.22
(d) Other current liabilities	9	1,394.39	745.90
(e) Short-term provisions	10	189.89	218.12
		<b>56,361.03</b>	<b>55,652.64</b>
<b>TOTAL</b>		<b>1,62,536.64</b>	<b>1,50,415.53</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant & Equipment and Intangible assets			
(i) Property, Plant & Equipment	11	51.65	37.69
(ii) Intangible Assets	11b	-	-
(b) Non-current investments	12	4,836.50	4,837.13
(c) Long-term loans and advances	13	1,34,575.59	1,21,995.79
(d) Other Non-current assets	14	664.14	1,135.48
		<b>1,40,127.88</b>	<b>1,28,006.09</b>
<b>2 Current assets</b>			
(a) Cash and cash equivalents	15	312.82	2,222.55
(b) Short-term loans and advances	16	20,767.66	19,564.67
(c) Other current assets	17	1,328.28	622.22
		<b>22,408.76</b>	<b>22,409.44</b>
<b>TOTAL</b>		<b>1,62,536.64</b>	<b>1,50,415.53</b>
Significant Accounting Policies	1		
Notes to accounts and disclosure as per NHB/RBI	25		

As per our report of even date.

For Sarath & Associates  
Chartered Accountants  
FRN: 005120S

*Lakshmi Rao*

CA R. Lakshmi Rao  
Partner M. No.: 029081  
Place : Mumbai  
Date: 07.05.2024  
UDIN: 24029081BKEKZH4996



For Cent Bank Home Finance Limited

*Kushal Pal*

Kushal Pal  
Managing Director  
DIN: 09225722

*Malladi Venkat Murali Krishna*

Malladi Venkat Murali Krishna  
Chairman  
DIN: 09021111

*S. C. Mehta*  
S. C. Mehta  
Chief Financial Officer





**सेन्ट बैंक होम फायनेंस लिमिटेड**  
**Cent Bank Home Finance Limited**

सेन्ट्रल बैंक ऑफ इण्डिया की अनुषंगी Subsidiary of Central Bank of India

**CENT BANK HOME FINANCE LIMITED**

(CIN: U65922MP1991PLC006427)

**Statement of Profit and Loss for the year ended 31st March, 2024**

	Particulars	Note No.	For the year ended	For the year ended
			31.03.2024	31.03.2023
			Rs. In Lakhs	Rs. In Lakhs
<b>A</b>	<b>INCOME</b>			
1	Revenue from operations	18	16,202.54	14,092.92
2	Other income	19	27.34	-
3	<b>Total Income (1+2)</b>		<b>16,229.88</b>	<b>14,092.92</b>
<b>B</b>	<b>Expenses</b>			
4	(a) Employee benefits expense	20	1,290.48	1,132.45
5	(b) Finance costs	21	9,384.07	7,625.33
6	(c) Depreciation and amortisation expense	11a	17.29	11.56
7	(d) Other expenses	22	1,594.93	1,135.35
8	(e) Contingent Provision for Standard Assets (including Covid19 Restructuring Scheme Provision - refer Note No 5)	23	(130.68)	11.11
9	(f) Provisions for Non-Performing & Doubtful Debts		526.27	607.02
10	<b>Total expenses (4+5+6+7+8+9)</b>		<b>12,682.36</b>	<b>10,522.82</b>
<b>C</b>	<b>Profit before tax and extraordinary items (3-10)</b>		<b>3,547.52</b>	<b>3,570.10</b>
<b>D</b>	<b>Extraordinary items</b>			
	Add:- Extraordinary Item	24	-	-
	Less/ (Add):-Prior period Adjustments-Expenses/ (Income)		163.43	(14.63)
<b>E</b>	<b>Profit / (Loss) before tax (C-D)</b>		<b>3,384.09</b>	<b>3,584.73</b>
<b>F</b>	<b>Tax expense:</b>			
	(a) Current year tax expense		840.02	442.40
	(b) Provision/ (Reversal) for tax of previous years		(0.48)	(1.78)
	(c) Deferred tax Liabilities/ (Assets) of current year other than d above		(93.57)	398.75
	(d) Deferred tax liability on special reserves of current Year		128.02	69.30
			873.99	908.67
<b>G</b>	<b>Profit from continuing operations (E-F)</b>		<b>2,510.10</b>	<b>2,676.06</b>
<b>H</b>	<b>Profit for the year</b>		<b>2,510.10</b>	<b>2,676.06</b>
<b>(Statement of Profit and Loss without stating EBITDA)</b>				
<b>I</b>	<b>Earnings per share (of Rs.10/- each):</b>			
	(a) Basic		10.04	10.70
	(b) Diluted		10.04	10.70
<b>J</b>	<b>Notes to accounts and disclosure as per NHB/RBI</b>	<b>25</b>		

As per our report of even date.

For Sarath & Associates

Chartered Accountants

FRN: 005120S

*R. Lakshmi Rao*

CA R. Lakshmi Rao

Partner M. No.: 029081

Place : Mumbai

Date: 07.05.2024

UDIN: 24029081BKEKZH4996



For Cent Bank Home Finance Limited

*Kushal Pal*

Kushal Pal

Managing Director

DIN: 09225722

*Malladi Venkat Murali Krishna*

Malladi Venkat Murali Krishna

Chairman

DIN: 09021111

*S. C. Mehta*

S. C. Mehta

Chief Financial Officer







सेन्ट बैंक होम फायनेन्स लिमिटेड  
Cent Bank Home Finance Limited

सेन्ट्रल बैंक ऑफ इण्डिया की अगुवणी Subsidiary of Central Bank of India

Cent Bank Home Finance Limited  
Cash Flow Statement for the year ended 31st March, 2024

Particulars		For the year ended 31.03.2024		For the year ended 31.03.2023	
		Rs. In Lakhs		Rs. In Lakhs	
<b>A. Cash flow from operating activities</b>					
Net Profit / (Loss) before extraordinary items and tax			3,547.52		3,570.10
<u>Adjustments for:</u>					
Depreciation and amortisation	(+)	17.29		11.56	
Provision for NPA and other	(+)	526.27		607.02	
Provision for Standard Asset	(+)	(130.68)		11.11	
Bad debts written off	(+)	-		-	
Loss on sale of fixed assets	(+)	-		-	
Loss on redemption of Investment	(+)	-		-	
Prior period Adj.	(+)	(163.43)		14.63	
Operating profit / (loss) before working capital changes			3,796.97		4,214.42
<u>Changes in working capital:</u>					
Adjustments for (increase) / decrease in operating assets:					
Inventories					
Short-term loans and advances		(1,072.31)		(858.62)	
Long-term loans and advances		(13,106.07)		(25,351.50)	
Other current assets		(706.06)		(185.38)	
Other non-current assets		471.34		(646.15)	
Adjustments for increase / (decrease) in operating liabilities:					
Deferred Tax Liabilities		34.45		468.05	
Other current liabilities		487.19		473.92	
Short-term provisions		(28.22)		18.88	
Long-term provisions		568.67		(1,411.95)	
Cash flow from extraordinary items			(13,351.01)		(27,492.75)
Cash generated from operations			(9,554.04)		(23,278.33)
Net income tax (paid)			(873.99)		(908.67)
<b>Net cash flow from / (used in) operating activities (A)</b>			<b>(10,428.03)</b>		<b>(24,187.00)</b>



*Signature*







**सेन्ट बैंक होम फायनेन्स लिमिटेड**  
**Cent Bank Home Finance Limited**

सेन्ट्रल बैंक ऑफ इण्डिया की अनुषंगी Subsidiary of Central Bank of India

**Cash Flow Statement for the year ended 31st March, 2024 (Contd.)**  
**Cent Bank Home Finance Limited**

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
	Rs. In Lakhs		Rs. In Lakhs	
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-29.66		-227.92	
Proceeds from sale of fixed assets	-1.60		-	
Inter-corporate deposits (net)				
Bank balances not considered as Cash and cash equivalents				
- Placed			1,090.00	
- Matured				
Current investments not considered as Cash and cash equivalents				
- Purchased				
- Proceeds from sale	0.63		-1,663.36	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>-30.63</b>		<b>-801.28</b>



*Signature*





सेन्ट बैंक होम फायनेन्स लिमिटेड  
Cent Bank Home Finance Limited

सेन्ट्रल बैंक ऑफ इण्डिया की वस्तुस्थिति Subsidiary of Central Bank of India

Cash Flow Statement for the year ended 31st March, 2024 (Contd.)  
Cent Bank Home Finance Limited

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
	Rs. In Lakhs		Rs. In Lakhs	
<b>C. Cash flow from financing activities</b>				
Payment of CSR fund				
Appropriation of DTL on Special reserves from Reserves and Provision of Income Tax of previous years	-		-	
Proceeds (+)/Repayment (-) of long-term borrowings	8,393.13		16,622.01	
Proceeds from other short-term borrowings	155.80		10,353.07	
Repayment of other short-term borrowings	-		-	
Dividends paid	-		-	
Tax on dividend	-		-	
<b>Net cash flow from/ (used in) financing activities (C)</b>		8,548.93		26,975.08
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		-1,909.73		1,986.80
Cash and cash equivalents at the beginning of the year		2,222.55		235.75
<b>Cash and cash equivalents at the end of the year</b>		312.82		2,222.55
See accompanying Notes to accounts and disclosure as per NHB/RBI	25			

As per our report of even date.

For Sarath & Associates  
Chartered Accountants  
FRN: 005120S

*R. Lakshmi Rao*

CA R. Lakshmi Rao  
Partner M. No.: 029081  
Place : Mumbai  
Date: 07.05.2024  
UDIN: 24029081BKEKZH4996



For Cent Bank Home Finance Limited

*Kushal Pal*

Kushal Pal  
Managing Director  
DIN: 09225722

*Malladi Venkat Murali Krishna*

Malladi Venkat Murali Krishna  
Chairman  
DIN: 09021111

*S. C. Mehta*

S. C. Mehta  
Chief Financial Officer



## Significant Accounting Policies forming part of the Financial Statements

### Note1

#### CORPORATE INFORMATION

The Company was incorporated on May 07, 1991 as "Apna Ghar Vitta Nigam Limited" and subsequently changed its name as "Cent Bank Home Finance Limited" and obtained its fresh certificate of incorporation on 19<sup>th</sup> June, 1992. Company commenced its business on June 18, 1991 and obtained the certificate of registration from the National Housing Bank (NHB) as required under Section 29A of the NHB Act, 1987 on July 31, 2001. The Company is a Subsidiary of Central Bank of India jointly promoted by National Housing Bank, HUDCO and SUUTI. The main objects of the Company inter alia are to carry out the business of providing long term finance to individuals, companies, corporations, societies, or associations of persons for purchase/construction/repair and renovation of new/existing flats/houses for residential purposes and provide loans against property and loan for purchase of Commercial property. The Company is currently operating with 24 branches and 6 representative offices.

#### 1. General system and method of accounting:

The Financial Statements of the Company have been prepared and presented as per the Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on accrual basis. The Company has prepared its Financial Statements to comply with all the material aspects of the Accounting Standards notified under section 133 of the Companies Act 2013, The National Housing Bank Act, 1987 and the Housing Finance Companies (NHB) Directions, 2010. Accounting policies adopted in preparation of financial statements are consistent with those followed in previous year. Amounts in the financial statements are presented in "Rs Lakhs" except as otherwise stated.

#### 2. Use of Estimates

The preparation of the 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.

#### 3. Revenue Recognition

Revenue has been recognized as per the prudential norms laid down by National Housing Bank (NHB).

a. Interest on Loans-Interest income is recognized on accrual basis except in case of Non-Performing Assets (NPA) where interest is accounted on realization. In loans, the repayment is received by way of Equated Monthly Installments (EMIs) comprising of principal and interest. Interest is calculated on the outstanding balance at the beginning of the month. EMI commences once the moratorium is completed. Pending commencement of EMI, pre-EMI monthly interest is recovered. Recovery in case of NPA is appropriated first towards interest portion of overdue EMIs and thereafter towards principal portion of overdue EMIs.



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- b. Fees and Other Charges - Income from fee and other charges, viz. log in fee, Penal Interest on Overdue, Pre-payment charges, etc., are recognized on receipt basis.
- c. Income from Investment-Interest on Bank Deposits/Bonds/Govt. Securities are accounted on accrual basis. Dividend Income is accounted for in the year in which it is received.
- d. Other Income – Interest on tax refunds and other income are accounted for on receipt basis.

**4. AS-10 Property, Plant and Equipment:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Costs include all expenses incidental to the acquisition of the fixed assets.

**5. AS-26 Intangible Assets:**

Intangible assets are recognized when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured. Intangible assets representing software/ERP are initially recorded at their acquisition price and are amortized over its estimated useful life / period of contractual rights on a straight-line basis, commencing from the date the assets are available for its use. The useful life of intangible assets is reviewed by the management at each Balance Sheet date.

**6. Depreciation**

Depreciation is calculated on the basis of the useful life of the asset as prescribed under Schedule II of the Companies Act, 2013. Company is using Straight Line Method to provided depreciation on its Fixed Assets.

**7. Investments**

According to the Accounting Standard (AS-13) on "Accounting on Investment" issued by the Institute of Chartered Accountants of India and the guidelines issued by the National Housing Bank, Investments are either classified as Current and Non-Current Investments. Current Investment is carried at lower of cost and market value and long-term investments are carried at cost.

The gain/loss on account of discount/premium on Long Term Investments made in debentures/bonds and government securities are recognized over the life of the security on a pro-rata basis.

**8. Employee Benefits**

**As per Accounting Standard- 15 "Employee Benefits",** Gratuity amount has been set aside on actuarial basis and invested in Group Gratuity Scheme administered by the Life Insurance Corporation of India. Company's contribution in respect of Employees' Provident Fund is made to Employees' Provident Fund Scheme of EPFO and is charged to the Statement of Profit & Loss.

As per HR Policy, an Employee is entitled to encash 100% leaves till date and therefore, the same is determined on the basis of un-availed leave at the rate of the last drawn salary (Basic + HRA + Special Allowance). Therefore, the Leave Encashment liability is treated as short term Liability under the head "Current Liabilities" and provided for on Accrual basis as per said formula.





**9. AS-19 "Leases": Operating Lease**

The Company has agreement with Polaris Financial Technology limited (service provider) for centralized solution on application service provider model. The service provider provides software & license to use. The contract is for 5 years and cancelable with 90 days' notice period. Yearly charges debited to profit and loss account as per consistent Policy followed over the years.

Apart from above, Office premises taken are renewable at the option of company. Monthly charges are debited to profit and loss account as per consistent Policy followed over the years.

**10. AS20 "Earnings Per Share"**

The Basic and Diluted Earnings per Share have been calculated by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period.

**11. Income Tax**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – "Accounting for taxes on income", notified under the Companies (Accounting Standards) Amendment Rules, 2011. Income Tax comprises of both of current and deferred tax.

Current Tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961.

The Tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Company makes the Provision for Standard, Sub Standard, Doubtful & Loss Assets as per Prevailing guidelines of RBI/NHB. However, Company Claims Account Written off only as deduction while calculating income Tax as per consistent Policy followed over the years.

The Company has proven track record of Profits and creates the deferred tax assets on provision for Standard, Substandard, Doubtful and Loss Assets account as per consistent Practice followed over the period. The same shall be reversed in the year of collection/write-off of accounts.

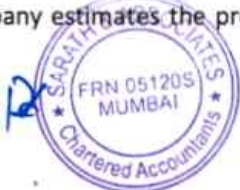
**12. AS 29 -Provisions, Contingent Liabilities and Contingent Assets:**

**Provisions for Contingencies**

Provision on loans has been arrived at in accordance with National Housing Bank guidelines and directives. Advances to borrowers are classified into Performing and Non-Performing based on overdue of Principal/Interest. Non-Performing Assets (NPAs) are further categorized as Sub-Standard, Doubtful and Loss Assets.

**Contingent Liability Policy**

The Company estimates the probability of any loss that might be incurred on outcome of contingencies on



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the basis of information available up to the date on which the financial statements are prepared. A provision is recognized when a company has a present obligation because of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimates can be made. Provisions are determined based on management estimates of amounts required to settle the obligation at the balance sheet date and adjusted to reflect the current management estimates.

In cases where the available information indicates that the loss on the contingency is reasonably possible, but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made in the financial statements as contingent liability.

In Case of remote possibility, neither provision nor disclosure is made in the financial statements. The Company does not account for or disclose contingent assets, if any.

The Following table describes the nature of contingent liabilities of the Company.

Sr. No	Contingent Liability	Brief Description
1	Claims against the Company, not acknowledged as debt	This item represents certain demands made in certain tax and legal matters against the Company in the normal course of business. In Accordance with the Company Accounting Policy and Accounting Standard 29, the Company has reviewed and classified these items as possible obligations based on legal opinion/judicial precedents/assessment by the Company.
2	Other Contingent Liabilities	Other items for which the Company is contingently liable primarily include the estimate amount of contracts remaining to be executed on Capital Account and not provided for.

### 13. Loan Origination/Acquisition Cost and Brokerage of Deposit mobilization

All Direct Cost incurred for the loan origination (Direct selling agent's commission) are amortized in 5 years, and 3 years in case of Brokerage paid for fixed deposit mobilization. In case of foreclosure of Loans & Advances or prematurity of Fixed Deposits, the balance unamortized cost in respect to those cases are charged to P&L in that financial year itself.

### 14. Unclaimed Deposits

Deposits, which have become due but not been presented for payment or renewal, are transferred to unclaimed deposits. Interest for the period from last maturity date till the date of renewal of unclaimed deposits was previously accounted for during the year of its renewal. However, accrued interest on such unclaimed deposits from the date of their maturity till the end of the financial year is recognized as Deposit Policy.

### 15. Floating Provision

Company will create floating provision only against Bad & Doubtful Debts and amount of provision will be approved by the Board from time to time.



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## 16. Cash Flow Statement

Cash flows are reported using the indirect method as prescribed under AS-3, whereby profit/loss before extraordinary items and tax is adjusted for the effects of transaction of noncash nature or deferrals or accruals of past and future cash receipts and payments. The cashflows from operating, investing and financing activities for the Company are segregated based on the available information.

## 17. Prior Period Adjustments

As per AS-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" the company is following the practice of making adjustments for prior period items through expenses/income of previous year in the current year except few minor items.

## 18. Related Party Disclosure

As required by Accounting Standard (AS)-18 "Related party disclosure" the manner of disclosures required by paragraphs 23 and 26 of AS 18 The company has disclosed in financial statements of transactions with certain categories of related parties. In particular, attention is focused on transactions with the directors or similar key management personnel of an enterprise, especially their remuneration and borrowings, because of the fiduciary nature of their relationship with the enterprise.

## 19. Segment Reporting

As per AS 17 "Segment Reporting", A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments. Factors that should be considered in identifying geographical segments include:

- similarity of economic and political condition,
- relationships between operations in different geographical areas,
- proximity of operations,
- Special risks associated with operations in a particular area,
- Exchange control regulations, and
- The underlying currency risks.

As per our report of even date

For Sarath & Associates

Chartered Accountants

FRN: 005120S

*Racshmi Rao*

CA R. Lakshmi Rao

Partner M. No. 029081

Place: Mumbai

Date: 07.05.2024

UDIN: 24029081BKEKZH4996



For Cent Bank Home Finance Limited

*Kushal Pal*

Kushal Pal  
 Managing Director  
 DIN: 09225722

*S. C. Mehta*

S. C. Mehta  
 Chief Financial Officer

*Malladi Venkat Murali Krishna*

Malladi Venkat Murali Krishna  
 Chairman  
 DIN: 09021111





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Cent Bank Home Finance Limited  
Notes forming part of the financial statements

Note 2 Share capital

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	Rs. In Lakhs	Number of shares	Rs. In Lakhs
<b>(a) Authorised</b>				
Equity shares of Rs.10/- each	5,00,00,000	5,000	5,00,00,000	5,000
<b>(b) Issued</b>				
Equity shares of Rs.10/- each	2,50,00,000	2,500	2,50,00,000	2,500
<b>(c) Subscribed and fully paid up</b>				
Equity shares of Rs.10/- each	2,50,00,000	2,500	2,50,00,000	2,500
<b>Total</b>	<b>2,50,00,000</b>	<b>2,500</b>	<b>2,50,00,000</b>	<b>2,500</b>

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares								
Year ended 31 March, 2024								
- Number of shares	2,50,00,000	-	-	-	-	-	-	2,50,00,000
- Amount (in Rs.)- In Lakhs	2,500	-	-	-	-	-	-	2,500
Year ended 31 March, 2023								
- Number of shares	2,50,00,000	-	-	-	-	-	-	2,50,00,000
- Amount (in Rs.)- In Lakhs	2,500	-	-	-	-	-	-	2,500

Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:



*Signature*





Cent Bank Home Finance Limited  
 Notes forming part of the financial statements

Note 2 Share capital (contd.)

Particulars	Equity shares	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares	Redeemable preference shares
	Number of shares				
<b>As at 31 March, 2024</b>	Nos.				
Central Bank of India, the holding company	1,61,00,000	-	-	-	-
the ultimate holding company	-	-	-	-	-
Subsidiaries of the holding company	-	-	-	-	-
Associates of the holding company	-	-	-	-	-
Subsidiaries of the ultimate holding company	-	-	-	-	-
Associates of the ultimate holding company	-	-	-	-	-
<b>As at 31 March, 2023</b>					
Central Bank of India, the holding company	1,61,00,000	-	-	-	-
the ultimate holding company					
Subsidiaries of the holding company					
Associates of the holding company					
Subsidiaries of the ultimate holding company					
Associates of the ultimate holding company					

\* Shares held by the ultimate holding company, their subsidiaries and associates, except the holding company "CBI" are NIL.

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31.03.2024			As at 31.03.2023		
	Number of shares held	% holding in that class of shares *	% change during the year	Number of shares held	% holding in that class of shares *	% change during the year
<b>Equity shares</b>						
Central Bank Of India	1,61,00,000	64.40%	-	1,61,00,000	64.40%	-
National Housing Bank	40,00,000	16.00%	-	40,00,000	16.00%	-
Specified undertaking of Unit Trust of India (SUUTI)	32,00,000	12.80%	-	32,00,000	12.80%	-
Housing & Urban Development Corporation	17,00,000	6.80%	-	17,00,000	6.80%	-

Note: Company received vide letter no. CO:ITB/2022-23/474 from Central Bank of India regarding approval for enhancement in existing equity stake by Central Bank of India to make CBHFL wholly owned subsidiary and filing of application to RBI.  
 The Board of CBHFL in its 145th Board meeting dated 25.01.2023 confirmed the Resolution passed by Circulation no. 1/2022-23/10.02.2023 for the proposal for enhancement in existing equity stake by Central Bank of India to make CBHFL wholly owned subsidiary and filing of application to RBI. Company has sent a letter no. CBHFL/CO/2022-23/288 dated 15.02.2023 to RBI in this regard.



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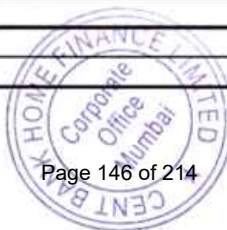
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**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 3 Reserves and surplus**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Securities Premium	690.00	690.00
Closing balance	690.00	690.00
(b) General reserve		
Opening balance	1,354.12	1,252.80
Add: Transferred from Statement of Profit and Loss	192.35	101.65
Less: Transferred to Statement of Profit and Loss		(0.34)
Closing balance	1,546.47	1,354.11
(c) Special Reserve(Special Reserve created in terms of Section 36(1)(viii) of IT Act, 1961 and as per Section 29 C of NHB Act.)		
Opening balance	6,089.54	5,815.17
Add: Transferred from Statement of Profit and Loss	509.60	275.35
Less: Transferred to Statement of Profit and Loss		(0.98)
Closing balance	6,599.14	6,089.54
(d) Additional Reserve(Created under section 29C of NHB Act 1987)		
Opening balance	300.00	300.00
Add: Additions / transfers during the year	-	-
Closing balance	300.00	300.00
(e) Surplus in Statement of Profit and Loss		
Opening balance	7,950.06	5,649.67
Add: Profit for the year	2,510.10	2,676.06
Amounts transferred from:		
General reserve	-	0.34
Other reserves (give details)	-	0.98
Less: Appropriations		
a) Proposed Dividend	-	-
b) Tax on dividend	-	-
c) Provision for Income Tax of previous years	-	-
d) Appropriation of DTL on Specials Reserves as per NHB guidelines	-	-
e) Amount spent on CSR activity	-	-
Transferred to:		
General reserve	192.35	101.64
Special Reserve	509.60	275.35
Additional reserve u/s 29C of NHB Act	-	-
Closing balance	9,758.21	7,950.06
<b>Closing Balance Total</b>	<b>18,893.82</b>	<b>16,383.71</b>
<b>Note:</b> Transfer from Reserve relates to the adjustments related to previous year due to change in the amount of Taxable Profit determined at the time of filing of Return of Income.		
<b>Dividend per share (of Rs.10/- each):</b>	<b>(Rs)</b>	<b>(Rs)</b>
<b>Dividend per Share</b>	-	-



*Signature*

Cent Bank Home Finance Limited  
 Notes forming part of the financial statements

Note 3a Deferred Tax Liabilities / Assets

Particulars	As at 31.03.2024		As at 31.03.2023	
	Rs. In Lakhs		Rs. In Lakhs	
<b>Deferred Tax Asset (A)</b>	<b>Amount</b>		<b>Amount</b>	
Provision for NPA & Standard Assets	734.42		596.84	
Leave Encashment	13.27		14.21	
Bonus/Incentive	0.20		8.76	
Depreciation	0.90	748.79	0.98	620.79
<b>Deferred Tax Liability (Net) (B)</b>				
Special Reserve	1,661.00		1,532.98	
Unamortized Cost	197.69		163.26	
Depreciation	-	1,858.69	-	1,696.24
<b>(A)-(B)= DTL</b>		<b>1,109.90</b>		<b>1,075.45</b>

Note: DTL/DTA created as per Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

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**सेन्ट बैंक होम फायनेन्स लिमिटेड**  
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सेन्ट्रल बैंक ऑफ इण्डिया की अनुषंगी Subsidiary of Central Bank of India

Cent Bank Home Finance Limited  
Notes forming part of the financial statements

**Note 4 Long-term borrowings**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Term loans		
From banks		
Secured (Note 1)	53,343.47	42,887.86
Unsecured	-	-
(b) Deposits (Note 2)		
Secured	-	-
Unsecured (Note 3)	27,515.36	29,671.48
<b>Total</b>	<b>80,858.83</b>	<b>72,559.34</b>

**Note 1:-** These are secured by assigning book debts as security against these loans

**Note 2:-** With respect to Deposits, the company has created a floating charge as per the directions of NHB on the assets invested by the company under section (1) & (2) of Section 29B of the NHB Act, 1987.

**Note 3:-** The FD Maturities of next 12 months are considered as current maturities



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# सेन्ट बैंक होम फायनेन्स लिमिटेड Cent Bank Home Finance Limited

सेन्ट्रल बैंक ऑफ इण्डिया की अग्रपंथी Subsidiary of Central Bank of India

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	As at 31.03.2024		As at 31.03.2023	
	Secured	Unsecured	Secured	Unsecured
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
<b>Term loans from banks:</b>				
Refinance from National Housing Bank	13,847.67	-	14,100.09	-
Central Bank of India	45,709.66	-	26,162.77	-
HDFC Bank	6,875.00	-	2,625.00	-
<b>Total - Term loans from banks</b>	<b>66,432.33</b>	<b>-</b>	<b>42,887.86</b>	<b>-</b>
<b>Deposits:</b>				
Public Deposits	-	19,197.64	-	20,704.22
Inter-corporate deposits	-	8,317.72	-	7,393.10
<b>Total - Deposits</b>	<b>-</b>	<b>27,515.36</b>	<b>-</b>	<b>28,097.32</b>

Below are the details of all loans/Refinance outstanding.

Name of Institution / Security for loan	Facility No.	Amt sanctioned	Amt. outstanding as on 31.03.2024	Current	Non-Current	Rate of interest %	Repayment terms
<b>NHB Refinance</b>							
<b>Specific Charge over book debts of company</b>							
26-06-2015	100004317	598.00	36.50	36.50	-	6.87%	40 Qlyly Inst
26-06-2015	100004318	2,391.00	221.00	186.00	35.00	6.87%	40 Qlyly Inst
30-11-2015	100004373	150.00	9.75	9.75	-	6.87%	40 Qlyly Inst
30-11-2015	100004374	2,850.00	437.70	219.30	218.40	6.87%	40 Qlyly Inst
19-06-2017	100004613	3,500.00	983.40	269.40	714.00	5.11%	60 Qlyly Inst
11-01-2019	100004819	3,010.00	1,251.90	153.06	1,098.84	8.35%	60 Qlyly Inst
11-01-2019	100004821	1,300.00	650.50	66.12	584.38	8.35%	60 Qlyly Inst
11-01-2019	100004822	800.00	254.63	40.68	213.95	8.35%	60 Qlyly Inst
11-01-2019	100004823	1,000.00	553.59	50.88	502.71	8.45%	60 Qlyly Inst
11-01-2019	100004825	5,040.00	939.60	560.01	379.59	4.93%	28 Qlyly Inst
11-01-2019	100004837	950.00	246.20	105.57	140.63	4.93%	28 Qlyly Inst
29-03-2022	100005497	700.00	556.00	65.02	490.98	8.50%	40 Qlyly Inst
29-03-2022	100005499	1,800.00	1,252.56	213.38	1,039.18	2.94%	28 Qlyly Inst
20-02-2023	100005736	23.50	15.94	2.61	13.33	4.90%	28 Qlyly Inst
20-02-2023	100005737	5,601.50	4,769.50	624.00	4,145.50	5.25%	28 Qlyly Inst
20-02-2023	100005738	776.00	696.40	59.70	636.70	8.50%	40 Qlyly Inst
20-02-2023	100005739	335.00	293.92	25.77	268.15	8.40%	40 Qlyly Inst
20-02-2023	100005740	605.00	535.90	46.56	489.34	8.40%	40 Qlyly Inst
20-02-2023	100005741	159.00	142.68	12.24	130.44	8.35%	40 Qlyly Inst
		<b>31,589.00</b>	<b>13,847.67</b>	<b>2,746.55</b>	<b>11,101.12</b>		
<b>Central Bank of India</b>							
<b>Specific Charge over book debts of company</b>							
05-08-2017	3669628762	10,000.00	1,264.93	1,264.93	-	8.15%	60 Mthly Inst
06-11-2018	3715277776	10,000.00	2,744.25	1,309.52	1,434.73	8.15%	60 Mthly Inst
29-08-2022	5282264782	15,000.00	12,416.07	1,964.29	10,451.78	8.15%	84 Mthly Inst
28-02-2023	5360382538	30,000.00	29,284.41	3,928.57	25,355.84	8.15%	84 Mthly Inst
		<b>65,000.00</b>	<b>45,709.66</b>	<b>8,467.31</b>	<b>37,242.35</b>		
<b>HDFC Bank</b>							
<b>Specific Charge over book debts of company</b>							
16.03.2021	240LN06210750001	2,000.00	1,000.00	333.33	666.67	8.66%	72 Mthly Inst
16.03.2021	240LN06210750002	1,000.00	500.00	166.67	333.33	8.51%	72 Mthly Inst
16.03.2021	240LN06213210005	2,000.00	1,125.00	375.00	750.00	8.66%	72 Mthly Inst
23.06.2023	5WSLN06231740006	5,000.00	4,250.00	1,000.00	3,250.00	8.66%	72 Mthly Inst
		<b>10,000.00</b>	<b>6,875.00</b>	<b>1,875.00</b>	<b>5,000.00</b>		
<b>Grand Total</b>			<b>66,432.33</b>				
<b>Less: Current liabilities (repayment in next 12 months)</b>			<b>13,088.86</b>				
Refinance from National Housing Bank		2,746.55					
Central Bank of India		8,467.31					
HDFC Bank		1,875.00					
<b>Total Non Current liabilities</b>			<b>53,343.47</b>				

Note: Company has not defaulted in repayment of term loan installments and payment of deposits.



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**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 5 Long-term provisions**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Provision for Bad & Doubtful Debts (NPA)	2,163.43	1,486.14
(b) Contingent Provisions against Standard Assets	649.63	758.25
(c) 5% Provision on Standard assets (Overdue accounts on which moratorium period permitted)	-	-
<b>Total</b>	<b>2,813.06</b>	<b>2,244.39</b>

a) Provision for Bad & Doubtful debts has been done as per the prudential norms prescribed under RBI Master Directions-NBFC-HFC(Reserve Bank) Directions, 2021, No. RBI/2020-21/73/DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21.

b) Provision on standard assets has been made as per RBI Master Directions-NBFC-HFC (Reserve Bank) Directions, 2021, No. RBI/2020-21/73/DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21: Provision on Accounts Prior to August 2017 will be done @ 0.40%, From August 2017, it will be 0.25% & for Non Housing Sector: LAP- 0.40%, Commercial Property- 1% and Project Loan- 0.75%

c) Additional provision of 10% is made on restructured accounts under "Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Business" in Pursuance to RBI Circular DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021. Further, there is a reversal of provision regarding restructured accounts, as per above mentioned RBI Circular.



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Notes forming part of the financial statements

**Note 6 Short-term borrowings**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Loans repayable on demand		
From banks		
Secured (Note 1)	10,334.27	16,299.14
(b) Deposits (Note 2)		
Unsecured	31,275.46	25,154.79
<b>Total</b>	<b>41,609.73</b>	<b>41,453.93</b>

**Notes:**

(i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31.03.2024	As at 31.03.2023
		In Rs.	In Rs.
Loans repayable on demand			
from banks: (Note No. 1)			
Central Bank of India	Book Debts assigned	16,631.00	20,022.00
Total - from banks			

**Note 1:-** Short term borrowings is overdraft facility (Limit of Rs.200 crores bearing ROI @base rate granted by Central Bank of India).

**Note 2:-** With respect to Deposits, the company has created a floating charge as per the directions of NHB on the assets invested by the company under section (1) & (2) of Section 29B of the NHB Act, 1987. (Current Maturities of Deposits due in next 12 Months are considered as Current Liability)



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Note 7 Trade Payables

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(i) total outstanding dues of MSME	-	-
(ii) total outstanding dues of creditors other than MSME	78.16	239.47
<b>Total</b>	<b>78.16</b>	<b>239.47</b>

**Note :-** Dues to micro, small and medium enterprises and other than micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management .





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Notes forming part of the financial statements

Note 8 Other current maturities of long term borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Current maturities of long-term debt (Refer Note 1 below)	13,088.86	12,995.22
Total	13,088.86	12,995.22

Note:	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Term loans		
From banks		
Secured	13,088.86	12,995.22
Unsecured	-	-
Total	13,088.86	12,995.22

Note 1:- Current maturities of long term debt relates to long term loans mentioned in "Note 4 Long Term Borrowing". Details of security & guarantee is mentioned in aforesaid loan.





**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 9 Other current liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Unpaid matured deposits, Advance received for deposits pending documentation and interest accrued thereon including Interest accrued on other fixed deposits	169.94	521.65
(b) Other payables		
(i) Contractually reimbursable expenses	-	-
(ii) Advances from customers	-	-
(iii) Bank balance	-	-
(iv) Others*	1,224.45	224.25
(includes sundry creditors, provision for salary, CERSAI payable, Earnest money deposits, other misc payables.)		
<b>Total</b>	<b>1,394.39</b>	<b>745.90</b>

\* Out of above Others, Rs. 161.39 Lakhs is payable to Azentio towards unpaid amount on cost recognized towards software implementation cost, subscription cost for the year and other one time setup cost



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Cent Bank Home Finance Limited  
Notes forming part of the financial statements

**Note 10 Short-term provisions**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Provision - Others:		
(i) Provision for proposed equity dividend	-	-
(ii) Provision for tax on proposed dividends	-	-
(iii) Contingent Provision on Standard asset as per NHB norms	104.78	126.84
(iv) Provision for diminution in Investments	-	-
(v) Provision for other employee benefits (Refer Note 1)	85.11	91.28
(vi) CSR expenses provided for	-	-
<b>Total</b>	<b>189.89</b>	<b>218.12</b>

Note 1:- Leave encashment for employee's had been calculated on the basis of leave entitlement during the year.



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**Cent Bank Home Finance Limited**  
Notes forming part of the financial statements  
**Note 11 Property, Plant & Equipments**

Tangible assets	Gross block			Accumulated depreciation and impairment					
	Balance as at 1 April, 2023	Additions	Disposals	Balance as at 31st March, 2024	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31st March, 2024	Balance as at 31st March, 2024 (Net Block)	Balance as at 31 March, 2023 (Net Block)
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	%	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
(a) Furniture and Fixtures	90.47	1.39	0.22	91.64	9.50%	0.56	82.23	9.41	10.61
(b) Vehicles	11.64	-	-	11.64	11.88%	-	11.05	0.59	1.58
(c) Office Equipments	38.48	9.51	0.15	47.84	19.00%	0.38	34.41	13.43	6.99
(d) Computer	141.45	18.76	1.22	158.99	31.67%	2.25	130.77	28.22	18.51
<b>Total</b>	<b>282.04</b>	<b>29.66</b>	<b>1.59</b>	<b>310.11</b>			<b>258.46</b>	<b>51.65</b>	<b>37.69</b>
<b>Previous year 22-23</b>	<b>263.39</b>	<b>18.65</b>	<b>-</b>	<b>282.04</b>			<b>244.35</b>	<b>37.69</b>	<b>30.60</b>



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Cent Bank Home Finance Limited  
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Note 11a Property, Plant & Equipments (Contd.)

B.	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
		Rs. In Lakhs	Rs. In Lakhs
	Depreciation and amortisation for the year on tangible assets as per Note 9	17.30	11.56
	Depreciation and amortisation relating to continuing operations	17.30	11.56



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**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 12 Non-current investments**

Particulars		As at 31.03.2024			As at 31.03.2023		
		Quoted Rs. In Lakhs	Unquoted Rs. In Lakhs	Total Rs. In Lakhs	Quoted Rs. In Lakhs	Unquoted Rs. In Lakhs	Total Rs. In Lakhs
(a)	(i) of subsidiaries (ii) of associates	-	-	-	-	-	-
Total - Trade (A)		-	-	-	-	-	-
Particulars		As at 31.03.2024			As at 31.03.2023		
		Quoted Rs. In Lakhs	Unquoted Rs. In Lakhs	Total Rs. In Lakhs	Quoted Rs. In Lakhs	Unquoted Rs. In Lakhs	Total Rs. In Lakhs
(b)	Investment in government or trust securities (i) government securities (ii) trust securities	3,826.50	-	3,826.50	3,827.13	-	3,827.13
Particulars		As at 31.03.2024			As at 31.03.2023		
		Quoted Rs. In Lakhs	Unquoted Rs. In Lakhs	Total Rs. In Lakhs	Quoted Rs. In Lakhs	Unquoted Rs. In Lakhs	Total Rs. In Lakhs
(c)	Other non-current investments (specify nature)-Note-1 Aggregate amount of quoted investments	-	1,010.00	1,010.00	-	1,010.00	1,010.00
		3,826.50	-	3,826.50	3,827.13	-	3,827.13
		3,826.50	1,010.00	4,836.50	3,827.13	1,010.00	4,837.13

**Note 1: Bank Deposits which are maturing after 12 months are considered as Non-Current Investment**

Particulars	As on 31.03.2024	As on 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
Deposits With Central Bank Of India	1,010.00	1,010.00
<b>Total</b>	<b>1,010.00</b>	<b>1,010.00</b>

**Note 2: Investments are in the nature of long term investments, in Government securities are stated at cost. There is no Diminution in value of investment.**

S.No.	Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2024
		Rs. In Lakhs (Book Value)	Rs. In Lakhs (Book Value)	Rs. In Lakhs (Market Value)
1	8.28% GS 2027 @ Rs. 100/- each (ISIN: IN0020070069)	118.51	118.51	131.66
2	8.28% GS 2027 @ Rs. 100/- each (ISIN: IN0020070069)	194.83	194.83	207.34
3	8.30% GS 2042 @ Rs. 100/- each (ISIN: IN0020120062)	246.28	246.28	263.88
4	8.28% GS 2027 @ Rs. 100/- each (ISIN: IN0020070069)	505.25	505.25	518.35
5	8.15% GS 2026 @ Rs. 100/- each (ISIN: IN0020140060)	100.20	100.20	102.59
6	8.24% GS 2033 @ Rs. 100/- each (ISIN: IN0020140052)	505.95	505.95	539.60
7	8.24% GS 2033 @ Rs. 100/- each (ISIN: IN0020140052)	253.10	253.10	269.80
8	7.88% GS 2030 @ Rs. 100/- each (ISIN: IN0020150028)	500.88	500.88	518.25
9	7.88% GS 2030 @ Rs. 100/- each (ISIN: IN0020150028)	200.35	200.35	207.30
10	7.61% GS 2030 @ Rs. 100/- each (ISIN: IN0020160019)	100.14	100.14	102.46
11	6.82% MAHARASHTRA SDL GS 2032 @ Rs. 100/- each (ISIN: IN2220210016)	200.00	200.00	193.33
12	7.69% GUJARAT SDL GS 2027 @ Rs. 100/- each (ISIN: IN1520170144)	50.18	50.18	50.46
13	7.67% WEST BENGAL SGS 2039 @ Rs. 100/- each (ISIN: IN3420220193)	95.65	95.65	97.40
14	7.69% ANDHRA PRADESH GS 2035 @ Rs. 100/- each (ISIN: IN1020220639)	257.46	257.46	261.93
15	7.69% UTTAR PRADESH GS 2035 @ Rs. 100/- each (ISIN: IN3320220079)	500.70	500.70	508.00
	Less: Amortization of Premium/Discount on Government Securities	(2.98)	(2.35)	-
<b>Grand Total</b>		<b>3,826.50</b>	<b>3,827.13</b>	<b>3,972.35</b>

**Note: The investment which are maturing within 12 months are considered as Current Investment**



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**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 13 Long-term loans and advances**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Other (Sarfaesi charges recoverable)	-	-
<b>(b) HOUSING LOANS &amp; NON-HOUSING LOANS</b>		
Secured by tangible assets, considered good	1,28,765.81	1,16,959.40
Substandard	2,184.18	2,498.70
Doubtful & Loss	3,625.60	2,537.69
<b>Total (b)</b>	<b>1,34,575.59</b>	<b>1,21,995.79</b>
Less: Provision for loans and advances including Contingent provision (Refer Note-5)	2,813.07	2,244.40
<b>Total (c)</b>	<b>1,31,762.52</b>	<b>1,19,751.39</b>
<b>Total (a+b)</b>	<b>1,34,575.59</b>	<b>1,21,995.79</b>

Long Term loans and advances includes Housing loan, Top-up loan, Mortgage loan, Loan Against property, Project loan & loan for purchase of commercial property given to the borrowers and which includes the principal amount as well as interest charged reduced by EMI paid to the date. EMI Amount receivable within 12 months from the date has been classified in short term loans and advances.





**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 14 Other non-current assets**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Unamortized expenses: Loan acquisition cost		
(i) Unamortized Loan acquisition cost	545.30	279.08
Add: Expenses during the year	367.65	413.68
Less: Amortized during the year	232.25	147.46
<b>Closing Balance</b>	<b>680.70</b>	<b>545.30</b>
Less: To be Amortized during next year, (Current Portion)	260.00	159.26
<b>Balance Non Current</b>	<b>420.70</b>	<b>386.04</b>
(b) Unamortized expenses: Brokerage on borrowings		
(i) Unamortized Brokerage on borrowings	103.34	165.11
Add: Expenses during the year	163.51	99.12
Less: Amortized during the year	162.09	160.89
<b>Closing Balance</b>	<b>104.76</b>	<b>103.34</b>
Less: To be Amortized during next year (Current Portion)	76.74	93.28
<b>Balance Non Current</b>	<b>28.02</b>	<b>10.06</b>
(c) Unamortized Software Implementation Cost *		
(i) Unamortized Software Implementation Cost	209.27	-
Add: Expenses during the year	-	209.27
Less: Amortized during the year	50.75	-
<b>Closing Balance</b>	<b>158.52</b>	<b>209.27</b>
Less: To be Amortized during next year (Current Portion)	39.63	50.75
<b>Balance Non Current</b>	<b>118.89</b>	<b>158.52</b>
(d) Security Deposits	65.32	66.19
(e) Refund due from Revenue Authorities	31.21	514.67
<b>TOTAL [a+b+c+d]</b>	<b>664.14</b>	<b>1,135.48</b>

\* Initial Implementation cost related to new Software system were previously shown as Intangible Asset under Development which has been now reclassified as deferred revenue expenditure and accordingly, such initial cost is shown as Unamortized Software Implementation Cost.





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**Notes forming part of the financial statements**

**Note 15 Cash and cash equivalents**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Cash on hand	10.40	11.71
(b) Cheques in Hand		
(c) Balances with banks		
(i) In current accounts	302.42	2,210.84
(ii) In deposit accounts (Refer (i) & (ii) below)	-	-
<b>Total</b>	<b>312.82</b>	<b>2,222.55</b>
(i) The whole amount denotes cash & cash equivalents as per AS-3 cash flow statements	-	-
<b>(ii) Bank deposit classification</b>		
	As at 31.03.2024	As at 31.03.2023
	In Rs.	In Rs.
<b>Maturity Period</b>		
With in 3 Months	-	-
Less than 12 Months	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



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**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 16 Short-term loans and advances**

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Loans and advances		
Secured, considered good (A)	20,767.66	19,564.67
Less: Provision including Contingent provision for doubtful loans and advances/standard (B)	104.78	126.84
(C)=(A-B)	20,662.88	19,437.83
<b>Total (A)</b>	<b>20,767.66</b>	<b>19,564.67</b>

Note: Amount shown in balance sheet is without provision. Provision have been shown in short term provision .  
 Rs. 20,767.66 Lakhs (PY Rs. 19,564.67 Lakhs) is taken under short term loan & advances and Rs. 104.78 Lakhs (PY Rs. 126.84 Lakhs) taken to short term provision.







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Cent Bank Home Finance Limited  
Notes forming part of the financial statements

Note 17 Other current assets

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Accruals		
(i) Interest accrued on deposits	38.79	17.97
(ii) Interest accrued on investments	61.48	58.88
(b) Others		
(i) Unamortized Loan Acquisition Cost	260.00	159.26
(ii) Unamortized Brokerage on Borrowings	76.74	93.28
(iii) Unamortized Software Implementation & Initial Set up Cost	39.63	50.75
(iv) Others (Includes SARFAESI Charges Recoverable, CERSAI charges recoverable & misc receivable also)	801.58	162.46
(v) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, Advance rent etc.)	50.06	79.62
<b>Total</b>	<b>1,328.28</b>	<b>622.22</b>
<b>Grand Total</b>	<b>1,328.28</b>	<b>622.22</b>





# सेन्ट बैंक होम फायनेन्स लिमिटेड Cent Bank Home Finance Limited

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Cent Bank Home Finance Limited  
Notes forming part of the financial statements

## Note 18 Revenue from operations

	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
		Rs. In Lakhs	Rs. In Lakhs
(a)	Interest income on individual loans & project loans	14,982.44	12,776.06
(b)	Interest on Bank deposits and Investment	375.38	330.59
(c)	Other operating revenues Interest on demand loan, vehicle loans, personal loan, fees & other charges	844.72	986.27
		16,202.54	14,092.92
	<b>Total</b>	<b>16,202.54</b>	<b>14,092.92</b>
# Details of revenue from operations:			
	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
		Rs. In Lakhs	Rs. In Lakhs
(i)	Interest Income comprises: Individual Loans Corporate bodies/builders	14,982.44	12,776.06
	<b>Total</b>	<b>14,982.44</b>	<b>12,776.06</b>
(ii)	Other operating revenues comprise: Processing, Administration fees and other charges Interest on demand loan against fixed deposit Interest on personal loan Insurance Commission Income from Bajaj Allianz Other Income including recovery in Write-off *	824.90 6.37 - 12.24 1.21	807.57 9.65 0.04 8.43 160.58
	<b>Total - Other operating revenues</b>	<b>844.72</b>	<b>986.27</b>

\* Recovery in Write-off has been re-classified from Other Income to Revenue from Operations to show correct presentation as same is integral part of operating activities.



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Cent Bank Home Finance Limited  
 Notes forming part of the financial statements

Note 19 Other income

	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
		Rs. In Lakhs	Rs. In Lakhs
(a)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (i) below)	27.34	-
	<b>Total</b>	<b>27.34</b>	<b>-</b>
Note	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
		Rs. In Lakhs	Rs. In Lakhs
(i)	Other non-operating income comprises:		
	Profit on sale of fixed assets	0.15	-
	Interest on Income Tax Refund	27.19	-
	<b>Total - Other non-operating income</b>	<b>27.34</b>	<b>-</b>



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Cent Bank Home Finance Limited  
 Notes forming part of the financial statements

Note 20 Employee benefit expense

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
Salaries and wages *	1,216.65	1,051.83
Contributions to provident and other funds	50.45	41.20
Staff welfare expenses	23.38	39.42
<b>Total</b>	<b>1,290.48</b>	<b>1,132.45</b>

\* Salary & wages includes salaries of CBHFL as well as Central Bank employees on deputation to the company.

\* Staff welfare includes Reimbursement of House Rent to Employees and Premium of Group Mediciam Scheme of Employees



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**Note 21 Finance Costs**

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
(a) Interest expense on Borrowings*	9,377.03	7,593.54
(b) Other borrowing costs (Bank Charges)	7.04	31.79
(c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	-	-
<b>Total</b>	<b>9,384.07</b>	<b>7,625.33</b>

\* Interest expenses includes interest on term loan from Central Bank of India, HDFC Bank, NHB Refinance, Interest on deposits & Interest on OD facility.



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**Note 22 Other expenses**

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
Power and fuel/electricity expenses	19.76	17.51
Rent including lease rentals	194.07	177.51
Repairs and maintenance - Buildings	3.31	3.95
Repairs and maintenance - Others	14.61	12.38
Insurance	0.35	0.23
Communication	18.06	16.38
Travelling and conveyance	46.50	41.11
Printing and stationery	18.37	15.58
Office Expenses	40.84	36.63
Interest & Late fees on Statutory dues	4.24	1.08
Advertisement & Publicity	15.82	11.60
Legal and professional	164.86	181.03
Payments to auditors (Refer Note (i) below)	12.34	14.40
Internal audit expenses/stock audit fees	14.98	10.72
CSR Expenditure	68.74	57.71
Software Expenses	394.62	120.25
RCU/FI verification Expenses	30.55	33.93
Credit Rating Expenses	3.82	4.63
Directors Sitting fees	10.90	13.95
Recovery & Legal Charges	54.86	33.58
Miscellaneous expenses	68.97	22.84
Brokerage	162.10	160.89
DSA Commission (amount amortized)	232.26	147.46
<b>Sub -Total</b>	<b>1,594.93</b>	<b>1,135.35</b>

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
	In Rs.	In Rs.
(i) Payments to the Auditors comprises :-		
<b>(A) Fees to Statutory Auditor</b>		
For Statutory Audit	4.02	6.75
For Certification	3.73	4.24
<b>Total (A)</b>	<b>7.75</b>	<b>10.99</b>
<b>(B) Fees to Other Auditors</b>		
For Tax Audit	1.50	1.64
For Branch Audit	3.09	1.77
<b>Total (B)</b>	<b>4.59</b>	<b>3.41</b>
<b>Grand Total (A) + (B)</b>	<b>12.34</b>	<b>14.40</b>



*[Signature]*





**Cent Bank Home Finance Limited**  
**Notes forming part of the financial statements**

**Note 23 Contingent Provision for Standard Assets**

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
Contingent Provision on standard assets as per NHB norms	-130.68	11.11
Reversal of provision for NPA	-	-
<b>Total</b>	<b>-130.68</b>	<b>11.11</b>

(a) In the Year 2022-23 Provision/Reversal of Provision on Standard Assets has been made as per the NHB/RBI Norms

(b) Housing Sector: Provision for Accounts Prior to August 2017 will be done @0.40%, from August 2017, it will be 0.25%

(c) Non Housing Sector: LAP-40%, Commercial Property-1% and Project Loan- 0.75%

**Note 24 Extra Ordinary Items**

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
	Rs. In Lakhs	Rs. In Lakhs
	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>





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**Note 25: Notes to Accounts & Disclosures as per NHB:**

- 1) Amount relating to Intangible Assets, Capital work-in-progress, inventory and trade receivable are Rs. **NIL** in the current financial year (Previous Year- Nil). Therefore, same are not disclosed in the Financial Statement & Note of Accounts for the current financial year.
- 2) The company is not declared wilful defaulter by any bank or financial institution or other lender during the current Financial Year (Previous Year- Nil).
- 3) No transaction has been carried out with Companies struck off under section 248 of Companies Act 2013 (Previous Year- Nil).
- 4) **No charge** is pending to be registered with Registrar of Companies (ROC).

**5) ADDITIONAL REGULATORY INFORMATION:**

**Ratios for the Financial Year 2023-24**

Sr. No.	Ratios	Numerator	Denominator	FY 23-24 (A)	FY 22-23 (B)	% Variance ((A-B)/B)
a.	Current Ratio (in times)	Current assets	Current liabilities	0.41	0.40	2.50%
b.	Debt- Equity Ratio (in times)	Debt (borrowings)	Shareholders' equity	6.34	6.73	-5.79%
c.	Debt Service Coverage Ratio (DSCR) (in times) *	Earnings for Debt Service (Profit after tax + Depreciation + Finance Cost)	Debt Service (Interest + Principal repayments)	0.41	0.39*	5.13%
d.	Return on Equity Ratio (in %)	Net Profit for the year	Average shareholder's equity	13.02%	15.79%	-17.54%
e.	Net capital turnover ratio (in %)	Revenue from Operations	Working Capital (current assets - current liabilities)	-48.43%	-42.39%	14.25%
f.	Net profit ratio (in %)	Net Profit for the year	Revenue from Operations	15.49%	18.99%	-18.43%
g.	Return on capital employed (in %) *	Profit Before Tax and Finance Costs	Capital Employed (Net worth + Long-Term borrowings) ~	12.59%	12.38%	1.70%
h.	Return on investment (in %)	Income generated from Treasury Investments	Average invested funds in treasury investments	8.00%	7.97%	0.38%



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i.	Inventory Turnover Ratio	Not Applicable	NA	NA
j.	Trade Receivable Turnover Ratio	Not Applicable	NA	NA
k.	Trade payables turnover Ratio	Not Applicable	NA	NA

\* Interest Expense on Deposits & Principal Repayment of Deposits has not been taken into calculation for DSCR calculation.

# Previously, ROCE was calculated considering Total Borrowings including short term but same is now revised considering only Long-Term Borrowings and accordingly, previous year's ROCE is revised to show correct comparison.

~ Previously, all borrowings were taken in denominator which has now been revised to Long Term borrowings and accordingly, previous year ratio is also changed.

#### OTHERS:

Other than in the normal and ordinary course of business there are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There have been no funds that have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 6) No scheme of arrangement has been approved by competent authority in terms of section 232 to 237 of Companies Act 2013.
- 7) The Company has utilised the money raised by way of term loan for the purpose for which they were raised.
- 8) The company has **not** received or lent any funds from foreign entity during the current financial year (Previous Year- Nil).
- 9) There were no transactions relating to previously unrecorded income that have been disclosed or surrendered as income during the year in the tax assessment under the Income Tax Act 1961 (Previous Year- Nil).



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- 10) Company has not traded or invested in Crypto Currency or virtual currency during the current Financial Year (Previous Year- Nil).
- 11) Loans and instalments due from borrowers shown under Loans and Advances are secured wholly by Equitable Mortgage of Property or Registered Mortgage or NOI (Notice of Intimation to SRO) as the case may be, Pledge of shares, other Securities, assignment of Life Insurance Policies, undertaking to create security, Bank guarantee/ corporate guarantees/ personal guarantees. There exist certain loans and advances where the creation of security /charge, obtainment of insurance policies, and obtainment/execution of prescribed documents are pending with the competent authority/officer which will be complied in due course.
- 12) Advances are classified as performing and non-performing assets in accordance with guidelines 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.

Rs. in Lakhs

	For the year ended 31-03-24		For the year ended 31-03-23	
	Outstanding	Provision	Outstanding	Provision
<b>HOUSING LOAN:</b>				
<b>To Individuals</b>				
Standard Assets	1,00,704.11	427.68	91,927.10	547.22
Sub-Standard Assets	1,687.89	253.69	1,965.23	294.78
Doubtful Assets	2,552.64	1,121.78	1,802.98	717.45
Loss Assets	347.38	347.38	169.17	169.17
<b>To Non-Individuals</b>				
Standard Assets	-	-	-	-
Sub-Standard Assets	-	-	-	-
Doubtful Assets	-	-	-	-
Loss Assets	-	-	-	-
Floating provision	-	-	-	-
<b>Total (A)</b>	<b>1,05,292.02</b>	<b>2,150.53</b>	<b>95,864.48</b>	<b>1,728.62</b>
Technical Write-off of Doubtful Assets	997.91	997.91	1,135.74	1,135.74
Regular Write-off of Loss Assets	0.11	0.11	321.77	321.77
<b>NON-HOUSING LOAN:</b>				
<b>To Individuals</b>			-	-
Standard Assets	48,811.95	326.74	44,509.98	337.52
Sub-Standard Assets	492.91	73.94	533.47	80.02
Doubtful Assets	724.46	362.14	565.53	224.71
Loss Assets	4.50	4.50	0.01	0.01
Demand Loan (Standard)	17.41	-	86.99	0.35
<b>To Non-Individuals</b>				
Standard Assets	-	-	-	-
Sub-Standard Assets	-	-	-	-
Doubtful Assets	-	-	-	-



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Loss Assets	-	-	-	-
Floating provision	-	-	-	-
<b>Total (B)</b>	<b>50,051.23</b>	<b>767.32</b>	<b>45,695.98</b>	<b>642.61</b>
Technical Write-off of Doubtful Assets	509.98	509.98	523.04	523.04
Regular Write-off of Loss Assets	0.02	0.02	71.30	71.30
<b>TOTAL (A+B)</b>	<b>1,55,343.25</b>	<b>2,917.85</b>	<b>1,41,560.46</b>	<b>2371.23</b>

Note: There are certain write-off accounts appearing in Balance Book with zero balance which are kept for further reporting and follow up purposes.

- a) The above NPA Balances are net of unrealized interest of **Rs. 692.05 Lakhs (P.Y: Rs. 685.15 Lakhs)**.
- b) The Above provision for Standard Assets includes provision on restructured Loans and advances (Net of Reversal made during the year) of **Rs. 2,78,33,603.46/- (PY: Rs. 4,75,53,933/-)** under "Resolution Framework – 2.0: Resolution of COVID-19 related stress of Individuals and Small Business" in Pursuance to RBI Circular DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021.
- c) Further, in accordance with the RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 May 5, 2021, the company has reversed the provision on account of Restructured account, if the total credit summation (actual credit received) i.e. payments received from borrower during the period from 01-07-2021 to 31-03-2024 has crossed the prescribed percentage of residual debts (i.e. outstanding as on 30-06-2021). Accordingly, reversal of provision on restructured account under respective Resolution Framework 2.0 has been made.

- 13) Interest on Non-Performing Assets is recognized on realization basis as per the NHB/RBI Guidelines. Accordingly, the total interest de-recognized as at the Balance Sheet date is summarized asunder: -

(Rs. in Lakhs)

	As at 31-03-2024	As at 31-03-2023
Cumulative Derecognised Interest at the beginning of the year	685.15	512.95
<b>Add: Interest Derecognised during the year (Net of Recovery):</b>	-	-
- Sub Standard Assets (Net)	(230.67)	278.51
- Doubtful/Loss Assets	237.57	(106.31)
<b>Total Interest Derecognized</b>	<b>692.05</b>	<b>685.15</b>

- 14) During the current year company has continued to create Deferred Tax liability on Special Reserves maintained by Housing Finance Companies under Section 36(1)(viii) of the Income Tax Act towards compliance of the guidelines issued by NHB vide Circular No. NHB(ND)/DRS/Policy Circular 65/2014-15 dated August 22, 2014. As per the circular and DTA/DTL on other items we have appropriated as follows:



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(Rs. in Lakhs)

			As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
A	Deferred Tax Asset [DTA]		Amount	Amount	Amount	Amount
	Provision on Standard Assets & NPAs	734.42			596.84	
	Others	13.47			22.97	
	Depreciation	0.90			0.98	
	<b>Total (A)</b>			<b>748.79</b>		<b>620.79</b>
B	Deferred Tax Liability [DTL]					
	Special Reserve					
	• Opening Amount	1532.98			1463.68	
	Transfer during the year					
	• From Surplus	-			-	
	• From P&L	128.02	<b>1,661.00</b>		69.30	<b>1,532.98</b>
	Others		197.70		163.26	
	<b>Total (B)</b>			<b>1,858.70</b>		<b>1,696.24</b>
C	<b>(B)-(A)</b>			<b>1,109.91</b>		<b>1,075.45</b>

**Note:** The Taxation Laws (Amendment) Ordinance, 2019 contain substantial amendments in the Income Tax Act 1961 and the Finance (No.2) Act, 2019 to provide an option to domestic companies to pay income tax at a concessional rate. The Company has elected to apply the concessional tax rate and has recognized the provision for income tax and re-measured the net deferred tax assets/liabilities at concessional rate.

#### 15) Contingent Liabilities and Commitments

The proceeding against these demands is pending with Income Tax authorities, and hence these are not provided in the books of account:

#### INCOME TAX:

S. No.	A.Y.	Under Section	Amount Outstanding (Rs. In lakhs)	Status	Pending Before Authority	Remark
1.	2016-17	147 Dtd. 31.03.22	399.64	The addition made by the Income Tax Dept. is not correct as it was made unlawfully and in arbitrary manner ignoring evidence filed by the us.  Appeal filed before CIT(A).  We have fairly good chances of succeeding in appeal. Hence no provision is needed in our view.	CIT(A)	Case fixed for hearing.  Reply already filed in January 2022.  Reminded in January 2024.  Appellate Order awaited.



*Signature*







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2.	2016-17	1150 Dtd 31.03.22	145.05	Total Demand is incorrect as DDT of Rs. 76,34,118/- has already been paid on 14.09.2016 as per Challan shared with us.  Appeal filed before CIT(A).  We have fairly good chances of succeeding in appeal. Hence no provision is needed in our view.	CIT(A)	Case fixed for hearing.  Reply already filed in January 2022.  Reminded in January 2024.  Appellate Order awaited.
3.	2020-21	143(1)	275.01	All the addition made u/s 143(1) are incorrect.  Assessment has been made u/s 143(3).  Appeal filed before CIT(A).  We have fairly good chances of succeeding in appeal. Hence no provision is needed in our view.	CIT(A)	Case fixed for hearing.  Reply already filed in January 2022.  Reminded in January 2024.  Appellate Order awaited.
TOTAL			819.70			

**GST:**

Sr. No.	F.Y.	State	Total Liability (Rs. In lakhs)	Status
1.	2017-18	Gujarat	10.58	Appeal pending before Appellate Authority.  We have fairly good chances of succeeding in appeal. Hence no provision is needed in our view.
2.	2017-18	New Delhi	5.89	
3.	2017-18	Chhattisgarh	4.11	
		TOTAL	20.58	

Thus, total Contingent Liability including both Income Tax & GST outstanding is Rs. **840.28 Lakhs**. There is additional amount of 60,000/- kept under same for ongoing case with a customer where chances of our winning are high as wrong case filed by customer. Thus, final Contingent Liability is Rs. **840.88 Lakhs**.



*Signature*



#### 16) Reporting Under Accounting Standard AS-18- Related Party Disclosures

Details of Related Party:

##### (a) Holding Company: Central Bank of India

The related Party Transaction with holding company is furnished below: (Rs. in Lakhs)

Description	2023-24	2022-23
Interest on Overdraft	283.92	496.66
Interest on Term Loan (Refer Note 1 below)	3214.23	1,912.67
Term Loan balance	45,709.82	34,366.29
Overdraft Sanctioned	20,000.00	20,000.00
Dividend (Refer Note 2 below)	0.00	00.00
Repairs and Maintenance (Rent)	32.16	30.59
Salary Reimbursement of Staff on Deputation	76.39	59.95

**Note 1:** Term Loan balance includes outstanding balance out of sanctioned term loans of Rs. 650 Crore

**Note 2:** No Dividend has been declared in the FY 2023-24 & FY 2022-23.

##### (b) Key Managerial Personnel

- (i) Shri Kushal Pal, Managing Director
- (ii) Shri Sachin Sudhakar, General Manager
- (iii) Shri Suyogya Chandra Mehta, Chief Financial Officer
- (iv) Shri Ashish Shrivastava, Ex-Company Secretary \*

\*Ex-Company Secretary Shri Ashish Shrivastava worked till 07.03.2024.

The related Party Transaction with Key Managerial Personnel is furnished below: (Rs. in Lakhs)

Description	2023-24	2022-23
Salary, Allowances, PF etc. of Key Managerial Personnel		
1. Shri Kushal Pal, Managing Director	39.93	32.33
2. Shri Sachin Sudhakar, General Manager	36.46	27.62
3. Shri Suyogya Chandra Mehta, Chief Financial Officer	18.35	15.96
4. Shri Ashish Shrivastava, Ex-Company Secretary	13.48	12.49

#### 17) Reporting Under Accounting Standard AS-20- Earning Per share (EPS).

The Basic and diluted Earnings per share have been calculated based on the profit after tax and the average number of shares during the year. Information in respect of Earning per Share (EPS), pursuant to AS-20 is as under:



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	As on 31-03-2024	As on 31-03-2023
a) Profit/Loss after Tax (Rs. in Lakhs)	2,510.10	2,676.06
b) No. of shares (In Nos.)	2,50,00,000	2,50,00,000
c) Weighted Average number of equity shares for Basic EPS	2,50,00,000	2,50,00,000
d) Basic EPS Per Share (Rs.)	10.04	10.70
e) Diluted Per Share (Rs.)	10.04	10.70

**18) Reporting Under Accounting Standard AS-17 Segment Reporting:**

The Company's main business is to provide loans for the purchase or construction of residential houses. Hence, there are no separate reportable segments as per Accounting Standard on Segment Reporting (AS-17) issued by the Institute of Chartered Accountants of India and notified under Companies (Accounting Standards) Rules, 2006.

**19) Company has during the year provided for Non-Performing Assets as per the prudential norms of Reserve Bank of India/National Housing Bank. Reporting under accounting standard AS-29.**

(Rs. in Lakhs)

(a) Movement of provision	As on 31-03-2024	As on 31-03-2023
Opening Provisions on Bad & Doubtful Debts	1,486.14	2,930.97
Less: Reversal due to accounts written-off	-	2051.85
Add: Reversal of reversed provision due to reversal of technical write-off on receipt of amount towards such cases from customers	151.02	
Add: Addition on account of fresh slippage (net of reduction/up gradation due to recovery)	526.27	607.02
Closing Provision on Bad & Doubtful Debts	2,163.43	1,486.14

(Rs in Lakhs)

(b) Bad Debts written-off	As on 31-03-2024	As on 31-03-2023
Bad Debts Written-off	-	2,051.85

**Note:** Company has written off its loans and advances to the tune of Rs. **20.51 crore** in the previous year (FY 2022-23) but in current year (FY 2023-24) there is no such written off of its loans and advances against provisions made for same.

**20) As per the information available with the Company, there are no amounts payable to any "suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006 whose invoice is received by the company.**



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21) Provision and Contingencies and Provision for Tax:

i. Provision and Contingencies

(Rs in Lakhs)

Break up of 'Provision and Contingencies' shown under the head Expenditure in Profit and Loss Account	As on 31-03-2024	As on 31-03-2023
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income tax-Current tax	840.02	442.40
3. Provision made towards Income tax- Tax of Earlier Years	(0.48)	(1.78)
4. Provision made towards Income tax- Deferred Tax [Net Deferred Tax -(Assets)/Liabilities]	34.45	468.05
5. Provision towards NPA	526.27	607.02
6. Provision for Standard Assets (including Covid19 Restructuring Scheme Provision)	(130.68)	11.11
7. Other Provision and Contingencies (with details given elsewhere)	350.66	227.56

- ii. During the year, the company has to adjust the balances of few contingent liabilities comprising of income tax demands related to years where cases are pending before any authority/appeal forum and previously shown as contingent liability since refund of AY 2023-24 has been adjusted by the department against such pending demands under appeal. The management believes that such refundable, if any is received subsequently will be accounted for at the time of receipt of the same which is presently unascertainable as outcome of cases are pending.

22) The management has identified following areas wherein certain manual compilations has been made for preparation and presentation of financial statements.

- (i) Due to non-delivery of ALM module under the new software package by the vendor for determining the maturity buckets of ALM (Asset and Liability management) for figures of Loans and Advances, the company in the interim identifies the current and non-current portion of the loans and advances other than Non-Performing Assets (NPAs) based on the basis EMIs (Equated Monthly Instalments) fixed in the system. Such practice is consistently followed and management believes that said practice is appropriate and reasonably determines the approximate with the actual.

Further, due to various factors associated with the recovery of NPAs, outstanding balance of NPA accounts is being shown as Non-current Assets. Due to following such consistent practice of showing balances of NPAs under the head of non-current assets, excess of current liability over current assets as at the end of the year exhibits higher liquidity mismatch (other than loan accounts wherein 100% provision is made) to the extent of such amount that will be relatable to the actual recovery to be made within the period of 12 months from the reporting period which is presently unascertainable.



- (ii) Accrual of Interest on Overdue Deposits which are unpaid for more than 14 days as on year-end has been provided for in the books on the old sum of matured deposit and also accrual of interest receivable on Investments.
- (iii) Identification and determining of amortized and un-amortized cost of brokerage and commission including proportionate amount attributable to the cases of fore-closed loan accounts and pre-matured deposit accounts.
- (iv) Determination of deferred tax assets or liabilities, provision for leave encashment and bonus, provisions for tax, segregation into non-current and current portion of borrowing and loans and advances (including segregation of provision) if any.
- (v) Consolidation of Trial Balances of all offices and Preparation of Financial statements with its Annexure and Schedules attached to/Annexed to such financial statements.
- (vi) Quantification of amount of Compromise, Waiver and OTS amount.
- (vii) Quantification of Monthly deductions from salary of Employees viz. Interest on Advances etc.

### 23) Employee Compensation and Benefits:

- i. In respect of employees directly recruited by the company, contribution to Provident Fund is made at the prescribed rate. Provident Fund liability of staff on deputation from Central Bank of India is met by Central Bank of India.
- ii. Reporting under Accounting Standard AS-15 Retirement Benefits:
  - a. The Company makes its share of contributions to the Employees' Provident Fund organization as per defined contribution plan. The Company has no further obligation apart from its contribution. Such contributions are recognized as expenditure in the Profit & Loss account.
  - b. The Provision of leave encashment liability is calculated on the balance-privilege leave of the employees as on 31-03-24. The same has been provided for the year ended 31-03-2024. The Company has policy to accumulate maximum 150 days privilege leaves and Employees are entitled to encash the leaves during the Period of Service or at Retirement. As per HR Policy, an Employee is entitled to encash his/her PL accumulated up to 15 days in 2 calendar years and 30 days in 4 calendar years, therefore the Leave Encashment liability is treated as Short-term Liability under the head "Current Liabilities".
  - c. For the staff deputed from Central Bank of India the gratuity liability and leave encashment considering short term obligation are met/to be met by Central Bank of India. In respect of the eligible retirement/terminal benefits like gratuity, pension and encashment of leave, the same is provided for by Central Bank of India.
  - d. Gratuity: In accordance with the payment of Gratuity Act 1972, the Company provides for Gratuity covering eligible employees. To fund its liability the Company has taken three policies with Life Insurance Corporation of India to cover the accumulated gratuity liability of its employees and the premium paid on this policy has been charged to Profit & Loss account. Disclosure as per Para 119 and 120 of the AS-15:



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The following table sets out the funded status of the Gratuity and the amount recognized in Financial Statements as on 31-03-2024.

1. Actuarial Assumptions

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Discounted Rate	7.25%	7.25%	7.25%
Salary Escalation	8.00%	7.00%	8.00%

2. Table Showing changes in present value of Obligation as on 31-03-2024

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Present value of obligations as at beginning of year	39,34,568.00	51,06,422.00	2,10,724.00
Interest cost	2,85,256.00	3,70,216.00	15,277.00
Current Service Cost	5,60,602.00	2,16,548.00	2,36,369.00
Benefits Paid	(74,566.00)	0.00	0.00
Actuarial (gain)/ loss on obligations	(3,28,001.00)	(30,577.00)	1,04,125.00
Present value of obligations as at end of year	43,77,859.00	56,62,609.00	5,66,495.00

3. Table showing changes in the fair value of plan assets as on 31-03-2024

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Fair value of plan assets at beginning of year	42,66,282.16	52,34,250.00	4,69,709.31
Expected return on plan assets	3,34,201.40	4,30,689.50	61,399.30
Contributions	5,49,934.07	6,57,759.36	5,71,103.70
Benefits Paid	(74,566.00)	0.00	0.00
Actuarial gain/(loss) on Plan assets	NIL	NIL	NIL
Fair value of plan assets at the end of year	50,75,851.68	63,22,699.69	11,02,212.32

4. Table showing fair value of plan assets as on 31-03-2024

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Fair value of plan assets at beginning of year	42,66,282.16	52,34,250.80	4,69,709.31
Actual return on plan assets	3,34,201.45	4,30,689.53	61,399.31
Contributions	5,49,934.07	6,57,759.36	5,71,103.70
Benefits Paid	(74,566.00)	0.00	0.00
Fair value of plan assets at the end of year	50,75,851.68	63,22,699.69	11,02,212.32
Funded status	6,97,992.68	6,60,090.69	5,35,717.32
Excess of Actual over estimated return on plan assets	NIL	NIL	NIL

5. Actuarial Gain/Loss recognized as on 31-03-2024

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Actuarial (gain)/ loss on obligations	3,28,001.00	30,577.00	(1,04,125.00)
Actuarial (gain)/ loss for the year - plan assets	NIL	NIL	NIL
Actuarial (gain)/ loss on obligations	(3,28,001.00)	(30,577.00)	1,04,125.00
Actuarial (gain)/ loss recognized in the year	(3,28,001.00)	(30,577.00)	1,04,125.00







**6. The amounts to be recognized in the balance sheet and statements of profit and loss (Amount in Rs.)**

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Present value of obligations as at the end of year	43,77,859.00	56,62,609.00	5,66,495.00
Fair value of plan assets as at the end of the year	50,75,851.68	63,22,699.69	11,02,212.32
Funded status	6,97,992.68	6,60,090.69	5,35,717.32
Net asset/(liability) recognized in balance sheet	6,97,992.68	6,60,090.69	5,35,717.32

**7. Expenses Recognized in statement of Profit and loss (Amount in Rs.)**

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Current Service cost	5,60,602.00	2,16,548.00	2,36,369.00
Interest Cost	2,85,256.00	3,70,216.00	15,277.00
Expected return on plan assets	(3,34,201.45)	(4,30,689.53)	(61,399.31)
Net Actuarial (gain)/ loss recognized in the year	(3,28,001.00)	(30,577.00)	1,04,125.00
Expenses recognized in statement of Profit and loss	1,83,656.00	1,25,497.00	2,94,372.00

Note: The above information relating to gratuity has been incorporated from the report received from Life Insurance Corporation of India.

The following table sets out the funded status of the Gratuity and the amount recognized in Financial Statements as on 31-03-2023.

**1. Actuarial Assumptions**

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Discounted Rate	7.25%	7.25%	7.25%
Salary Escalation	8.00%	8.00%	8.00%

**2. Table Showing changes in present value of Obligation as on 31-03-2023 (Amount in Rs.)**

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Present value of obligations as at beginning of year	35,84,500.00	47,87,392.00	10.00
Interest cost	2,50,915.00	3,35,117.00	7.00
Current Service Cost	5,92,408.00	2,12,061.00	1,57,034.00
Benefits Paid	(6,09,915.00)	(5,53,888.00)	-
Actuarial (gain)/ loss on obligations	1,16,660.00	3,25,740.00	53,583.00
Present value of obligations as at end of year	39,34,568.00	51,06,422.00	2,10,724.00

**3. Table showing changes in the fair value of plan assets as on 31-03-2023 (Amount in Rs.)**

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Fair value of plan assets at beginning of year	41,96,426.56	54,13,495.13	1,63,164.06
Expected return on plan assets	2,92,575.90	3,74,643.60	22,616.40
Contributions	3,87,194.65	-	2,83,928.82
Benefits Paid	(6,09,915.00)	(5,53,888.00)	-
Actuarial gain/(loss) on Plan assets	NIL	NIL	NIL
Fair value of plan assets at the end of year	42,66,282.16	52,34,250.80	4,69,709.31





**4. Table showing fair value of plan assets as on 31-03-2023**

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Fair value of plan assets at beginning of year	41,96,426.56	54,13,495.13	1,63,164.06
Actual return on plan assets	2,92,575.95	3,74,643.67	22,616.43
Contributions	3,87,194.65	-	2,83,928.82
Benefits Paid	(6,09,915.00)	(5,53,888.00)	-
Fair value of plan assets at the end of year	42,66,282.16	52,34,250.00	4,69,709.31
Funded status	3,31,714.16	1,27,828.00	2,58,985.31
Excess of Actual over estimated return on plan assets	NIL	NIL	NIL

**5. Actuarial Gain/Loss recognized as on 31-03-2023**

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Actuarial (gain)/ loss on obligations	(1,16,660.00)	(3,25,740.00)	(53,583.00)
Actuarial (gain)/ loss for the year - plan assets	NIL	NIL	NIL
Actuarial (gain)/ loss on obligations	1,16,660.00	3,25,740.00	53,583.00
Actuarial (gain)/ loss recognized in the year	1,16,660.00	3,25,740.00	53,583.00

**6. The amounts to be recognized in the balance sheet & statements of profit and loss**

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Present value of obligations as at the end of year	39,34,568.00	51,06,422.00	2,10,724.00
Fair value of plan assets as at the end of the year	42,66,282.16	52,34,250.80	4,69,709.31
Funded status	3,31,714.16	1,27,828.80	2,58,985.31
Net asset/(liability) recognized in balance sheet	3,31,714.16	1,27,828.80	2,58,985.31

**7. Expenses Recognized in statement of Profit and loss**

(Amount in Rs.)

Particular	Policy – 1 301000291	Policy – 2 108307	Policy – 3 301002389
Current Service cost	5,92,408.00	2,12,061.00	1,57,034.00
Interest Cost	2,50,915.00	3,35,117.00	7.00
Expected return on plan assets	(2,92,575.95)	(3,74,643.67)	(22,616.43)
Net Actuarial (gain)/ loss recognized in the year	1,16,660.00	3,25,740.00	53,583.00
Expenses recognized in statement of Profit and loss	6,67,407.00	4,98,274.00	1,88,008.00

**Note:** The above information relating to gratuity has been incorporated from the report received from Life Insurance Corporation of India.

24) As per NHB refinance guidelines, the Company is required to submit half-yearly certificate as on 30<sup>th</sup> September and 31<sup>st</sup> March disclosing therein the difference between hypothecated book debts and NHB refinance outstanding. The adverse balance as on 31-03-2024 is Rs. 17.22 Lakhs (PY: Rs. 194.28 Lakhs).

25) During the year the Company has created NIL floating provision on Bad & Doubtful Debts.



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**26) Previous Year Figures**

The figures of the previous year are reworked to meet the requirements of Schedule III of the Companies Act, 2013. These figures are rearranged, regrouped, and reclassified where considered necessary to provide a true and fair view.

**27) Corporate Social Responsibility**

During the year the Company has spent **Rs. 68,73,505/-** (PY: **Rs. 57,71,470/-**) towards Corporate Social Responsibility under section 135 of Companies Act, 2013 and rules thereon.

Disclosure with regard to CSR activities as under:

(Rs. In Lakhs)

		<b>As on 31-03-2024</b>	<b>As on 31-03-2023</b>
A	Amount required to be spent by the company during the year	68.74	57.71
B	Amount of expenditure incurred	68.74	57.71
C	Shortfall at the end of the year,	NIL	NIL
D	Total of previous years shortfall	NIL	NIL
E	Reason for shortfall,	N.A.	N.A.
F	Nature of CSR activities,	Healthcare, Education, Upliftment of under privileged citizens etc.	Healthcare, Education, Upliftment of under privileged citizens etc.
G	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	N.A.	N.A.
H	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NIL	NIL

28) We have not entered any long-term contract including derivative contract which may have any material foreseeable losses.

**29) Company does not grant any loan or advance:**

- Against bullion / primary gold and gold coins; and
- For purchase of gold in any form including primary gold, gold bullion, gold Jewelry, gold coins, units of Exchange traded Funds (ETF) and units of gold mutual fund.

30) As per the consistent Practice and policy, the process of Quantification of Incentive/Bonus of Regular Employees/CBHFL staff is decided by the Board of Directors after taking into consideration various parameters of KRA and profitability of the company. Therefore, such quantification is uncertain and is being provided for on estimated basis which will be subject to decision in the Board meeting.







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31) There are current and old unadjusted entries outstanding in Security deposits and Sundry Debtors pending identification /adjustment and reconciliation/adjustment of which is in progress on an ongoing basis. The bank is taking continuous steps to review /adjust the outstanding. In respect of these balances wherein appropriate adjustments are pending due to certain reasons the impact on the remaining accounts will be insignificant.

32) **Other Disclosures:**

(a) In assessing the recoverability of receivables and certain investments, the Company has considered internal and external information up to the date of approval of these financial results including credit reports and economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets.

(b) As per sanction terms, Loan from Central Bank of India is for onward lending, for meeting liquidity mismatch and for payment of liabilities. Further, in respect of credit facilities obtained from HDFC, it is to be used for onward lending.

(c) The Public Deposits includes unclaimed deposits but excludes unpaid deposits which were previously paid but returned back due to latest account information not provided to the company by the depositor.

(d) Interest on overdue deposit: Deposit will automatically expire on maturity. In case, the renewal is sought for a portion of overdue deposit the company as per policy may at its discretion allow Interest for the overdue period on that portion of deposit which is proposed to be renewed.

(e) During the FY 2023-24, frauds has been detected in 3 borrower accounts where amount involved is Rs. **146.50 lakhs** (P.Y.: NIL). All these frauds have been reported to RBI/NHB within the stipulated time.

33) **Disclosure as required by Accounting Standard - 19, 'Leases', issued by the Institute of Chartered Accountants of India:**

The Company has taken office premises under operating lease / leave and licence basis. These are generally cancellable by giving prior notice and for tenure of two to three years and are renewable by mutual consent on mutually agreeable terms. Lease payments are recognized in the Profit and Loss Account under 'Rent, Rates and Taxes' in Note 20. This expense represents the sum of monthly rental payment incurred and accounted for as an expense towards the services availed in the respective month which is payable by the Company on Monthly basis. These Monthly payments correspond to the services utilized in the respective month which represent systematic basis of recognition.

The future minimum lease payments under cancellable operating lease: -

(Rs. in Lakhs)

S. No	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
1.	Within One year	190.16	178.62
2.	After One Year But not more than five Years	831.86	488.27
3.	More than five years*	-	-
	<b>Total</b>	<b>1,022.02</b>	<b>666.89</b>

\*Note: No agreement executed above 5 years; hence, hence, amount is reported as NIL.

As per consistent practice lease rent of offices which are under CBI's premises are also considered.



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#### Payment To Azentio Software Private Limited

Company has considered payment made to existing Software service provider towards their application subscription fees as lease.

Accordingly, the future minimum lease payments under cancellable operating lease is as under:

Sr. No	Particulars	Year Ended March 31, 2024 (Rs. in Lakhs)	Year Ended March 31, 2023 (Rs. in Lakhs)
1.	Within One year *	189.33	17.82
2.	After One Year But not more than five Years #	768.14	-
3.	More than five years	-	-
	<b>Total</b>	<b>957.47</b>	<b>17.82</b>

\* It is assumed that for FY25, software overall work completion for all 3 modules will be 80% on average and accordingly, future minimum lease payment (MLP) is calculated excluding GST.

# After FY25, 3 more years would be left for software system from Azentio & accordingly, cost is calculated considering all deliverables are completed & considering same, future MLP is calculated and shown but excluding GST.

#### 34) Disclosures required by National Housing Bank

##### 1. Capital (Accounts)

##### Capital to Risk Assets Ratio (CRAR)

Particulars	As at 31-03-2024	As at 31-03-2023
i) CRAR (%)	18.84%	20.84%
ii) CRAR-Tier I Capital	18.41%	19.86%
iii) CRAR-Tier II Capital	0.43%	0.98%
iv) Amount of Subordinate debt raised as Tier-II Capital (Rs. In Lakhs)	0.00	0.00
v) Amount raised by issue of Perpetual Debt Instruments	0.00	0.00

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

As per Section 29 C of National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1)(viii) of Income Tax Act, 1961 is considered to be an eligible transfer. Accordingly, the Company has transferred **Rs. 509.60 Lakhs** (net of adjustments) (PY: **Rs. 274.37 Lakhs**) to Special Reserve U/s 36(1)(viii) of Income Tax Act, 1961 during the year.

(Rs in Lakhs)

Statement as per NHB circular No. NHB.HFC.CG.DIR.1/MD&CEO/2016 dated 9 <sup>th</sup> February, 2017		
Particulars	Amount	Amount
<b>Balance at the beginning of the year</b>	<b>2023-24</b>	<b>2022-23</b>
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	300.00	300.00

*Dr. Lakshmi Rao*

*Singh*







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b) Amount of special reserve u/s 36(1)(vii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under, Section 29C of the NHB Act, 1987.	6,089.54	5,815.17
<b>c) Total</b>	<b>6389.54</b>	<b>6,115.17</b>
Addition/Appropriation/Adjustments/Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	-	-
b) Amount of special reserve u/s 36(1)(vii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	509.60	275.35
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
c) Adjustment*	-	-0.98
<b>Balance at the end of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	300.00	300.00
b) Amount of special reserve u/s 36(1)(vii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under, Section 29C of the NHB Act, 1987	6,599.14	6,089.54
<b>c) Total</b>	<b>6,899.14</b>	<b>6,389.54</b>

\*Transfer from Reserve relates to the adjustments related to previous year due to change in the amount of Taxable Profit determined at the time of filing of Return of Income.

### 3. Investment

(Rs in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
Value of Investments	4,836.50	4,837.13
i) Gross value of Investments	4,836.50	4,837.13
a) In India	4,836.50	4,837.13
b) Outside India	0.00	0.00
ii) Provision for Depreciation	0.00	0.00
a) In India	0.00	0.00
b) Outside India	0.00	0.00
iii) Net value of Investments	4,836.50	4,837.13
a) In India	4,836.50	4,837.13
b) Outside India	0.00	0.00
<b>Movement of provision held towards depreciation on Investment</b>	<b>Nil</b>	<b>Nil</b>
i) Opening Balance	Nil	Nil
ii) Add: Provisions made during the year	Nil	Nil



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iii)	Less: Write-off/ Written-back of excess provisions during the year	Nil	Nil
iv)	Closing Balance	Nil	Nil

**Note 1:** Investments are including of Bank Deposits amounting of Rs. 1010.00 Lakhs (PY: Rs. 1010.00 Lakhs) held for SLR purpose, previously same was shown excluding Bank Deposits. Out of current deposits, Rs. 500 Lakhs are going to be matured within 3 months.

**Note 2:** Investments Held to Maturity (Long Term Investment) are adjusted with amortised premium (Net of Discount, If any)

#### 4. Derivatives

- i) Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)- Nil
- ii) Exchange Traded Interest Rate (IR) derivative- Nil
- iii) Disclosure on Risk exposure in derivatives
  - a) Qualitative Disclosure- Nil
  - b) Quantitative Disclosures- Nil

##### 4.1 Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)

(Rs. In Lakhs)

Particulars	2023-24	2022-23
(i) The notional principal of swap agreements	NIL	
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
(iii) Collateral required by the HFC upon entering into swaps		
(iv) Concentration of credit risk arising from the Swaps \$		
(v) The fair value of the swap book @		

**Note:** Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies

@ If the swaps are linked to specific assets, liabilities or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the Balance Sheet date

##### 4.2 Exchange Traded Interest Rate (IR) Derivative

(Rs in Lakhs)

Particulars	Amount
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	NIL
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31 <sup>st</sup> March 2023 (instrument-wise)	NIL



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(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL
(iv) Mark-to-Market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL

#### 4.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure- Not Applicable

B. Quantitative Disclosure

(Rs in Lakhs)

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	NIL	NIL
(ii) Marked to Market Positions [1]	NIL	NIL
(a) Assets (+)		
(b) Liability (-)		
(iii) Credit Exposures [2]	NIL	NIL
(iv) Unhedged Exposures	NIL	NIL

4.4 Group Structure- Not Applicable

#### 5.1 Securitisation

(Rs in Lakhs)

	Particulars	No./Amount
1.	No of SPVs sponsored by the HFC for securitization transactions*	
2.	Total amount of securitized assets as per books of the SPVs sponsored	NIL
3.	Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	NIL
	(I) Off-balance sheet exposures towards Credit Enhancements	NIL
	(II) On-balance sheet exposures towards Credit Enhancements	NIL
4.	Amount of exposures to securitization transactions other than MRR	
	(I) Off-balance sheet exposures towards Credit Enhancements	
	a) Exposure to own securitizations	NIL
	b) Exposure to third party securitisations	NIL
	(II) On-balance sheet exposures towards Credit Enhancements	NIL
	a) Exposure to own securitizations	NIL
	b) Exposure to third party securitisations	NIL

\*Only the SPVs relating to outstanding securitization transaction may be reported here



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## 5.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(Rs in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
(i) No. of accounts	Nil	
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC		
(iii) Aggregate consideration		
(iv) Additional consideration realized in respect of accounts transferred in earlier years		
(v) Aggregate gain/loss over net book value		

## 5.3 Details of Assignment transactions undertaken by HFCs

(Rs in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
(i) No. of accounts	Nil	
(ii) Aggregate value (net of provisions) of accounts assigned		
(iii) Aggregate consideration		
(iv) Additional consideration realized in respect of accounts transferred in earlier years		
(v) Aggregate gain/loss over net book value		

## 5.4 Details of non-performing financial assets purchased/sold

### A. Details of Non-performing financial assets purchased:

(Rs in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
(a) No. of accounts purchased during the year	Nil	
(b) Aggregate outstanding		
(a) Of these, number of accounts restructured during the year		
(b) Aggregate outstanding		

### B. Details of Non-performing Financial Assets sold:

(Rs in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
1. No. accounts sold	Nil	
2. Aggregate outstanding		
3. Aggregate consideration received		



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## 5.5 Assets Liabilities Management (Maturity pattern of certain items assets and liabilities)

(Rs. In Lakhs)

Particulars	1 to 7 Days	8 to 14 Days	15 Days to 30/31 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months to 1 year	Over 1 Year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Deposits~	1,151.86	206.53	673.56	2,403.89	1,953.56	10,995.73	14793.97	23,364.77	2122.17	1124.80	58,790.84
Borrowings from Bank	-	-	156.25	930.06	930.06	3,701.83	7,370.66	23,418.53	17,308.02	12,616.91	66,432.32
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liability	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	50.83	519.45	233.76	816.35	833.65	2,510.95	5,081.90	20,925.32	22,030.74	1,02,340.29	1,55,343.24
Investments*	-	-	500	-	-	-	-	-	1,308.98	3,027.52	4,836.50
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Note: Please refer Note 25.22

~ Unclaimed deposits is also included in "1 to 7 days" as it is payable on demand.

\* Including investments made in deposits with banks.

## 5.6 Exposure

### 5.6.1 Exposure to Real Estate Sector

(Rs in Lakhs)

Sr. No	Category	As at 31.03.2024	As at 31.03.2023
<b>A</b>	<b>Direct Exposure</b>		
i)	Residential Mortgages (including loan against residential property)	0.00	0.00
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	1,54,064.44	1,40,963.79
	Out of which Individuals Housing Loans up to Rs.15 Lakhs	37,919.01	39,325.22
ii)	<u>Commercial Real Estate</u>	3,573.35	3,370.31
	Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi-tenanted commercial premises, industrial or ware house space, hotels, land acquisition, development and construction, etc). Exposure shall also include non-fund based (NFB) limits		



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iii)	Investment in Mortgage-Backed Securities (MBS) and other securitized exposures-	0.00	0.00
	• Residential	0.00	0.00
	• Commercial Real Estate	0.00	0.00
<b>B</b>	<b>Indirect Exposure</b>		
	Fund Based and non-Fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	0.00	0.00
<b>TOTAL EXPOSURE TO REAL ESTATE SECTOR (A+B)</b>		<b>1,95,556.80</b>	<b>1,57,323.61</b>

#### 5.6.2 Exposure to Capital Market

(Rs in Lakhs)

Sr. No	Particulars	As at 31-03-2024	As at 31-03-2023
(i)	Direct Investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	Nil	Nil
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e., where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances	Nil	Nil
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	Nil	Nil
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	Nil	Nil
(vii)	bridge loans to companies against expected equity flows / issues	Nil	Nil
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
<b>Total Exposure to Capital Market</b>		<b>Nil</b>	<b>Nil</b>



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### 5.6.3 Sectoral Exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2. Industry	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3. Services	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4. Personal Loans	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5. Others						
(i) Housing	1,05,292.01	4,587.91	4.36%	95,864.48	3,937.38	4.11%
(ii) Non-Housing	50,051.23	1,221.87	2.44%	45,695.98	1,099.00	2.41%
Total of Others	1,55,343.24	5,809.78	3.74%	1,41,560.46	5,036.38	3.56%

### 5.6.4 Exposure to Group companies engaged in real estate business: -

S. No	Description	Amount	% of owned fund
i)	Exposure to any single entity in a group engaged in real estate business	NIL	NIL
ii)	Exposure to all entities in a group engaged in real estate business	NIL	NIL

### 5.6.5 Intra-group exposures

NBFCs shall make the following disclosures for the current year with comparatives for the previous year:

- Total amount of intra-group exposures: - **N.A.**
- Total amount of top 20 intra-group exposures: - **N.A.**
- Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers: - **N.A.**

### 5.6.6 Unhedged Foreign Currency Exposure- NIL

### 5.7 Details of Financing of parent company products- NIL

### 5.8 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC- NIL



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5.9 Unsecured Advances- Rs. 639.33 Lakhs (PY: Rs. 433.54 Lakhs) (Company doesn't give unsecured advances and these amounts arising due to difference in valuation of securities & the account balance upon marking as NPA.)

## 6 Miscellaneous

**Registration obtained from other Financial Sector Regulators:** Company is registered as Corporate Agent (Composite) with IRDAI under Registration of Corporate Agents- Regulations, 2015 with Registration Code 'CA0808' with a validity up to 31.05.2025 for insurance business.

### 6.1 Disclosure of Penalties imposed by NHB and Other Regulators:

#### NHB

##### CURRENT YEAR

- NIL

##### PREVIOUS YEAR

- NIL

### 6.2 Related Party Disclosure:

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Borrowings	56,043.91	50,665.42	-	-	-	-	-	-	-	-	-	-	56,150.75	50,665.42
Deposits	282.54	2,182.93	-	-	-	-	-	-	-	-	-	-	282.54	2,182.93
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	1010.00	1,010.00	-	-	-	-	-	-	-	-	-	-	1010.00	1,010.00
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	3,498.15	2,409.33	-	-	-	-	-	-	-	-	-	-	3,498.15	2,409.33
Interest received	69.10	61.27	-	-	-	-	-	-	-	-	-	-	69.10	61.27
Others*	112.80	117.25	-	-	-	-	-	-	-	-	-	-	112.8	117.25

\* Others include Bank Charges and Commission, Salary to CBI deputed staff, Rent and Maintenance Charges etc.



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### 6.3 Rating assigned by Credit Rating Agencies and Migration of Rating during the Year

Agency	Purpose	Rating
India Ratings	Bank Loan	IND A-/Stable
India Ratings	Deposits	IND A-/Stable

Rating is reaffirmed for Bank Loan as well as Deposits.  
 There has been no migration of ratings during FY24.

### 6.4 Remuneration of Directors

Sitting Fees Paid to the non-executive directors is as follows:

(Rs in Lakhs)

Name	2023-24	2022-23
1. Shri Anil Girotra	5.20	5.80
2. Shri Bibhas Kumar Shrivastava	1.40	7.00
3. Shri P J Thomas	2.80	-
<b>Total</b>	<b>9.40</b>	<b>12.80</b>

Above figures are exclusive of GST.

### 6.5 Net Profit or Loss for the period, prior period items and changes in accounting policies

**6.5.1 Prior Period Item:** Prior Period item having total amount of Rs. 1,63,45,420.65/- (P.Y. 2022-23: Rs. 14,62,946.43/-)

**6.5.2 Changes in Accounting Policy:** No change in policy

### 6.6 Revenue Recognition

During the year there were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties. Cheque Bouncing charges in all type of accounts are booked on cash basis, whereas interest on standard assets is booked on accrual basis. All SARFAESI charges/legal expenses related to recovery in NPA account are debited to P&L at the time of expenditure (& such charges are also parked in Customer Account as and after recovery from the customer, same is credited to P&L.

### 6.7 Accounting Standard 21- Consolidated Financial Statements (CFS)- Not Applicable



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**7 Additional Disclosures:**

**7.1 Provisions and Contingencies**

(Rs in Lakhs)

Break up of 'Provision and Contingencies' shown under the head Expenditure in Profit and Loss Account	As on 31-03-2024	As on 31-03-2023
1 Provisions for depreciation on Investment	-	-
2 Provision made towards Income tax	840.02	442.40
3 Provision towards NPA (with details in Note No. 1)	526.27	607.02
4 Contingent Provision for Standard Assets as at year end (excluding additional provision on restructured accounts) (with details in Note No :1)		
a) Teaser Loan	Nil	Nil
b) CRE-RH	Nil	Nil
c) CRE	45.67	2.25
d) Housing Loan to Individual	248.98	229.82
e) Other Loans	181.43	177.49
<b>Total</b>	<b>476.08</b>	<b>409.56</b>
5 Contingent Provision for Standard Assets charged in P&L A/c	(130.68)	11.11
5A. Contingent Provision on Standard assets	66.52	84.41
5B. Contingent Provision on Standard assets restructured Accounts Under Resolution Framework 2.0 Date 21/05/2021 <sup>#</sup>	(197.20)	(73.30)
6 Other Provisions & Contingencies (with details in Note No. 2 below)	350.66	227.56

<sup>#</sup> Details of resolution plan implemented under Resolution Framework 2.0 Dated 21/05/2021; resolution of COVID 19 related stress of Individual and small business:

(Rs. in Lakhs)

Sr. No.	Description	Individual Borrowers		Small Business
		Personal Loan	Business Loan	
(A)	Number of requests received for invoking resolution process under part A	330	Nil	Nil
(B)	No. Of Accounts where resolution plan has been implemented under this window	321	Nil	Nil
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	5,764.07	Nil	Nil
(D)	Of (C) aggregate amount of Debt that was converted into other securities	Nil	Nil	Nil



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(E)	Additional funding sanctioned, if any, including between invocation of plan and implementation	Nil	Nil	Nil
(F)	Increase in provision on account of the implementation of the resolution plan (Net of Reversal made during the year)	(197.20)	Nil	Nil

**Note No. 1: Detail of provision towards NPA and Standard Assets:**

(Rs in Lakhs)

Break up of Loan and Advances and Provision thereon. (As on)	Housing		Non-Housing	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
<b>Standard Assets</b>				
a) Total Outstanding Amount	1,00,704.11	91,927.10	48,811.95	44,509.98
b) Provisions Made	430.61	547.22	323.80	337.52
<b>Sub-Standard Assets</b>				
a) Total Outstanding Amount	1687.89	1,965.23	492.91	533.47
b) Provisions Made	253.69	294.78	73.94	80.02
<b>Doubtful-1 Category-I</b>				
a) Total Outstanding Amount	1398.41	619.61	361.80	89.68
b) Provisions Made	405.40	173.10	90.76	22.42
<b>Doubtful Assets- Category-II</b>				
a) Total Outstanding Amount	803.21	1,183.37	156.27	475.85
b) Provisions Made	361.34	544.35	65.04	202.29
<b>Doubtful Assets – Category-III</b>				
a) Total Outstanding Amount	351.03	-	206.39	-
b) Provisions Made	351.03	-	206.39	-
<b>Loss Assets</b>				
a) Total Outstanding Amount	347.38	169.17	4.50	0.01
b) Provisions Made	347.38	169.17	4.50	0.01
<b>Demand Loan</b>				
a) Total Outstanding Amount	-	-	17.40	86.99
b) Provisions Made	-	-	-	0.35
<b>Total</b>				
a) Total Outstanding Amount	1,05,292.02	95,864.48	50,051.23	45,695.98
b) Provisions Made	2,153.47	1,728.62	764.38	642.61

**Note:**

The Standard Assets Provision includes provision on resolution plan implemented under Resolution Framework 2.0 Date 21/05/2021; resolution of COVID 19 related stress of Individual and small business.



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**Note No. 2: Other Provision and Contingencies**

(Rs. in Lakhs)

Particulars	31.03.2024	31.03.2023
DSA commission	99.71	118.69
Electricity Expenses	1.20	0.32
HO Expenses	48.48	42.74
LEGAL Expenses	16.70	30.27
FI/RCU/CPU	4.18	10.55
VALUATION	16.72	23.55
Software Subscription & Implementation	161.39	-
Others	2.28	1.44
<b>Total</b>	<b>350.66</b>	<b>227.56</b>

**7.2 Draw Down from Reserves (other than adjustments) – NIL**

**7.3 Concentration of Public Deposits, Advances, Exposures and NPAs**

**i) Concentration of Public Deposit:**

(Rs in Lakhs)

Particulars	As on 31-03-2024	As on 31-03-2023
Total Public Deposits of twenty largest depositors	11,640.52	11,215.12
Percentage of Total Public Deposits of the HFC	27.29%	33.52%

**ii) Concentration of Loans and Advances:**

(Rs in Lakhs)

Particulars	As on 31-03-2024	As on 31-03-2023
Total Loans and Advances to twenty largest borrowers	2,166.29	2,311.62
Percentage of Loans and Advances to twenty largest borrowers to Total Advances of the HFC	1.39%	1.63%

**iii) Concentration of all Exposures (Including off-balance sheet exposure)**

(Rs in Lakhs)

Particulars	As on 31-03-2024	As on 31-03-2023
Total Exposure to Twenty largest borrowers/ Customers	2,166.29	2,311.62
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/ customers	1.39%	1.63%

**iv) Concentration of NPAs**

(Rs in Lakhs)

Particulars	As on 31-03-2024	As on 31-03-2023
Total Exposure to top ten NPA accounts	521.00	432.19



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v) Sector-wise NPAs:

Percentage of NPAs to total Advances in that Sector

S. No	Sector	As on 31-03-2024	As on 31-03-2023
<b>A</b>	<b>Housing Loans</b>		
1.	Individuals	4.36%	4.11%
2.	Builders/Project loan	-	-
3.	Corporates	-	-
4.	Others (Specify)	-	-
<b>B</b>	<b>Non-Housing Loans:</b>		
1.	Individuals	2.44%	2.41%
2.	Builders/Project loan	-	-
3.	Corporates	-	-
4.	Others (Specify)	-	-

7.4 Movement of NPAs

(Rs in Lakhs)

	Movement of NPA	As on 31-03 -2024	As on 31-03-2023
(I)	Net NPAs to Net Advance (%)	2.39%	2.53%
(II)	Movement of NPAs (Gross)		
A	Opening Balance	5036.38	5,900.16
B	Additions during the year	2262.29	2,343.34
C1	Reductions during the year	1488.89	3,207.12
C2	Write Off during the year	-	2,051.85
D	Closing balance	5809.78	5,036.38
(III)	Movement of Net NPAs		
A	Opening Balance	3550.24	2,969.18
B	Additions during the year	2262.29	2,343.34
C	Reductions during the year	2166.19	1,762.28
D	Closing balance (net of URI)	3646.34	3,550.24
(IV)	Movement of provisions for NPAs (excluding provisions on standard assets)		
A	Opening Balance	1486.14	2,930.97
B&C	Net Additions during the year	677.29	607.02
	Reductions/Write Off during the year	-	(2,051.85)
D	Closing balance	2163.43	1,486.14

**Note:** Gross NPA and Net NPA showing net of URI Balances in both the FY 2023-24 and 2022-23.



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## 7.6 Overseas Assets

(Rs. in Lakhs)

Particulars	As on 31-03-2024	As on 31-03-2023
NIL		

## 7.7 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per Accounting Norms)

Name of the SPV sponsored	
Domestic	Overseas
NIL	

## 8. Detail of complaints received: -

(In Nos.)

Particulars	31-03-2024	31-03-2023
Number of Complaints at the beginning of the year	3	0
Number of Complaints received during the year	44	66
Number of Complaints redressed during the year	45	63
Number of Complaints pending at the end of the year	2	3

### 1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	3	0
2	Number of complaints received during the year	44	66
3	Number of complaints disposed during the year	45	63
3.1	Of which, number of complaints rejected by the NBFC	0	0
4	Number of complaints pending at the end of the year	2	3
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	NIL	NIL
5.1.	Of 5, number of complaints resolved in favor of the NBFC by Office of Ombudsman	NIL	NIL
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NIL	NIL
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NIL	NIL
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL



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Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously the Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

\*It shall only be applicable to NBFCs which are included under The Reserve Bank- Integrated Ombudsman Scheme, 2021

2) Top five grounds of complaints received by the NBFCs from customers.

Grounds of complaints, (i.e. complaints relating to)	Number of complaints spending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30days
1	2	3	4	5	6
<b>Current Year</b>					
Foreclosure	1	18	-59.09%	1	0
ROI	0	1	-88.88%	0	0
CIBIL	0	4	-	0	0
Sanction processing /loan rejection related	1	0	-100%	0	0
Others <sup>#</sup>	1	21	133.33%	1	0
<b>Total</b>	<b>3</b>	<b>44</b>		<b>2</b>	<b>0</b>
<b>Previous Year</b>					
Foreclosure	0	44	83.33%	1	0
Subsidy	0	2	-77.78%	1	0
ROI	0	9	50%	0	0
Sanction processing /loan rejection related	0	2	100%	0	0
Others <sup>#</sup>	0	9	-20%	1	0
<b>Total</b>	<b>0</b>	<b>66</b>		<b>3</b>	<b>0</b>

\*Note: As on 31.03.2024, 2 No. (PY: 3 No.) pending complaints are reflected in the NHB Grids portal. All these complaints are appropriately addressed and since no further correspondence has been made by the Complainant so far, we may treat them as closed.

\* Subsidy (1 No.) is included in Others in current year and Fixed Deposit (1 No.) in previous year.



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As per our report of even date.

For Sarath & Associates  
Chartered Accountants  
FRN: 005120S

*R. Lakshmi Rao*

CA R. Lakshmi Rao  
Partner  
M. No. 029081  
Place: Mumbai  
Date: 07.05.2024  
UDIN: 24029081BKEKZH4996



For Cent Bank Home Finance Limited

*Kushal Pal*

Kushal Pal  
Managing Director  
DIN: 09225722

*S. C. Mehta*

S. C. Mehta  
Chief Financial Officer

*Malladi Venkat Murali Krishna*

Malladi Venkat Murali Krishna  
Chairman  
DIN: 09021111





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## **OTHER DISCLOSURES & NOTE FORMING PART OF FINANCIAL STATEMENT**

### **1) NHB DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING**

In terms of the RBI circular no. DOR.ACC.REC. No.20/21.04.018/2022-23 dated April 19, 2022, NBFCs are required to disclose the divergences in asset classification and provisioning consequent to NHB's (in case of HFCs) annual supervisory process in their notes to accounts to the financial statements, wherever either

(a) the additional provisioning requirements assessed by NHB exceed 5% of the reported net profits before tax and impairment loss on financial instruments or

(b) the additional gross NPAs identified by NHB exceed 5% of the published reported gross NPAs for the reference period, or both.

Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to NHB's supervisory process for the year ended March 31, 2024.

## 2) Schedule to the Balance Sheet of an NBFC

(₹ in crore)			
Particulars			
Liabilities side		Amount outstanding	Amount overdue
(1)	<b>Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>		
(a)	Debentures: Secured		
	: Unsecured		
	(other than falling within the meaning of public deposits*)		
(b)	Deferred Credits		
(c)	Term Loans	525.85	
(d)	Inter-corporate loans and borrowing	244.13	
(e)	Commercial Paper		
(f)	Public Deposits*	343.78	
(g)	Other Loans (specify nature)		
	NHB Refinance	138.48	
	Overdraft Facility	103.34	
	* Please see Note 1 below		
(2)	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
(a)	In the form of Unsecured debentures		
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		
(c)	Other public deposits		
	* Please see Note 1 below		
Assets side		Amount outstanding	
(3)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
(a)	Secured	1547.04	
(b)	Unsecured	6.39	

(4)	<b>Break up of Leased Assets and stock onhire and other assets counting towards asset financing activities</b>		
	(i)	Lease assets including leaserentals under sundry debtors:	
		(a) Financial lease	
		(b) Operating lease	
	(ii)	Stock on hire including hire charges under sundry debtors:	
		(a) Assets on hire	
		(b) Repossessed Assets	
	(iii)	Other loans counting towardsasset financing activities	
		(a) Loans where assets havebeen repossessed	
		(b) Loans other than (a) above	
(5)	<b>Break-up of Investments</b>		
	<b><u>Current Investments</u></b>		
	1.	<u>Quoted</u>	
		(i) Shares	
		(a) Equity	
		(b) Preference	
		(ii) Debentures and Bonds	
		(iii) Units of mutual funds	
		(iv) Government Securities	
		(v) Others (please specify)	
	2.	<u>Unquoted</u>	
		(i) Shares	
		(a) Equity	
		(b) Preference	
		(ii) Debentures and Bonds	
		(iii) Units of mutual funds	
		(iv) Government Securities	
		(v) Others (please specify)	
	<b><u>Long Term investments</u></b>		
	1.	<u>Quoted</u>	
		(i) Share	
		(a) Equity	
		(b) Preference	
		(ii) Debentures and Bonds	
		(iii) Units of mutual funds	



		(iv)	Government Securities	38.27
		(v)	Others (please specify)	
	2.		Unquoted	
		(i)	Shares	
			(a) Equity	
			(b) Preference	
		(ii)	Debentures and Bonds	
		(iii)	Units of mutual funds	
		(iv)	Government Securities	
		(v)	Others (please specify)	
			Term Deposits	10.10
<b>(6) Borrower group-wise classification of assets financed as in (3) and (4) above:</b> Please see Note 2 below				
Category		Amount net of provisions		
		Secured	Unsecured	Total
1.	<b>Related Parties **</b>			
	(a) Subsidiaries			
	(b) Companies in the same group			
	(c) Other related parties			
2.	Other than related parties	1,547.04	6.39	1,553.43
<b>Total</b>		<b>1,547.04</b>	<b>6.39</b>	<b>1,553.43</b>
<b>(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b> Please see Note 3 below				
Category		Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)	
1.	<b>Related Parties **</b>			
	(a) Subsidiaries			
	(b) Companies in the same group	10.10	10.10	
	(c) Other related parties			
2.	Other than related parties	39.72	38.27	
<b>Total</b>		<b>49.82</b>	<b>48.37</b>	
** As per Accounting Standards of ICAI (Please see Note 3)				

<b>(8)</b>	<b>Other information</b>		
	<b>Particulars</b>		<b>Amount</b>
	(i)	Gross Non-Performing Assets	
		(a) Related parties	
		(b) Other than related parties	58.10
	(ii)	Net Non-Performing Assets	
		(a) Related parties	
		(b) Other than related parties	36.47
	(iii)	Assets acquired in satisfaction of debt	
	<b>Notes:</b>		
	1. As defined in paragraph <a href="#">5.1.26</a> of the Directions.		
	2. Provisioning norms shall be applicable as prescribed in these Directions.		
	3. All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind AS) or current (fair value in the case of Ind AS) in (5) above.		

### 3) LIQUIDITY COVERAGE RATIO (LCR) :

The following table sets forth, for the periods indicated, computation of liquidity coverage ratio.

(Rs. In Crore)

Particulars		March 31, 2024		March 31, 2023	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
<b>High Quality Liquid Assets</b>					
1	Total High Quality Liquid Assets (HQLA)*	41.48	33.83	38.39	30.74
2	Deposits (for deposit taking companies)	10.17	11.70	16.42	18.88
3	Unsecured wholesale funding	-	-	-	-
4	Secured wholesale funding	26.08	30.00	10.63	12.22
5	Additional requirements, of which				
(i)	<i>Outflows related to derivative exposures and other collateral requirements</i>	-	-	-	-
(ii)	<i>Outflows related to loss of funding on debt products</i>	-	-	-	-
(iii)	<i>Credit and liquidity facilities</i>	57.32	65.91	57.16	65.74
6	Other contractual funding obligations	-	-		
7	Other contingent funding obligations	-	-		
8	<b>TOTAL CASH OUTFLOWS</b>	<b>93.57</b>	<b>107.60</b>	<b>84.21</b>	<b>96.85</b>
9	Secured lending	142.51	106.88	136.43	102.33
10	Inflows from fully performing exposures	15.89	11.92	14.2	10.64
11	Other cash inflows	39.09	29.32	35.62	26.74
12	<b>TOTAL CASH INFLOWS</b>	<b>197.49</b>	<b>148.12</b>	<b>186.25</b>	<b>139.69</b>
		Total Adjusted Value		Total Adjusted Value	
13	<b>TOTAL HQLA</b>	<b>33.83</b>		<b>30.74</b>	
14	<b>TOTAL NET CASH OUTFLOWS</b>	<b>26.90</b>		<b>24.22</b>	
15	<b>LIQUIDITY COVERAGE RATIO (%)</b>	<b>126%</b>		<b>127%</b>	

\* HQLA consists of Investment in Government Securities, Balance in Current Accounts & Cash in Hand

The following table sets forth, for the periods indicated, computation of liquidity coverage ratio.



(Rs. In Crore)

Particulars		Dec 31, 2023		Dec 31, 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
<b>High Quality Liquid Assets</b>					
1	Total High Quality Liquid Assets (HQLA)*	41.56	33.91	31.78	25.83
2	Deposits (for deposit taking companies)	9.85	11.33	9.85	11.33
3	Unsecured wholesale funding	-	-	-	-
4	Secured wholesale funding	14.37	16.52	14.37	16.52
5	Additional requirements, of which	-	-	-	-
(i)	<i>Outflows related to derivative exposures and other collateral requirements</i>	-	-	-	-
(ii)	<i>Outflows related to loss of funding on debt products</i>	-	-	-	-
(iii)	<i>Credit and liquidity facilities</i>	55.35	63.35	55.35	63.65
6	Other contractual funding obligations			-	-
7	Other contingent funding obligations			-	-
8	<b>TOTAL CASH OUTFLOWS</b>	<b>79.57</b>	<b>91.50</b>	<b>79.57</b>	<b>91.50</b>
9	Secured lending	128.70	96.52	128.70	96.52
10	Inflows from fully performing exposures	15.43	11.56	15.43	11.56
11	Other cash inflows	375.03	281.29	375.03	281.29
12	<b>TOTAL CASH INFLOWS</b>	<b>519.16</b>	<b>389.37</b>	<b>519.16</b>	<b>389.37</b>
Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	<b>TOTAL HQLA</b>	<b>33.91</b>		<b>33.91</b>	
14	<b>TOTAL NET CASH OUTFLOWS</b>	<b>22.88</b>		<b>22.88</b>	
15	<b>LIQUIDITY COVERAGE RATIO (%)</b>	<b>148%</b>		<b>148%</b>	

\* HQLA consists of Investment in Government Securities, Balance in Current Accounts & Cash in Hand

The following table sets forth, for the periods indicated, computation of liquidity coverage ratio.

(Rs. In Crore)

Particulars		Sep 30, 2023		Sep 30, 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
<b>High Quality Liquid Assets</b>					
1	Total High Quality Liquid Assets (HQLA)*	41.10	33.45	49.27	43.32
2	Deposits (for deposit taking companies)	9.84	11.32	27.18	31.26
3	Unsecured wholesale funding			-	-
4	Secured wholesale funding	15.36	17.65	7.59	8.73
5	Additional requirements, of which	-	-	-	-
(i)	<i>Outflows related to derivative exposures and other collateral requirements</i>	-	-		
(ii)	<i>Outflows related to loss of funding on debt products</i>	-	-		
(iii)	<i>Credit and liquidity facilities</i>	50.50	58.08	47.34	54.44
6	Other contractual funding obligations	-	-	-	-
7	Other contingent funding obligations	-	-	-	-
8	<b>TOTAL CASH OUTFLOWS</b>	<b>75.70</b>	<b>87.05</b>	<b>82.10</b>	<b>54.44</b>
9	Secured lending	114.52	58.90	58.35	43.76
10	Inflows from fully performing exposures	15.87	11.90	14.20	10.65
11	Other cash inflows	62.74	47.05	31.18	23.39
12	<b>TOTAL CASH INFLOWS</b>	<b>193.13</b>	<b>144.85</b>	<b>103.73</b>	<b>77.80</b>
Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	<b>TOTAL HQLA</b>	<b>33.45</b>		<b>43.32</b>	
14	<b>TOTAL NET CASH OUTFLOWS</b>	<b>21.76</b>		<b>23.60</b>	
15	<b>LIQUIDITY COVERAGE RATIO (%)</b>	<b>154%</b>		<b>184%</b>	

\* HQLA consists of Investment in Government Securities, Balance in Current Accounts & Cash in Hand

The following table sets forth, for the periods indicated, computation of liquidity coverage ratio.

(Rs. In Crore)

Particulars		June 30, 2023		June 30, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
<b>High Quality Liquid Assets</b>					
1	Total High Quality Liquid Assets (HQLA)*	51.14	43.49	50.89	42.36
2	Deposits (for deposit taking companies)	35.21	40.50	29.39	33.80
3	Unsecured wholesale funding	-	-	-	-
4	Secured wholesale funding	23.21	26.69	9.66	11.11
5	Additional requirements, of which	-	-	-	-
(i)	<i>Outflows related to derivative exposures and other collateral requirements</i>	-	-	-	-
(ii)	<i>Outflows related to loss of funding on debt products</i>	-	-	-	-
(iii)	<i>Credit and liquidity facilities</i>	50.48	58.05	44.96	51.70
6	Other contractual funding obligations	-	-	-	-
7	Other contingent funding obligations	-	-	-	-
8	<b>TOTAL CASH OUTFLOWS</b>	<b>108.90</b>	<b>125.24</b>	<b>84.01</b>	<b>96.61</b>
9	Secured lending	113.41	85.06	24.04	18.03
10	Inflows from fully performing exposures	15.44	11.58	13.02	9.76
11	Other cash inflows	21.18	15.89	36.41	27.31
12	<b>TOTAL CASH INFLOWS</b>	<b>150.03</b>	<b>112.53</b>	<b>73.47</b>	<b>55.10</b>
Total Adjusted Value				Total Adjusted Value	
13	<b>TOTAL HQLA</b>	<b>43.49</b>		<b>42.36</b>	
14	<b>TOTAL NET CASH OUTFLOWS</b>	<b>31.31</b>		<b>41.51</b>	
15	<b>LIQUIDITY COVERAGE RATIO (%)</b>	<b>139%</b>		<b>102%</b>	

\* HQLA consists of Investment in Government Securities, Balance in Current Accounts & Cash in Hand



#### 4) DETAILS OF THE AUCTIONS CONDUCTED DURING THE FINANCIAL YEAR.

The following table sets forth, for the periods indicated, details of auctions conducted during the year.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Number of loan accounts	37	36
Outstanding amount	Rs. 8.69 Crores	Rs.6.53 Cr
Value fetched on loan accounts	Rs.8.65 Crores	Rs.5.10 Cr

No sister concerns have participated in the auctions of housing properties.

#### 5) PRINCIPAL BUSINESS CRITERIA

The following table sets forth, for the periods indicated, fulfillment of the principle business criteria as applicable for housing finance companies (hfps).

Position as at	Percentage of Total assets to wards housing finance		Percentage of Total assets to wards housing finance for individuals	
At March 31,2024	>=60%	65.13%	>=50%	65.16%
At March 31,2023	>=55%	64.10%	>=45%	64.10%

#### 6) OTHER DISCLOSURES

- The Company has not been declared willful defaulter by any Banks/Financial Institutions.
- The Company has not traded or invested in Crypto currency or Virtual currency during the year.
- There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- During the year ended March 31, 2024 (March 31, 2023: Nil), there was no breach in covenants of term loans availed and debt securities issued and outstanding at March 31, 2024 (March 31, 2023: Nil).

**7)Public Disclosure on Liquidity Risk Management Framework as on 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 pursuant to Guidelines on Liquidity Risk Management Framework of RBI Master Circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 as updated on October 19, 2023**

**i) Funding Concentration based on Significant Counterparty (both Deposits and Borrowings) as on 31<sup>st</sup> March, 2024**

	Number of Significant Counterparties	Amount (₹ crore)	% of Total Deposits	% of Total Liabilities
31-03-2024	8	97,123.94	165.20%	71.65%
31-03-2023	8	89,851.69	163.88%	70.74%

**ii) Top 20 Large deposits (Amount in ₹ crore and % of Total Deposits)**

	Amount (Rs in lakhs)	% of Total Deposits
31-03-2024	9,093.45	15.47%
31-03-2023	9,733.55	17.91%

**iii) Top 10 Borrowings (Amount in ₹ crore and % of Total Borrowings)**

	Amount (Rs in lakhs)	% of Total Borrowing's
31-03-2024	68,692.87	89.48%
31-03-2023	76,322.58	60.09%

**iv) Funding Concentration based on significant instrument/product**

Sr. No.	Name of the Instrument/Product	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2024	
		Amount (₹ Lakhs)	% of Total Liabilities	Amount (₹ Lakhs)	% of Total Liabilities
1	Term Loan from Banks	52,584.65	37.26%	37,866.29	29.81%
2	Refinance from NHB	13,847.67	9.81%	18,016.79	14.19%
3	Overdraft Facility from Bank	10,334.26	7.32%	16,299.13	12.83%
4	Deposits	58,790.83	41.65%	54,826.27	43.17%
	<b>Total</b>	<b>1,35,557.41</b>	<b>96.04%</b>	<b>1,27,008.48</b>	<b>100%</b>

**v) Stock Ratios:**

- (a) Commercial papers as a % of total Public Funds, Total Liabilities and Total Assets: N.A.
- (b) Non-convertible Debentures (original maturity of less than one year) as a % of total Public Funds, Total Liabilities and Total Assets: N.A.
- (c) Other Short-Term Liabilities, if any as a % of Total Public Funds, Total Liabilities and Total Assets as follows:

Particulars	As at March, 2024	As at March, 2023
Commercial Paper as % of Total Public Funds	NIL	NIL
Commercial Paper as % of Total Liabilities	NIL	NIL
Commercial Paper as % of Total Assets	NIL	NIL
Non-Convertible Debentures (original maturity of less than one year) as a % of Total Public Funds	NIL	NIL
Non-Convertible Debentures (original maturity of less than one year) as a % of Total Liabilities	NIL	NIL
Non-Convertible Debentures (original maturity of less than one year) as a % of Total Assets	NIL	NIL
Other Short-term Liabilities to Total Public Funds	41.58%	43.82%
Other Short-term Liabilities to Total Liabilities	39.93%	42.31%
Other Short-term Liabilities to Total Assets	34.68%	37.00%
<b>Short Term Borrowing *</b>	<b>56,361.03</b>	<b>55,652.64</b>
<b>Total Public Funds</b>	<b>1,35,557.41</b>	<b>1,27,008.49</b>
<b>Total Liabilities #</b>	<b>1,41,142.82</b>	<b>1,31,531.82</b>
<b>Total Assets</b>	<b>1,62,536.64</b>	<b>1,50,415.53</b>

\* Includes Short Term Borrowings, Short Term Deposits, OD Balance and Other Current Liabilities

# Excludes Share Capital & Reserves and Surplus



**vi) Institutional set-up for Liquidity Risk Management:**

The Board of Directors are responsible for the overall Risk Management approach and for approving the Risk Management strategies and principles. The Board has set up the Asset Liability Management Committee (ALCO) and Risk Management Committee to manage various risks of the Company. The Asset Liability Management Committee (ALCO) meets on regular basis and is responsible for ensuring adherence to the risk tolerance/limits set by the Board including the Liquidity Risk of the Company. The performance of the ALCO is reviewed by Audit Committee/Board.

The Company has formulated a policy on Liquidity Risk Management Framework. Accordingly, the Company.

- Performs stress testing on a quarterly basis which enables the Company to estimate the Liquidity requirements as well as adequacy and cost of the Liquidity buffer under stressed Conditions.
- Formulated a contingency funding plan as a part of the outcome of stress testing results.
- Monitors liquidity risk based on Stock approach to liquidity by way of pre-defined internal Limits for various critical ratios pertaining to liquidity risk.

The Company has diversified source of funding to ensure that there is no significant source, the withdrawal of which could trigger Liquidity problems. The Company monitors cumulative mismatches across all time buckets by establishing internal prudential limits. The Company maintains adequate liquidity buffer of readily marketable assets, to protect itself against any liquidity risk at the same time is mindful of the cost associated with

## ● Andhra Pradesh

- Vijayawada

## ● Chhattisgarh

- Bilaspur
- Raipur

## ● Delhi

- Delhi

## ● Gujarat

- Surat
- Vadodara

## ● Haryana

- Ambala
- Panchkula
- Rohtak

## ● Karnataka

- Bangalore

## ● Madhya Pradesh

- Bhopal
- Gwalior
- Indore
- Itarsi
- Jabalpur
- Pithampur
- Ratlam

## ● Maharashtra

- Akurdi
- Kalyan
- Mumbai
- Nagpur
- Nashik
- Pune
- Vasai

## ● Rajasthan

- Bikaner
- Jaipur
- Jodhpur

## ● Tamil Nadu

- Chennai

## ● Telangana

- Hyderabad

## ● Uttar Pradesh

- Agra
- Lucknow
- Noida

# OUR NETWORK



सेन्ट बैंक होम फायनेन्स लिमिटेड  
Cent Bank Home Finance Limited

सेन्ट्रल बैंक ऑफ इण्डिया की अनुवर्गी Subsidiary of Central Bank of India



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**Tel No:** 0755-4019303; 0755-2766118/119

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