

COVID-19 Pandemic: Black Swan Event and New direction for Business



→ THE BOARD



Girdhari Lal Goyal is the Chairman cum Non-Executive Director of the Company. He established Mentor Home Loans India Limited, started Mentor India Limited in 1995, successfully rising from being an automobile trader, in SHILLONG (Meghalaya). Within a span of 12 years he established the largest showroom of Automobile trade in Shillong.

He has pioneered a lot of social works, by establishing hospitals, schools, trusts, etc. He has donated a 100 bed hospital, which is one of the largest government hospital, in Jaipur, namely SMS Hospital.

GIRDHARI LAL GOYAL, Chairman



Pawan Kumar Goyal is a Managing Director of our Company. He is having over two decades of experience. He started his career by taking the membership of Jaipur Stock Exchange Limited and was active in the stock market till 1992. Further, he was successfully involved in setting up Hybrid Micro Circuit & Energy Meter Project. He successfully arranged the funding for the same and was responsible structuring the overall project. Later on, he was responsible for financial planning of Mentor India Limited. Further owing to his wide ranging network in Jaipur, he was instrumental in forming a federation of all Vehicle Finance Companies in the state of Rajasthan by the name of Rajasthan Finance Companies Association.

PAWAN KUMAR GOYAL, Managing Director



Ram Ratan Agarwal is an Independent Director of our Company. He initially started his career as a Banker in the Bank of Rajasthan. As his strong suit suggests, he has over the time helped Mentor in achievement of organizational goals, owing to his skills and knowledge in the field of finance, mentor is always benefitted from their vision and suggestions in the growth of company.

RAM RATAN AGARWAL, Independent Director



Sanjay Agarwal is an Independent Director of our Company. He has completed his graduation from North-Eastern Hill University, Shillong, and Meghalaya. He is an experienced professional with vast knowledge in different sectors derived basis his entrepreneurial ventures since 1992. His major experience has been in automobile, logistics and FMCG businesses. He manages FMCG sales and distribution having C&F operations in Rajasthan. He guides Mentor on geographical branch expansion strategies for different geographies.

SANJAY AGARWAL, Independent Director



Mohan Lal Bhargava is an Independent Director of our Company. He holds a bachelor's degree in Engineering (Honours) and a Master's degree in Arts in Economics. He also holds the position of independent director in Rajasthan electronics and Instruments Limited. He has experience of managing varied teams and applying innovation. He is also well articulated, communicating to audiences of varied ages and backgrounds. He has the vast experience of working in engineering sector including industrial development institutions for promoting industrial development. He has the teaching experience in Swami Keshvanand Institute of Technology and Management (SKIT), Jaipur in application orientation of engineering knowledge.

MOHAN LAL BHARGAVA, Independent Director



Basant Kumar Goyal is a Non-Executive Director of our Company. He completed his B.E. (Electronics and Telecommunication) in the year 1991 and was the brain behind the Hybrid Micro Circuits & Energy Meter Project. He has visited international plants, global manufacturing units for suitable tie-ups & collaborations. He has visited many international fair & exhibitions for business developments. From 1995 to 2018 he has been associated as Whole Time Director with Mentor Home Loans India Ltd. Now he is working in the capacity of Non-executive Director.

BASANT KUMAR GOYAL, Non-Executive Director

CHAIRMAN'S FOREWORD



“

We continued our mission to provide credit to first-time borrowers and to serve the unserved and underserved segments of the society.

It gives me immense pleasure to present to you as the Chairman of your Company, the 26th Annual Report of Mentor Home Loans India Limited (MHL).

The year 2020-21 has been challenging for each one of us. The Covid-19 pandemic has had a significant impact on lives, livelihoods, and the business. My heart goes out to those who are grieving the passing of loved ones, to those who lost their jobs, and to the business owners who have struggled mightily or were forced to shut down. While it has been a tough year for many, I am hopeful that better days are ahead.

We extend our sincere gratitude to the medical personnel, health officials, government leaders and volunteers around the world who have been working tirelessly to contain the COVID-19 pandemic.

MHL is no stranger to adversities. In fact, an event of such scale and impact puts to test the fundamental strengths of any organization. Your Company demonstrated once again, in FY 2020-21, its ability to withstand challenges and quickly adapt to the emerging realities. I am extremely proud to state that your Company, by virtue of its proactive and prudent strategies, remained agile and alert while displaying its resilience to ensure business continuity.

We, at MHL, maintained our collection efficiency during the lockdown and serviced our customers well by leveraging the technological strengths, while our employees ensured business continuity as they worked from home. Your Company is actively implementing Government-backed initiatives. We are well aligned to the Government's Pradhan Mantri Awas Yojana (PMAY). We remained well supported by the present macro environment, which continued to be favorable for the housing finance industry for a good part of the year.

Our business has a compelling social impact. We continued our mission to provide credit to first-time borrowers and to serve the unserved and underserved segments of the society. Our customers are hard-working individuals with immense integrity. By granting them a housing loan, we not only enhance their financial independence, but also provide them with a sense of pride. We facilitate and promote the Government's vision and dream to enable citizens to have their own houses. Not only this, we also offer credit insurance to all our customers, implying that in the case of any mishap due to which the applicant ceases to exist, the family is refrained from having to take the burden of making the repayment in the circumstances of lack of earnings.

Our strategic priorities of the year have been to maintain a stringent focus on efficiencies, to improve asset quality, and enhance our customer experience and robust processes. We continue to be focused on our ultimate goal of creating value for perpetuity. We are equally confident in the strong consumer demand trends throughout the market and there is no doubt that this pandemic has led consumers to fundamentally reorient towards "investing in nesting". Once the COVID-19 pandemic dissipates, our aim is to increase our scale of operations.

Before I conclude, I would like to thank our team for their passion, commitment and ongoing pursuit of excellence. We have always taken decisions in alignment with the professional and personal goals of our employees, thus helping them achieve an ideal work-life balance and making them feel proud of their association with us.

We are thankful to our customers, regulators, bankers and financial institutions for their continuous support. With this backing, we will continue to serve as a trusted partner to all our stakeholders by responsibly providing services that enable home ownership for people of all income groups.

MR. GIRDHARI LAL GOYAL
 Chairman

OUR BANKS & FINANCIAL INSTITUTIONS



CORPORATE INFORMATION OF COMPANY

BOARD OF DIRECTORS

Girdhari Lal Goyal	: Chairman cum Non-Executive Director
Pawan Kumar Goyal	: Managing Director
Basant Kumar Goyal	: Non-Executive Director
Ram Ratan Agarwal	: Independent Director
Sanjay Agarwal	: Independent Director
Mohan Lal Bhargava	: Independent Director

AUDIT COMMITTEE

Pawan Kumar Goyal	: Chairman
Ram Ratan Agarwal	: Member
Sanjay Agarwal	: Member

NOMINATION & REMUNERATION COMMITTEE

Ram Ratan Agarwal	: Chairman
Girdhari Lal Goyal	: Member
Sanjay Agarwal	: Member

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Girdhari Lal Goyal	: Chairman
Pawan Kumar Goyal	: Member
Sanjay Agarwal	: Member

ASSET AND LIABILITY MANAGEMENT COMMITTEE (ALCO)

Pawan Kumar Goyal	: Chairman
Deepak Khanna	: Member
Sahil Goyal	: Member
Ankit Agnihotri	: Member

GRIEVANCE REDRESSAL COMMITTEE

Sahil Goyal	: Chairman
Kamlesh Khorwal	: Member
Satish Gauttam	: Member
Javed Akhtar	: Member

RISK MANAGEMENT COMMITTEE

Girdhari Lal Goyal	: Chairman
Sahil Goyal	: Member
Ankit Agnihotri	: Member
Karamjeet Singh	: Member

FINANCE COMMITTEE

Girdhari Lal Goyal	: Member
Pawan Kumar Goyal	: Member
Sanjay Agarwal	: Member

IT STRATEGY COMMITTEE

Sanjay Agarwal	: Chairman
Sahil Goyal	: Member
Harish Chandra Sharma	: Member
Amardeep Kumar	: Member

COMPENSATION COMMITTEE

Girdhari Lal Goyal	: Chairman
Sanjay Agarwal	: Member
Ram Ratan Agarwal	: Member

CREDIT COMMITTEE

Sanjay Agarwal	: Chairman
Pawan Kumar Goyal	: Member
Sahil Goyal	: Member
Ankit Agnihotri	: Member
Harish Chandra Sharma	: Member

INTERNAL COMMITTEE

Sanjay Agarwal	: Chairman
Ram Ratan Agarwal	: Member
Pawan Kumar Goyal	: Member
Sahil Goyal	: Member
Ankit Agnihotri	: Member

INVESTMENT COMMITTEE

Sanjay Agarwal	: Chairman
Pawan Kumar Goyal	: Member
Sahil Goyal	: Member
Ankit Agnihotri	: Member

COMPANY SECRETARY

Rohit Jain

STATUTORY AUDITORS

H.S. BADAYA & Co.
Chartered Accountants
272-AB, Chetak Marg, Kings Road,
Nirman Nagar Jaipur- 302021

SECRETARIAL AUDITORS

Pinchaa & Co.
Practicing Company Secretary
108, I Floor, Shree Mansion, G-23,
Kamla Marg, C-Scheme, Jaipur – 302 001

INTERNAL AUDITORS

Agrawal Jain & Gupta
Chartered Accountants
Plot No. 5, Girdhar Colony,
Opp. Soni Manipal Hospital,
Sikar Road, Jaipur – 302 013

COMPANY LAW ADVISORS

ARMS and Associates LLP,
Company Secretaries
24 Ka 1, Jyoti Nagar, Jaipur-302001

REGISTRAR AND TRANSFER AGENT

NSDL Database Management Ltd.
4th Floor, 'A' Wing, Trade World,
Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013

DEBENTURE TRUSTEES

Beacon Trusteeship Ltd.
4C & D, Siddhivinayak Chambers,
Gandhi Nagar, Opp. MIG Cricket Club,
Bandra (East), Mumbai – 400 051

RATING AGENCY

CARE Rating Ltd.
Acuite Ratings & Research Ltd.

REGISTERED & CORPORATE OFFICE ADDRESS

Mentor House, Govind Marg, Sethi Colony,
Jaipur – 302 004

Corporate Identity Number: U67120RJ1995PLC009580

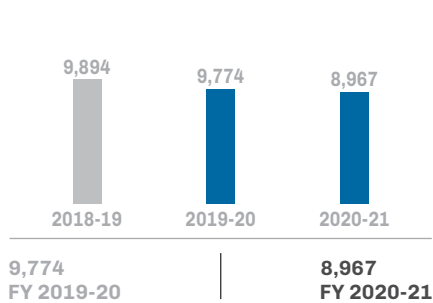
Legal Entity Identifier (LEI): 335800N242YAQPDCY29.

KEY PERFORMANCE HIGHLIGHTS

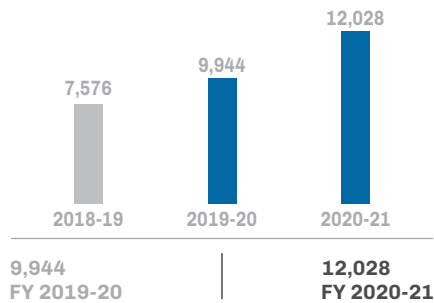
Accelerating Housing Loan growth momentum after NHB Licence

FINANCIAL INDICATORS

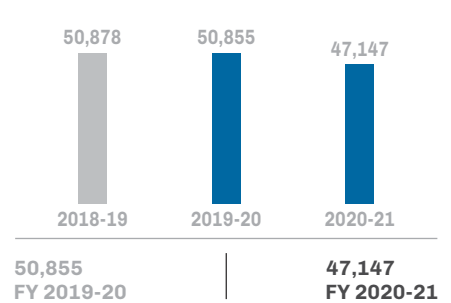
Revenue (₹ in Lacs)



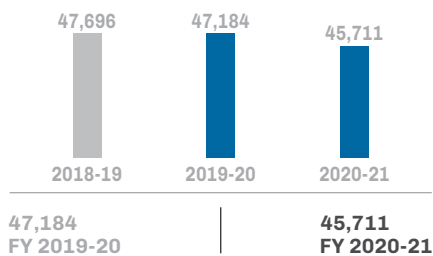
Shareholders Fund (₹ in Lacs)



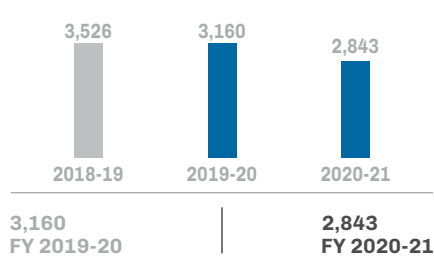
Balance Sheet Size (₹ in Lacs)



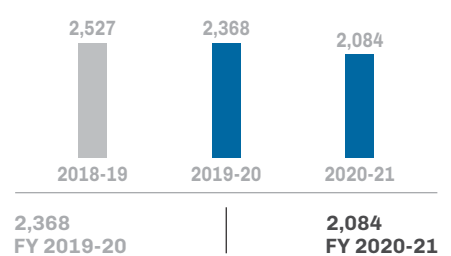
Assets Under Management (₹ in Lacs)



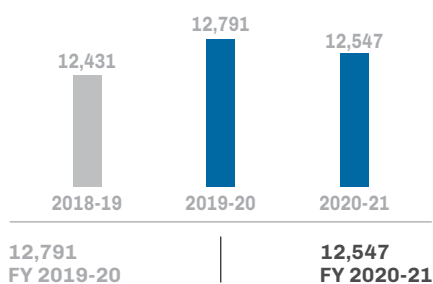
PBT (₹ in Lacs)



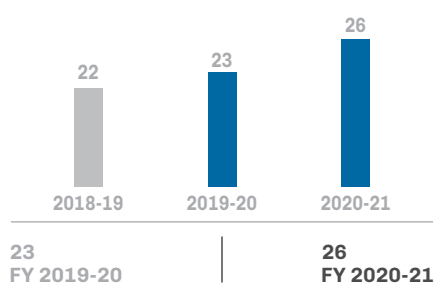
PAT (₹ in Lacs)



Customer Accounts (in Numbers)

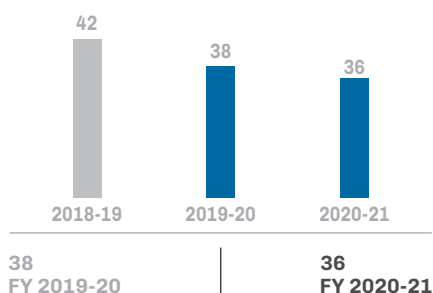


Partners (in Numbers)



NON - FINANCIAL INDICATORS

Branches (in Numbers)



CONTENTS

S.No.	PARTICULARS	Page No.
1	Board's Report and Management Discussion and Analysis Report	1-22
2	Form-MR-3 (Secretarial Audit Report)	23-26
3	Form No. AOC-2	27
4	Related Party Transaction Policy	28-31
5	Nomination and Remuneration Policy	32-33
6	Annual Report on Corporate Social Responsibility	34-36
7	CSR Policy	37-39
8	Reports of Auditors on Accounts of Mentor Home Loans India Limited as Required by Housing Finance Companies (NHB), Directions, 2016	40
9	Independent Auditors' Report	41-47
10	Balance Sheet, Statement of Profit and Loss & Cash Flow Statement & Notes to Financial Statements	48-75

BOARD'S REPORT

To the Members of Mentor Home Loans India Limited,

The Directors hereby present their 26th Annual Report on the business, operations and the state of affairs of the Company together with the audited financial statements for the Financial Year ended March 31, 2021.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MACRO ECONOMY: REVIEW AND OUTLOOK

The Indian economy was negatively impacted by an unprecedented health crisis in 2020-21 with the highly contagious corona virus (COVID-19) spreading across the country. The ravages of the COVID-19 pandemic have taken a heavy human toll, not just in terms of afflicting lives and human well-being, but also by impacting incomes and livelihoods. The global growth has contracted by 3.3 percent in 2020 with the India's GDP which has projected to contract by 7.7 percent in 2020-21 as compared to a growth of 4.2 percent in 2019-20. There is obviously a permanent residual loss to the economy, which will take quite some time to overcome. Assessing, the impact of the pandemic on India's economy, it is still very much a work-in-progress.

The country is experiencing an asymmetrical economic recovery with some sectors performing better than others. However, the scars of the pandemic are deep, and the economy is likely to witness stress even if there is a V-shaped recovery. After having battled one of the biggest recessions it faced in recent memory (Q1 & Q2 FY 2021), there was some cheer for India's economy that recorded a positive – although marginal – growth in Q3 FY 2021. The vaccination drive has made good progress. The economic activities seemed to be gathering momentum at a sustainable pace with people demonstrating greater confidence in stepping out and spending.

Financial markets remained jittery in FY21 due to domestic economic slowdown, concerns on fiscal slippage and geopolitical tensions. Weaknesses in overall economic activity also put pressure on business growth of lenders including NBFCs and HFCs. Markets have rolled down and the revenue stream of all NBFCs and HFCs was hugely impacted as there was significant drop in transactions, loan repayments etc. at all levels countrywide. A crucial pillar to the Indian economy, MSMEs will now struggle to sustain business and this will impact the NBFCs asset quality requirements. New policy measures or accounting rules could make the NBFCs vulnerable as the coronavirus pandemic looms to push the world into a downturn. It is clear that NBFCs and HFCs will need to recalibrate their strategies in order to deal with changing business scenario post pandemic.

No one knows when the coronavirus crisis will end. Nations are scurrying to find ways to contain the spread and find a cure, as economists and policy makers try to assess damage from the pandemic, whose impact on the world's economy is said to be worse than that of the 2008 global recession. It is tough to assess the magnitude of the impact of the coronavirus outbreak now. In India, even if the outbreak is contained after the lockdowns, the

coming quarters are going to be hard for the economy. It is also estimated that the GDP growth of the country will shrink in the next two coming quarters. In such times it is good to adopt a cautious attitude.

The slowdown in the real estate and housing finance sector began after the IL & FS crisis. The liquidity crunch in the housing finance companies and non-banking financial companies (NBFCs) impacted construction activities. Things improved a notch after the government and the central bank intervened. Yet, housing finance did not pick up as expected due to low demand as the economy slowed post the FY20 Budget. There is a huge unsold housing inventory piled up over the past four years. Though, the government took a slew of measures to revive the economy and the real estate sector by setting AIF (Alternate Investment Fund) of Rs. 25,000 crore to provide last-mile funding to about 1600 stalled projects at different stages, increasing income tax exemption on housing loans of Rs. 2.5 lakh to Rs. 3.5 lakh for affordable housing, and many other measures to boost supply and demand.

Whatever visible uptick the measures had brought about has been wiped out by the coronavirus pandemic. All sectors of the economy are badly hit with immediate high impact on domestic service sectors such as tourism, aviation, hospitality, small business, retail, food and beverages etc.

The government of India has taken adequate steps to contain the spread of the virus. Even if the lockdown is lifted, it will take considerable time for the economy to get back to near normal. There is bound to be massive unemployment going forward. The government has announced different packages for various sectors despite its tight fiscal position but there is no other way out.

GOVERNMENT FIRES ON ALL CYLINDERS TO CUSHION PANDEMIC IMPACT

The Reserve Bank of India (RBI) revised regulatory framework for the Housing Finance Companies (HFCs) will help them improve risk management and governance and thus become financially sound to withstand market turbulence. The RBI has directed that all the HFCs should have at least 60% of their net assets deployed in the business of providing finance for housing by March 31st, 2024 and the RBI has fixed the minimum net-owned fund (NOF) for commencing housing finance business at Rs. 20 crore and specified a timeline for meeting the above requirements by the existing HFCs.

With the objective of 'Housing for All' the Finance Minister Nirmala Sitharaman extends the benefit of additional interest deduction of Rs. 1.5 lakh for small tax payers to purchase affordable housing for one more year. Further, with its continued focus on 'Housing for All' the budget has extended additional interest deduction of Rs. 1,50,000 on home loan for first-time home buyers till March 2022. Amidst the lower interest regime, these measures will certainly boost demand for affordable housing.

RBI has also issued following measures and reliefs to ease out the

unforeseen difficulties being faced by the numerous sectors:

1. Liquidity Management Measures: As Banks are often evaluated on their liquidity, or their ability to meet cash and collateral obligations without incurring substantial losses, these measures had been introduced to ensure that adequate liquidity is available to all constituents so that COVID-19 related liquidity constraints are erased.

1. Targeted Long-Term Repos Operations (TLTROs): With a view to increasing the focus of liquidity measures on revival of activity in specific sectors, the RBI had announced the TLTRO on Tap Scheme on October 9, 2020 for a total amount of up to Rs. 1,00,000 crores which was available up to March 31, 2021. Liquidity availed by Banks under the scheme is to be deployed in corporate bonds, commercial paper, and non-convertible debentures. On a review, it has now been decided to extend the TLTROs on Tap Scheme by a period of 6 months i.e., till September 30, 2021.

2. Liquidity Facility for All India Financial Institutions: To support the continued flow of credit to the real economy in the aftermath of the COVID-19 pandemic, special refinance facilities for a total amount of Rs. 75,000 crores were provided during April-August 2020 to All India Financial Institutions (AIFIs) – the National Bank for Agriculture and Rural Development (NABARD), the Small Industries Development Bank of India (SIDBI), the National Housing Bank (NHB), and the EXIM Bank. In consonance with the policy objective of nurturing the still nascent growth impulses, it has been decided to extend fresh support of Rs. 50,000 crores to the AIFIs for new lending in 2021-22. Accordingly, NABARD will be provided a special liquidity fund (SLF) of Rs. 25,000 Crores to support agriculture and allied activities, SLF of Rs. 10,000 crores will be extended to NHB to support the housing sector and SLF of Rs. 15,000 crores will be provided to SIDBI to meet the funding requirements of MSMEs.

2. Regulation and Supervision: These measures were introduced to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 and to ensure the continuity of viable businesses.

1. Enhancement of Limit per customer: Banks, with a view to encourage their efforts for financial inclusion and to expand their ability to cater to the needs of their customers, including MSMEs, small traders and merchants, it has been decided to enhance the limit of maximum balance at end of the day from Rs. 1 lakh to Rs. 2 lakh per individual customer.

2. Asset Reconstruction Companies (ARCs): A Committee is constituted to undertake a comprehensive review of the working of ARCs in the financial sector ecosystem and recommend suitable measures for enabling such entities to meet the growing requirements of the financial sector.

3. Permitting banks to on-lend through NBFCs: An amount

of around Rs. 37,000 crores have been lent by banks to NBFCs for on-lending to the specified priority sectors by December 2020. With a view to ensure continued availability of credit to these sectors to aid faster economic recovery, it has been decided to extend the Priority Sector Lending (PSL) classification for lending by banks to NBFCs for 'on-lending' to the above sectors for six months, i.e., up to September 30, 2021.

4. Priority Sector Lending guidelines: With a view to encourage farm credit to individual farmers against pledge/hypothecation of agricultural produce and leverage the inherent safety of Negotiable Warehouse Receipts (NWRs)/electronic-NWRs(e-NWRs) issued by the warehouses registered and regulated by Warehousing Development and Regulatory Authority (WDRA), it has been decided to enhance the loan limit from Rs. 50 lakhs to Rs. 75 lakhs per borrower against the pledge/hypothecation of agricultural produce backed by NWRs/(e-NWRs) issued by warehouses registered and regulated by WDRA. The Priority Sector loan limit backed by other Warehouse Receipts will continue to be Rs. 50 lakhs per borrower.

3. Debt Management: The Advisory Committee was constituted by Reserve Bank of India to review the Ways and Means Advances (WMA) limits for State Governments/UTs and examine other related issues. The Committee has recommended an overall revised limit of Rs. 47,010 crores for all states, as against the current limit of Rs. 32,225 crores (fixed in February 2016), representing an increase of about 46%. The committee also recommended the continuation of the enhanced interim WMA limit of Rs. 51,560 crores (60 per cent increase in the current limits allowed by the Reserve Bank during the last fiscal to help states/UTs to tide over the difficulties faced by them during the pandemic) for a further period of six months i.e., from April 1, 2021 up to September 30, 2021. The Reserve Bank has accepted both the recommendations.

4. Financial Inclusion: Financial Inclusion has been viewed as a key enabler for achieving inclusive and sustainable development worldwide. This has been a thrust area for Government, Reserve Bank and other regulators, with a number of steps having been taken and significant progress made over the years. To measure the extent of financial inclusion in the country, the Reserve Bank will construct and periodically publish a "Financial Inclusion Index" (FI Index).

5. Payment Systems:

1. Centralised Payment Systems (CPS), viz- RTGS and NEFT – Membership for Entities other than Banks: RBI has encouraged participation of non-banks across payment systems. Payment system operators regulated by the RBI, to take direct membership in CPS. This facility is expected to minimise settlement risk in the financial system and enhance the reach of digital financial services to all user segments.

2. Interoperability of Prepaid Payment Systems (PPIs) and

increase in account limit: RBI has proposed to make interoperability mandatory for full-KYC PPIs and for all acceptance infrastructure. To incentivise the migration of PPIs to full-KYC, it is proposed to increase the limit of outstanding balance in such PPIs from the current level of Rs. 1 lakh to Rs. 2 lakhs.

3. Permitting cash withdrawal from Full-KYC PPIs issued by Non-Banks: RBI has proposed to allow the facility of cash withdrawal, subject to a limit, for full-KYC PPIs of non-bank PPI issuers as well. The measure, in conjunction with the mandate for interoperability, will give boost to migration to full-KYC PPIs and would also complement the acceptance infrastructure.

6. **External Commercial Borrowings (ECB):** Under the extant ECB framework, ECB borrowers are allowed to place ECB proceeds in term deposits with AD Category-I banks in India for a maximum period of 12 months. In view of the difficulty faced by borrowers in utilizing already drawn down ECBs due to Covid-19 pandemic induced lockdown and restrictions, it has been decided to relax the above stipulation as a one-time measure, with a view to provide relief. Accordingly, unutilised ECB proceeds drawn down on or before March 1, 2020 can be parked in term deposits with AD Category-I banks in India prospectively up to March 1, 2022.

A. OPPORTUNITIES AND CHALLENGES

OPPORTUNITIES

There is immense potential in the housing segment as there are millions of Indian households with aspirations of becoming house owners and are searching for homes that they can afford within their budget. The opportunity for housing finance sector in the country is immense. The incumbent Government retaining power at the centre, signalled continuity in policy measures with commitment to promote affordable housing through schemes like 'Housing for All' and the 'Pradhan Mantri Awas Yojana'. However, the liquidity crunch due to the pandemic has impacted the HFCs as well. The RBI has adopted an accommodative stance by announcing multiple re-finance schemes to boost liquidity. The government too announced a series of measures to boost growth in the sector through sops such as tax benefits for first time home buyers and additional interest deductions etc.

Increasing aspirations of people to own homes, low credit penetration in semi-urban and rural India, provision of credit linked subsidies that could amplify construction activities, rising income levels and improving borrower affordability through tax incentives will once again give a boom to the Housing Finance Sector. After the lock-down, more potential home owners would switch to the periphery areas for larger homes and a healthier lifestyle at more competitive rates with a work-from-home viable alternative.

CHALLENGES

Home loan growth and its asset quality of Housing Finance Companies (HFCs) will come under pressure following the economic impact of coronavirus pandemic as salaried class and

self-employed face the prospect of a job loss salary cuts. A slowdown is expected in home loan disbursements in the first half of FY 2022 as well. Recovery in the second half would be dependent on the overall economic turnaround. It is likely that people will defer their home purchases and home improvement / extension decisions in the current fiscal, till they are able to achieve stability in income levels and resumption of business activities. The extent to which COVID-19 outbreak will impact the business models and portfolio risk is difficult to estimate as the situation is still evolving.

Phasing out of lockdown / social distancing measures at a slower pace could result in deeper recession in FY22 as compared to all recessions India has ever experienced. Due to the pandemic, it is expected that the overall finance sector including HFCs will witness a rise in non-performing asset and deterioration in asset quality as repayment capacity of the borrowers will be impacted. If the current tight liquidity situation does not normalise soon, it could affect and delay the natural growth of the HFC sector. It will face a fair share of challenges with muted demand, lingering concerns over asset quality, funding constraints etc.

B. HOUSING FINANCE SECTOR REVIEW:

Housing sector growth is heavily impacted due to the coronavirus pandemic and is not likely to revive till the economy shows any sign of improvement. Stress in housing loan, particularly in affordable housing, will rise. Companies which have large exposures to small businesses and informal segments will see little higher stress for a few months due to fall in demand and the weakened ability to repay. However, many small businesses serve the common man, hence have more resilience to revive soon as the situation gets normal. It also depends on how fast workers who have gone back to their villages return to work. Overall housing growth in 2021 will be like the year 2020 and much depends on coordinated steps by the government and the RBI. The repo rate cut has also made home loans from banks much cheaper.

While HFCs are expected to regain their profitability and growth trajectory in Financial Year 2022, the rising COVID-19 infections and localised lockdowns remain a concern area. HFCs ability to maintain the growth momentum and keep slippages under control would be critical for maintaining the credit profile. The HFCs have been maintaining healthy on-balance sheet liquidity for the last few quarters and have gradually reduced their reliance on short-term funding sources, which has helped improve asset liability mismatches in the near-term buckets. It would be a real struggle for the HFCs to maintain healthy liquidity in the near-term in the challenging environment of COVID.

The long-term growth outlook for affordable housing finance companies remains positive and the segment is likely to see a growth of 12-15 per cent in the next financial year. The growth numbers of Affordable Housing Finance Companies could be much lower at 8-10 per cent in the financial year 2021 due to delay in home purchases by the borrowers owing to the impact of the pandemic on their earnings and savings. However, the long-term growth outlook for the sector remains positive given the

largely underserved market, favourable demographic profile, housing shortage and government support in the form of tax sops and subsidies. It is expected that the growth would pick up to 12-15 per cent in FY 2022.

COVID-19 – REGULATORY PACKAGES AND RESOLUTION FRAMEWORK FOR COVID-19-RELATED STRESS

The Reserve Bank of India (RBI) issued 'COVID-19 – Regulatory Packages' dated March 27, 2020, April 17, 2020 and May 23, 2020 to mitigate the impact of COVID-19 pandemic on the financial services sector. Under stipulated guidelines, the Company implemented a 'Policy on Deferment of PEMI/ EMI (COVID-19)' and offered moratorium on the payment of installments and/or interest, as applicable, falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers of the Company.

The RBI issued 'Resolution Framework for COVID-19 related Stress' dated August 06, 2020 for granting relief to borrowers impacted by COVID-19, by providing the facility of rescheduling of loans and/or for conversion of outstanding interest into a separate credit facility. The Company framed and implemented a 'Policy on Resolution Framework for loans of borrowers affected by COVID-19'.

CORPORATE GOVERNANCE

COMPANY'S OVERVIEW

Mentor Home Loans India Limited is an unlisted Housing Finance Company (HFC) incorporated on 24th February, 1995, having a registered office in Jaipur, Rajasthan. The Company is currently working in Rajasthan, Madhya Pradesh, Gujarat and Maharashtra.

The Company's product line is mainly segregated into two products: Home Loan and Mortgage Loan. Home loan can be availed for construction or buying a new house as well as for renovation and extension and it also offers composite loans towards purchase of non-agricultural land and construction on the same. Mortgage loan can be availed for business or other purposes which customises the needs of salaried and self-employed individuals. MSME loan is an ideal way to utilize and leverage your property to its full potential. Loan against the residential or commercial property can be availed at an attractive low EMI for business or personal financial requirements.

The Company's focus is to promote home ownership across the unserved and under-served sections of the society. Its mission is to be a lender in the affordable housing segment and focus on financial inclusion by being a catalyst in helping the low and middle-income households to buy their dream house. The Company intends to become best Housing Finance Company with core values such as integrity, transparency and high business ethics. It has instituted adequate internal control systems commensurate with the nature of its business and the size of its operations. The Company believes in creating an ecosystem of growth and development for its employees built on a foundation of trust and transparency. It always adopts a balanced approach to business and growth with a keen eye on asset quality and profitability.

The Company is growing its another segment through focussing on Business Correspondent (BC) Model. It also provides expert advice to enable an informed decision for quick loan approval. The Company proposes robust business model with centralized loan process and focus on customer's values by treating them all equally. The Company's management is involved in formation of various policies that are in progress and need relentless focus for the execution. The Company has a cautiously optimistic outlook for the future years.

During the year, the Company also received Rs. 15 Crores (Rupees Fifteen Crores Only) under Special Refinance Facilities Assistance (SRF) from National Housing Bank.

DISCLOSURES

A) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors are as follows;

i) MANAGERIAL REMUNERATION:

a) Remuneration to managing Director, Whole-time Director and /or Manager

S. No.	Particulars of Remuneration	Name of MD / WTD / Manager Pawan Kumar Goyal (MD)	Total Amount
1.	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,00,000	84,00,000
b.	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
c.	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify	-	-
	Others, please specify	-	-
	Total (A)	84,00,000	84,00,000
5.	Ceiling as per the Act	In terms of the provisions of Companies Act, 2013 the remuneration paid is well within the limit.	

b) Remuneration to other Directors

S. No	Particulars of Remuneration	Name of Directors			Total Amount
		Ram Ratan Agarwal	Sanjay Agarwal	Mohan Lal Bhargava	
1.	Independent Directors				
	Fee for attending board committee meetings	1,00,000	1,20,000	10,000	2,30,000

	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1,00,000	1,20,000	10,000	2,30,000
		Girdhari Lal Goyal	Basant Kumar Goyal		
2.	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total B=(1+2)	1,00,000	1,20,000	10,000	2,30,000
	Total Managerial Remuneration	-	-	-	86,30,000
	Overall Ceiling as per the Act	In terms of the provisions of Companies Act, 2013 the remuneration paid is well within the limit.			

B) Details of fixed component. and performance linked commission along with the performance criteria;

NIL.

C) service contracts, notice period, severance fees; and

- *Mr. Pawan Kumar Goyal is not eligible for any severance fee. Service contract and the notice period is as per the terms of agreement entered into by him with the Company.
- *The service contracts, notice period and severance fees are not applicable to Non-Executive and/ or Independent Directors.

D) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: N.A.

FINANCIAL SUMMARY/ HIGHLIGHTS

The financial performance of the Company for the Financial Year ended March 31, 2021 is summarized below:

(Rs. In Crores except EPS)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gross Income	89.67	97.74
Profit Before Finance Cost, Depreciation and tax	73.17	81.66
Finance Charges	44.16	49.49
Depreciation	0.58	0.57

Net Profit Before Tax	28.43	31.60
Current Tax	6.80	6.84
Deferred Tax	0.78	1.11
Net Profit After Tax	20.84	23.68
Earnings Per Share (EPS)	Rs. 36.25	Rs. 41.18

FINANCIAL AND OPERATIONAL PERFORMANCE

A. INCOME AND PROFITS

- Total Income of the Company for the Financial Year ended March 31, 2021 was Rs. 89.67 Crores compared to Rs. 97.74 Crores in the previous Financial Year ended March 31, 2020.
- For the Financial year ended March 31, 2021, the Company reported a Profit before Tax (PBT) of Rs. 28.43 Crores as against Rs. 31.60 Crores in the previous Financial Year.

B. ASSETS UNDER MANAGEMENT (AUM)

The AUM of the Company stood at Rs.457.11 Crores (including direct assignment of Rs.59.64 Crores) as on March 31, 2021 as against Rs 471.83 Crores (including direct assignment of Rs 16.33 Crores) in the previous financial year.

C. ASSETS LIABILITY MANAGEMENT (ALM)

The Company has sound ALM position with a positive cash flow in all its buckets up to ten years. As per the current scenario the Company's liquidity is well managed with comfortable asset liability position.

D. TERM LOANS FROM BANKS AND FINANCIAL INSTITUTIONS

During the year the Company received fresh sanctions from banks amounting to Rs.16 Crores and availed loans aggregating Rs.15 Crores. The outstanding term loans from Banks, NBFCs, HFCs and others as on March 31, 2021 were Rs. 321.99 crores.

E. BUSINESS CORRESPONDENCE MODEL

During the year under review, the Company has entered into a Business Correspondent (BC) Agreement with Utkarsh Small Finance Bank for the business of Housing Loan and Loan Against Property from the branches of the company through BC Model.

F. DIRECT ASSIGNMENTS

During the financial year 2020-21, we received a purchase consideration of Rs.53.46 Crores from direct assignment and the securitized assets were derecognized in the books of the company. As at 31st March, 2021, the company has outstanding Direct Assignment of Rs.59.64 in the total portfolio compared to Rs.16.33 Crores as at 31st March, 2020.

G. BORROWING COMPOSITION

As on March 31, 2021, the Company's outstanding bank loans stood at Rs.194.53 Crores (Rs.15 Crores from NHB), loans from Financial Institutions & others stood at Rs.140.42

Crores (Rs.5 crores for Non-Convertible Debentures & Rs.25 crores for unsecured subordinated debt out of which Rs. 20 crores qualify for Tier II capital).

In 2020-21, the Company's bank loan borrowings' rating is **Acuite BBB; Stable and CARE BBB-; Stable** and unsecured subordinated non-convertible debentures rating is **Acuite BBB; Stable** which signifies the stability of the performance of the Company and the highest degree of safety regarding timely serving of financial obligations.

H. CAPITAL ADEQUACY RATIO

As per the provisions of the clause 6.1 of Chapter IV- Capital of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, the Company was required to maintain a minimum capital adequacy of 14% on a standalone basis on March 31, 2021.

The Company's Capital Adequacy Ratio as of March 31, 2021 was 60.26% as Compared to previous financial year 47.37%, which is far above the minimum required level of 14% as per the NHB.

I. NON-PERFORMING ASSETS (NPA)

Your Company consistently maintains low NPA levels. This has been made possible through adherence to good underwriting standards, regular monitoring with effective and strong recovery systems & processes. The amount of Gross Non-Performing Assets (GNPA) as on March 31, 2021 was Rs. 6.68 Crores, which is equivalent to 1.68% of the loan portfolio of your Company, as against Rs. 7.27 Crores i.e., 1.60% of the loan portfolio as on March 31, 2020.

The Net NPA as on March 31, 2021 was Rs. 5.14 Crores i.e., 1.32% of the loan portfolio as against Rs.6.00 Crores i.e., 1.34% of the loan portfolio as on March 31, 2020. The total cumulative provision towards loan and other assets as on March 31, 2021 was Rs.3.70 Crores as against Rs.2.69 Crores in the previous year.

SHARE CAPITAL

During the financial year 2020-21, Share Capital structure of your company remain unchanged and there was no new issue of shares to existing shareholders or new shareholders by way of Public issue or Private Placement or otherwise and to employees/ Directors by way of ESOPs' or Sweat Equity Shares.

The Authorized Share Capital of the Company as on March 31, 2021, was Rs.10,00,00,000/- divided into 1,00,00,000 equity shares of Rs.10/- each.

The Issued, Subscribed and Paid-up Share Capital as on March 31, 2021 was Rs.5,75,03,000/- divided into 57,50,300 equity shares of Rs.10/- each.

DEBENTURES

The Company is in compliance with the provisions of Non-

Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, and erstwhile Housing Finance Companies issuance of Non-Convertible Debentures on private placement basis (NHB) Directions, 2014 and has been regular in payment of principal and interest on the Non-Convertible Debentures. During the Financial Year 2020-21, your Company has not issued any Debentures. However, the company had issued Non-Convertible Debentures redeemable at par amounting to Rs. 5 Crores in the Financial Year 2016-17.

DIVIDEND

Your Directors have considered reinvesting the profits in the business of the Company in order to build a strong base for the long-term growth of the Company and maintain a liquidity cushion due to ongoing COVID-19 pandemic. Accordingly, no dividend has been recommended for the Financial Year ended March 31, 2021

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There were no Unclaimed / Unpaid Dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, remaining unclaimed / unpaid in relation to the Company. Hence, the company is not required to transfer any amount to Investor Education and Protection Fund (IEPF).

TRANSFER TO RESERVE

During the Financial Year 2020-21 under review, your Company has transferred following amounts to the Reserves:

Amount (Rs.)

S. No	Reserve Head	Opening Balance	Addition	Deduction	Closing Balance
1	Securities Premium Account	13,09,56,000	-	-	13,09,56,000
2	Statutory Reserve u/s. 29C of National Housing Bank Act, 1987	53,95,156	26,72,247	-	80,67,403
3	General Reserve	65,69,69,277	16,67,35,883	-	82,37,05,159
4	Special Reserve u/s 36(1)(viii) as per Income Tax Act, 1961	14,36,15,576	3,90,11,724	-	18,26,27,300

CREDIT RATING

During the year under review, the rating agencies issued ratings to the Company, as under:

Name of Rating Agency	Nature of Securities	Rating
Acuite Ratings & Research Limited	Long Term Bank Facilities	Acuite BBB; Stable
CARE Ratings Limited	Long Term Bank Facilities	CARE BBB-; Stable
Acuite Ratings & Research Limited	Unsecured Subordinate Non-Convertible Debentures	Acuite BBB; Stable

DISCLOSURE RELATING TO HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any holding, subsidiary, joint venture or associate company. During the reporting period no Company has become or ceased to be a subsidiary, joint venture or associate Company.

MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company which had occurred between the end of the financial year of the Company to which these financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

In terms of contravention of Para 25 of the Housing Finance Companies (NHB) Directions, 2010, Para 28 of the Housing Finance Companies (NHB) Directions 2010, Para 30 of the Housing Finance Companies (NHB) Directions 2010, Para 5.1 of the Annex-4 of the Housing Finance Companies – Corporate Governance (NHB) Directions 2016, Para 10 and Para 11 of the Housing Finance Companies – Issuance of Non-Convertible Debentures on private placement basis (NHB) Directions, 2014, NHB Policy Circular no. 35, 49, 90 and 94, NHB had imposed a penalty of Rs. 90,000/- and GST thereon with regard to above clauses and the same was duly paid by the Company.

INTERNAL AUDITOR

In accordance with provisions of Section 138(1) of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 and other applicable provisions, M/s Agrawal Jain & Gupta, Chartered Accountants (Firm Registration No. 013538C) were appointed as the Internal Auditors of the Company to conduct the Internal Audit for the financial year 2020-21. The Internal Audit function operates under the supervision of the Audit Committee of the Board.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has instituted adequate internal control systems commensurate with the nature of its business and the size of its operations. Internal audit is carried out that covers key areas of the business. The Internal Audit ("IA") System supported by Independent Internal Auditors who conduct comprehensive audit of functional areas and operations of the Company to

examine the adequacy of compliance with policies, procedures, statutory and regulatory requirements. The Company has institutionalised a strong compliance culture across all its business operations recognising that transparency and trust among all its stakeholders can be achieved only through this. We believe that Compliance is the cornerstone of good corporate citizenship.

The IA System of the Company monitors and evaluates the efficiency and adequacy of the internal control systems in the Company and its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of IA function, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee from time to time.

During the preceding financial years, the original property papers of the customers of the Company were shifted to new place taken on rent by the Company, some of these documents are under reconciliation.

The Company has been arrayed as party in the Petitions preferred by Mr. Basant Kumar Goyal one of the Directors of the Company and Mr. Pawan Kumar Goyal, Managing Director before Hon'ble National Company Law Tribunal, Jaipur Bench, Jaipur Bench, Jaipur and the same are still under adjudication of the Hon'ble NCLT. As per directions of the Hon'ble NCLT, status quo on the shareholding pattern and composition of Board of Directors of the Company continues. The Company is seized with requisite steps to insulate it against potency of adverse impact on its financial position.

INTERNAL FINANCIAL CONTROL

The Management had reviewed the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company, broadly in accordance with the Companies Act, 2013 and rule 8(5)(viii) of Companies (Accounts) Rules, 2014. The Company has in place, adequate internal financial controls with reference to financial statements and no reportable material weaknesses in the design or operation were observed.

To ensure effective Internal Financial controls, the Company has laid down the following measures:

- The Company has a qualified professional to manage internal control and an external firm acting as independent internal auditors and they review internal control and operating systems and procedures.
- All Legal and Statutory Compliances are ensured on a monthly basis. Non-Compliance, if any is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
- Approval of all transactions is ensured through a pre-approved delegation of authority schedule which is reviewed periodically by the management.
- Effective Internal Financial controls helps your Company

accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

e) To reduce the human's mistake factor, Company has also put in place an on line IT management systems.

STATUTORY AUDITORS

At the Twenty-Third Annual General Meeting (AGM) of the Company held on 26th September, 2018, M/s H.S. Badaya & Co. Chartered Accountants (Firm Registration No: 006567C) were appointed as the Statutory Auditors of the Company for a term of three years, to hold office from the conclusion of the Twenty-Third AGM, i.e., from the Financial Year 2018-19 till the conclusion of Twenty-Sixth AGM of the Company to be held in the year 2021. Accordingly, the Statutory Auditors will retire at the ensuing AGM of the Company.

The Board of Directors at their Meeting held on 3rd September, 2021 recommended the appointment of M/s M/s. Agrawal Jain & Gupta, Chartered Accountants (Firm Registration No. 013538C) as the Statutory Auditors of the Company for a term of 3 years from the conclusion of Twenty-Sixth AGM of the Company till the conclusion of the Twenty-Ninth AGM of the Company to be held in the year 2024, subject to the approval of the Members at the ensuing AGM and subject to regulatory guidelines issued by the Reserve Bank of India.

M/s. Agrawal Jain & Gupta, Chartered Accountants (Firm Registration No. 013538C) have given their consent and furnished a certificate of their eligibility for being appointed as the Statutory Auditors of the Company as required under the provisions of Section 139(1) and 141 of the Companies Act, 2013.

AUDIT REPORT

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. The notes to accounts referred to in the Auditor's Report are self-explanatory and need no further explanation.

DEBENTURE TRUSTEE

Beacon Trusteeship Limited having its registered office at 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai – 400 051 is acting as Debenture Trustee for the NCDs issued by the Company on private placement basis.

PARTICULARS OF FRAUD REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143

The Statutory Auditors of the Company has not reported any fraud u/s 143(12) of the Companies Act, 2013 for the period under review.

SECRETARIAL AUDITORS AND SECRETARIAL AUDITOR'S REPORT

In accordance with Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Mr. Pradeep Pincha, Partner of M/s Pinchaa & Co., Practicing Company Secretary having Membership number 5369 and COP number 4426 was appointed as a Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2020-21. The Report of Secretarial Auditors for the Financial Year 2020-21 is annexed to this Report as "Annexure-1".

All the observations reported by the Secretarial Auditor in its report are self-explanatory except the below mentioned observations together with the explanations made by the Board and the same are as follows:

S.No.	Observations	Explanations
a.	National Housing Bank (NHB) vide its letter no. NHB (ND)/HFC/ DOS/ 07599/ 2020 dated 14th December, 2020, issued show cause notice in regard to the inspection of the Company, as per provisions of the National Bank Act, 1987 with reference to its position as on 31st March, 2019 and 31st March, 2020 by levying penalty for non-compliances. Further, NHB vide its letter no. NHB (ND)/ HFC/ DOS/ 00736/ 2021 dated 18th February, 2021 imposed a monetary penalty and directed the Company to credit the total penalty amount of Rs. 90,000/- plus applicable tax	The Company has made the payment of said penalty amount on 3rd March, 2021
b.	The Company is under process for filing of e-form PAS-6 with Registrar of Companies Pursuant to sub-rule (8) of rule 9A Companies (Prospectus and Allotment of Securities Rules, 2014.	The Company has duly filed the e-form PAS-6 with Registrar of Companies pursuant to sub-rule (8) of rule 9A Companies (Prospectus and Allotment of Securities Rules, 2014) for the period 01.04.2019-30.09.2019 vide SRN T25535550 dated 25.06.2021, for the period 01.10.2019-31.03.2020 vide SRN T25537846 dated 25.06.2021, for the period 01.04.2020-30.09.2020 vide SRN T25537002 dated 25.06.2021 and for the period 01.10.2020-31.03.2021 vide SRN T25538604 dated 25.06.2021 respectively.

c.	As per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Company was required to spend an amount of Rs.60,69,526.35/- during the financial year 2020-2021, however, the Company had spent an amount of Rs.47,36,018.60/- during the year and the Company is under process of completing its CSR obligation amounting to Rs.13,33,507.75 which remained unspent in the financial year 2021-22, in accordance with the provisions of Section 135 of the Companies Act, 2013 read-with Rules made thereunder, as amended from time to time.	Due to widespread pandemic of COVID-19, the Company's major CSR activities focused on health, education & response to pandemic crisis. Hence the Company was unable to utilize the complete amount of CSR budget allocated. The Company has transferred an amount of Rs.13,33,507.75/- to unspent CSR Account which will be utilised in the upcoming financial year(s) as per the provisions of Section 135 of the Companies Act, 2013.
----	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Further, the Secretarial Auditors have not reported any fraud in terms of Section 143(12) of the Act.

COST RECORDS

The Provision of Section 148 of the Companies Act, 2013 about the requirement of maintenance of cost records and accounts are not applicable to the Company and accordingly such accounts and records are not so made and maintained.

INFORMATION TECHNOLOGY SUPPORT

The Company has adopted Information Technology Policy and has also constituted an Information Technology Strategy Committee as per the notification issued by NHB vide its notification no. NHB/ND/DRS/ Policy Circular No. 90/2017-18 dated June 15, 2018, in order to enhance the safety, security, efficiency in processes leading to benefits for the Company and its customers.

Information Technology ("IT") has enabled the automation and digitisation of processes across the organisation, empowers employees with the workflows and knowledge for efficiency and controls, and engenders business products, analytical models and decision making. Company has developed a fully equipped "Core Housing Finance Solutions Platform" which is a step towards aligning technology to the projected business growth. All our branches of the Company and Head office are linked through a database platform that enriches data management, strengthens service delivery and serves the customers in an efficient manner, and is also an integral part of the Control mechanism.

The IT architecture at Mentor Home Loans India Limited helps the Company stay ahead of the curve. The IT team engages with leaders across business verticals to provide tailor made solutions,

with speed, accuracy and transparency both at the back end and the front.

RISK MANAGEMENT

The Company has developed, formulated and implemented a Risk Management framework, which lays down the procedures for risk assessment, and mitigation. The Risk team led by Mr. Girdhari Lal Goyal, Chairman cum Non-Executive Director on a quarterly basis update the Risk Management Committee and Audit Committee on key matters. The procedure policies for risk assessment and minimization are regularly reviewed by the Board. The Risk Management oversight structure includes a Committee of the Board and Senior Management Committee. The risk management framework works at various levels across the enterprise. Risk Management at the Company covers Credit Risk, Market Risk, Operational Risk, Fraud Risk, and other risks, such as compliance risk, reputation risk, and other risks.

The Company's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of all its stakeholders and at the same time minimise potential adverse effects on its financial performance. The Company places emphasis on risk management practices to ensure an appropriate balance between risks and returns.

The Risk Management process is an integral part of the Company's business strategy. The Risk Management Committee oversees the risk management framework of the Company through regular and proactive intervention by senior management personnel. The Board of Directors and its Risk Management Committee ensure that Management takes into consideration all the relevant risk factors which could lead to unexpected fluctuations in results or to a loss of capital employed.

The risk management framework is based on assessment of all risks through proper analysis and understanding of the underlying risks before undertaking any transactions and changing or implementing processes and systems. This risk management mechanism is supported by regular review, control, and self-assessment and monitoring.

The Company's risk management process embeds a robust and resilient risk management culture across all hierarchies of the Company.

HUMAN RESOURCES

Our people represent our strongest competitive advantage. The focus is on attracting, nurturing, and inspiring teams to apply their expertise to serve our diverse clients within the boundaries of our risk appetite and compliance requirement. Human resource development is considered vital for effective implementation of business plans. Constant endeavours are being made to offer professional growth opportunities and recognition, apart from imparting training to the employees at all levels. Your Company has also provided training to the new recruits to provide them better understanding of the Company and align them towards the working culture of the Company.

During the previous financial year, the safety of the employees was the top priority of the Company under influence of the pandemic. The Company has modified its policy for the working of the staff due to the COVID-19 pandemic. This included rotational work from home, social distancing at working place, staggered timing, increased sanitation in the office, thermal screening etc.

Consistent with our ambition, our talent strategy is performance-oriented and in alignment with our organisational goals. Your Company encourages employees who have demonstrated the right capability, attitude, and the desire to 'Step Up'.

The Human Resource Development (HR) team has been continuously endeavouring to identify the current and future skills requirements of the organisation and create flexible learning interventions to meet the diverse needs of the workforce. Company has also taken crucial steps towards propagating a safe workspace. The Company recognizes its people as the most valuable asset and it has built an open, transparent culture to nurture this asset. The growth of the workforce is in line with the strategy of growing the operations and expanding the footprints of the Company.

The number of permanent employees on rolls of the Company as on 31st March 2021 was 290.

EMPLOYEE REMUNERATION

Being an unlisted Company the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time the Remuneration to employees are not applicable to the Company.

CODES AND STANDARDS

The NHB has issued comprehensive Know Your Customer (KYC) Guidelines and Anti Money Laundering Standards in the context of recommendations made by the Financial Action Task Force on Anti Money Laundering Standards. The Company has formulated various policies and codes in compliance with provisions of directions and guidelines issued by National Housing Bank and have adopted Fair Practices Code Policy (FPCP) to promote good and fair practices by setting minimum standards in dealing with customers while doing lending business.

The applicability of the policy has been detailed below: -

- It is applicable to all the persons who are offered the products and services of the Company as an employee or otherwise in any manner and/or by any mode.
- The code is applicable under normal operating environment except in the event of any force major.
- The code is based on ethical principles of integrity and transparency and all actions and dealings shall follow the spirit of the code.
- The Products and services of the Company will meet all applicable laws and regulations.

The code sets out one's conduct in dealing with the company, fellow directors and employees and with the environment in which the company operates.

COMPLIANCE

The Company follow a policy of absolute compliance, regulatory or legal requirements, in both letter and spirit. The Company places an overarching importance to ensure compliance with all extant regulations and laws. The dedicated compliance department strives to be at the forefront of all regulatory changes and it works in close quarters with the Company's business and operations teams to ensure absolute compliance with all requirements.

In the financial year, the National Housing Bank (NHB)/Reserve Bank of India (RBI) has issued various Notification, Circular and Guidelines to Housing Finance Company and the same were placed before the Board of Directors at regular intervals to the Board Members on compliance of the same. Your Company has adhered to the Circulars, Notifications and Guidelines issued by NHB/RBI from time to time.

Your Company has also complied with and continues to comply with all applicable provisions of the Companies Act, 2013, the National Housing Bank Act, 1987, NHB Directions, 2010, Reserve Bank of India Act, 1934 and other applicable laws issued/amended from time to time..

The Government of India has set up the Central Registry of Securitization, Asset Reconstruction and Security Interest of India (CERSAI) under Section 21 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) to have a central database of all mortgages created by lending institutions. The object of this registry is to compile and maintain data relating to all transactions secured by mortgages. Accordingly, your Company is registered with CERSAI and has been submitting data in respect of its loans.

SECRETARIAL STANDARD COMPLIANCES

Your Directors states that they have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively and the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

DEMATERIALIZATION OF SHARES AND NON-CONVERTIBLE DEBENTURES

The equity shares of the Company have been admitted for dematerialization by National Securities Depository Limited (NSDL) with ISIN No. INE206X01017.

The Non-Convertible Debentures of the Company have been admitted for dematerialization by National Securities Depository Limited (NSDL) with ISIN No. INE206X08012.

REGISTRAR AND SHARE TRANSFER AGENT

NSDL Database Management Limited acts as the Registrar and Share Transfer Agent of the Company, to whom communications regarding change of address, transfer of shares, change of mandate etc. can be addressed by the members holding shares in the physical mode, as per the details mentioned below:

NSDL Database Management Limited (CIN: U72400MH2004PLC147094)
 Address: 4TH Floor, Trade World A Wingkamla Mills,
 Compound Lower Parel (W) Mumbai-400013 (Maharashtra)

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), does not apply to a loan made, guarantee given or security provided by a housing finance company in the ordinary course of business.

As regards investment made by the Company, the detailed particulars are set out in the Notes to Accounts that forms part of this Annual Report.

DEPOSITS

During the reporting period the Company has not invited, accepted or renewed any deposit within meaning of Section 73 to 76 of the Companies Act, 2013. Accordingly, the requirement to furnish details relating to deposit covered under Chapter V of the Companies Act, 2013 does not arise.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of the business of the Company.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's Length Basis and in ordinary course of business. There were no materially significant related party transactions entered into by the company with promoters, Directors, key managerial personnel or other designated persons which may have potential conflict with the interest of the company at large. The details of the related party transactions as required under section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rule, 2014 in the prescribed Form No AOC-2, is furnished in "Annexure-2" and forms integral part of this report.

Further all the necessary details of transaction entered with the related parties are mentioned in the Note No. 29 of the financial statements for the financial year ended March 31, 2021.

Further as required by RBI Master Directions, 'Policy on transactions with Related Parties' is given as "Annexure-3" to this Report and can be accessed on the website of the Company at <https://mentorloans.co.in/policies-codes/>

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board of Directors of the Company is in conformity with the provisions of the Companies Act, 2013 ("the Act"), as amended from time to time.

As on the date of this Report, the Board comprises the following Directors:

S. No.	Name of Director	Designation
1.	Mr. Girdhari Lal Goyal [DIN: 00020248]	Chairman cum Non-Executive Director
2.	Mr. Pawan Kumar Goyal [DIN: 00020153]	Managing Director
3.	Mr. Basant Kumar Goyal [DIN: 00020127]	Non-Executive Director
4.	Mr. Ram Ratan Agarwal [DIN: 01000735]	Independent Director
5.	Mr. Sanjay Agarwal [DIN: 02403354]	Independent Director
6.	Mr. Mohan Lal Bhargava [DIN: 03433342]	Independent Director

The Board reviews and approves the strategy and oversees the actions and results of the management to ensure that the long-term objectives of growth and sustainability are met.

During the year under review, on the basis of recommendation of Nomination and Remuneration Committee, Mr. Sanjay Agarwal (DIN: 02403354) and Mr. Ram Ratan Agarwal (DIN: 01000735) were appointed as an Additional Director (in the Category of Independent Director) of the Company with effect from 1st April, 2020 for a term of five consecutive years with effect from 01.04.2020 to 31.03.2025, who shall hold office up to the date of ensuing Annual General Meeting and shall not be liable to retire by rotation.

The Company has not proposed at the ensuing Annual General Meeting the matter related to director liable to retire by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and Regularisation of Appointment of Mr. Sanjay Agarwal (DIN: 02403354) and Mr. Ram Ratan Agarwal (DIN: 01000735) appointed as an Additional Director (Under the Category of Independent), due to status quo as per the order of NCLT Jaipur on the Composition of Board of Directors.

PASSING OF ONLINE SELF-ASSESSMENT TEST BY INDEPENDENT DIRECTORS:

Ministry of Corporate Affairs has amended the Companies (Appointment and Qualification of Directors) Rules, 2014 vide Notification No. G.S.R. 774(E) dated 18th December, 2020 and through the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2020 has provided various relaxation with respect to the requirement to undergoing online self-assessment proficiency test for Independent Directors. The eligibility criteria for exemption from online proficiency self-assessment test have been broadened. Now, an individual shall

not be required to pass the online proficiency self-assessment test when he has served for a total period of not less than 3 years (previously it was 10 years) as on the date of inclusion of his name in the databank as a Director or Key Managerial Personnel, in an unlisted public company having a paid-up share capital of Rs. 10 crore or more.

Therefore, both the Independent Directors have registered themselves in the Independent Directors databank but are now not required to pass the self-assessment test.

The Company received declarations from all Independent Directors that they meet the criteria of independence specified under sub-section (6) of Section 149 of the Companies Act, 2013, and under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended as on date that they are in compliance of Rule 6(1) and Rule 6(2). All the Directors of the Company except Independent Directors are liable to retire by rotation.

Based on the confirmations received, none of the Directors are disqualified for being appointed/reappointed as Directors in terms of Section 164 the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL

As on March 31, 2021, the Company has the following KMPs:

- Mr. Pawan Kumar Goyal – Managing Director
- Mr. Rohit Jain – Company Secretary

During the year under review, no Key Managerial Personnel (KMP) has been appointed or resigned from the Company.

BOARD MEETINGS AND ANNUAL GENERAL MEETING

During the Financial Year 2020-21, the Board of Directors met five times on 27th May, 2020, 05th August, 2020, 02nd December, 2020, 30th December, 2020 and 31st March, 2021.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are generally sent at least seven days in advance or at shorter period, as the case may be, 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.

The intervening gap between the Meetings were within the period prescribed under the Companies Act, 2013 and the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). The Meetings were duly attended by the Board of Directors.

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

The names of the directors along with their respective categories followed by their attendance in the Board Meetings held during the Financial Year 2020-21, and Annual General Meeting (AGM) of the Company held on 04th September, 2020, are as follows:

Name of Director	Nature of Directorship	Attendance at the Board Meetings held during F.Y. 2020-21		Attendance at the last AGM held on 04 th September, 2020 (YES / NO)
		Held	Attended	
Mr. Girdhari Lal Goyal	Chairman cum Non-Executive Director	5	0	No
Mr. Pawan Kumar Goyal	Managing Director	5	5	Yes
Mr. Basant Kumar Goyal	Non – Executive Director	5	4	Yes
Mr. Ram Ratan Agarwal	Independent Director	5	5	Yes
Mr. Sanjay Agarwal	Independent Director	5	3	No
Mr. Mohan Lal Bhargava	Independent Director	5	1	Yes

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that Period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- Company being unlisted sub clause (e) of section 134(5) is not applicable;
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws that such systems were adequate and operating effectively;

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the financial year on 04th August, 2020. The Meeting was conducted without the attendance of non-independent directors and members of management.

At this Meeting, the Independent Directors has:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the

company, taking into account the views of executive directors and non-executive directors except Mr. Basant Kumar Goyal, non-executive director;

- (c) Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FIT AND PROPER CRITERIA

All the Directors meet the fit and proper criteria stipulated by NHB. All the Directors of the Company have affirmed compliance with the Code of Conduct of the Company. All the directors of the Company have provided Fit & Proper Declaration during the Financial Year.

COMMITTEES OF THE BOARD

a) AUDIT COMMITTEE

The Company has an adequately qualified and experienced Audit Committee. As on 31st March, 2021, the Audit Committee comprised of three Directors, out of which two are Independent Directors. The Committee comprises of Mr. Pawan Kumar Goyal (Chairman of the Committee), Mr. Ram Ratan Agarwal and Mr. Sanjay Agarwal (Independent Directors as members of the committee).

The Terms of Reference of the Audit Committee are as under:

- Recommendation for the appointment, Remuneration and terms of appointment of the auditor of the Company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditor's report thereon;
- Approval/recommendation to the Board or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of Internal Financial Controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- Any other responsibility as assigned by the Board from time to time and applicable provisions of the Companies Act and/or directions issued by the NHB;
- Any other work and policy, related and incidental to the objectives of the committee as per provision of the Act and rules made there under;

The Audit Committee of the company met five times during the year under consideration on 26th May, 2020, 05th August, 2020,

02nd December, 2020, 30th December, 2020 and 31st March, 2021. Proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of association of the Company and the Act.

The details and attendance of the Members of the Audit Committee at its Meetings held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the Audit Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Pawan Kumar Goyal	Chairman	5	5
Mr. Ram Ratan Agarwal	Member	5	5
Mr. Sanjay Agarwal	Member	5	5

The Constitution of Audit Committee of the Board is in compliance with the provisions of Section 177 of the Companies Act, 2013 and as per NHB CG Directions. All the Members of the Audit Committee have the required qualification and expertise for appointment on the Committee and possess the requisite accounting and related financial management expertise. The Company Secretary is the Secretary to the Committee.

b) NOMINATION AND REMUNERATION COMMITTEE ('NRC')

As on 31st March, 2021, the Nomination and Remuneration Committee comprised of three Directors, out of which two are Independent Directors. The Committee comprises of Mr. Ram Ratan Agarwal (Independent Director as Chairman of the Committee), Mr. Sanjay Agarwal (Independent Director as Member of the Committee) and Mr. Girdhari Lal Goyal (Non-executive Director as member of the committee).

The Terms of Reference of the Nomination and Remuneration Committee are as under:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- To formulate the criteria for determining qualifications, positive attribute and independence of a director and
- To recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and Motivate Directors of the quality required to run the Company successfully; and
 - b) relationship of remuneration to performance is clear and meets appropriate performance Benchmarks; and
 - c) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance Objectives appropriate to the working of the company and its goals;
- Any other responsibility as assigned by the Board from time to time and applicable provisions of the Companies Act and/or directions issued by the NHB;
 - Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

PERFORMANCE EVALUATION

Evaluation was carried out by the Board, Nomination and Remuneration Committee and by the Independent Directors pursuant to the provisions of the Companies Act, 2013. An indicative list of factors on which evaluation was carried out by the Board includes an annual evaluation of its own performance and that of its committees as well as performance of the Directors individually including Independent Directors (excluding the director being evaluated) has been made.

Evaluation by Board was carried out on the basis of questionnaire prepared after considering various inputs received from the Directors, covering various aspects revealing the efficiency of the Board's functioning such as development of suitable strategies and business plans, size, structure and expertise of the Board and their efforts to learn about the Company and its business, obligations and governance.

Board and Nomination and Remuneration Committee carried out performance evaluation of Directors on parameters such as appropriateness of qualification, knowledge, skills and experience, time devoted to Board, deliberations and participation level in board functioning, extent of diversity in the knowledge and related industry expertise, attendance and participations in the meetings and workings thereof and Initiative to maintain high level of integrity and ethics and the same was appraised to the Board of Directors.

Evaluation of performance of Non-Independent Directors was carried out by Independent Directors in their separate meeting, the Board as a whole and performance evaluation of Chairman was carried out, taking into account the views of Executive and Non-Executive Directors.

Evaluation of Committees were done on the parameters such as whether the Committees of the Board are appropriately constituted, have appropriate number of meetings held each year to accomplish all of its responsibilities, maintain the confidentiality of its discussions and decisions, conduct self-

evaluation at least annually, make periodical reporting to the Board along with its suggestions and recommendations.

Independent Directors' performance evaluation was carried out on parameters such as whether the Directors uphold ethical standards of integrity and probity, the ability of the directors to exercise objective and independent judgment in the best interest of Company, the level of confidentiality maintained, adherence to the applicable code of conduct for Independent Directors and their role in bringing independent judgment during Board deliberations on strategy, performance, risk management etc.

The Board expressed its satisfaction with the evaluation process.

The NRC Policy is annexed as **"Annexure-4"** and is also available on the Company's website, <https://mentorloans.co.in/policies-codes/>.

During the year under review the Nomination and Remuneration Committee of the company met three times on 28th May, 2020, 04th August, 2020 and 31st March, 2021.

The attendance of the Members of the Nomination and Remuneration Committee at its Meetings held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the NRC Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Ram Ratan Agarwal	Chairman	3	3
Mr. Girdhari Lal Goyal	Member	3	1
Mr. Sanjay Agarwal	Member	3	3

c) ASSET AND LIABILITY MANAGEMENT COMMITTEE ('ALCO')

As on 31st March, 2021, the Asset and Liability Management Committee (ALCO)* of the Board of Directors comprised of four members viz. Mr. Pawan Kumar Goyal, (Chairman of the Committee), Mr. Deepak Khanna, Mr. Sahil Goyal and Mr. Ankit Agnihotri (Members of the Committee).

The Company has duly constituted Asset and Liability Management Committee (ALCO) with the aim of having effective management of Company's assets and help to ensure that all the assets are managed in a proper manner.

The Terms of Reference of the Asset and Liability Management Committee are as under:

- To review/monitor the Asset and Liability Management profile and system of the Company from time to time;
- To monitor and manage the following risks pertaining to Company's business by taking appropriate steps and recommending suitable measures to the Board, if required;
 - a) Liquidity risk,
 - b) Market risk,

- c) Interest rate risk,
- d) Funding and Capital planning.
- To monitor and advise maturity profile and mix of the incremental Assets and Liabilities of the Company;
- To advise on appropriate mix of between Fixed v/s Floating Interest Rate liabilities/resources assets/ resources planning;
- To formulate Interest rate view of the Company and advice future business strategy accordingly if required;
- To review and decide on Funding, Source & Mix of Liabilities, Product pricing for the loans etc. of the Company;

During the year under review the Asset Management Committee of the company met four times on 02nd July, 2020, 05th October, 2020, 31st December, 2020 and 31st March, 2021. The attendance of the Members of the Asset Management Committee at its Meeting held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the ALCO Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Pawan Kumar Goyal	Chairman	4	4
Mr. Deepak Khanna	Member	4	4
Mr. Sahil Goyal	Member	4	4
Mr. Ankit Agnihotri	Member	4	4

***Note: As suggested by National Housing Bank (NHB) in its regulatory inspection, the Company has changed the name of Asset Management Committee (AMC) into Asset and Liability Management Committee (ALCO) in the Board Meeting held on 30/12/2020 with the same scope of work.**

d) CORPORATE SOCIAL RESPONSIBILITY ('CSR') COMMITTEE

As on 31st March, 2021, the Corporate Social Responsibility Committee comprised of three Directors, out of which one is Independent Director. The Committee comprises of Mr. Girdhari Lal Goyal (Non- Executive Director as Chairman of the Committee), Mr. Sanjay Agarwal (Independent Director as Member of the Committee) and Mr. Pawan Kumar Goyal (Managing Director as Member of the committee).

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors to formulate and recommend to the Board a CSR Policy indicating the activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013 (the Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR Committee, inter alia, allocates the amount of expenditure to be incurred by the Company on CSR activities as enumerated in Schedule VII to the Act attached as "**Annexure-5**"

and monitors the CSR Policy of the Company periodically. The CSR Policy of the Company is displayed on the website of the Company <https://mentorloans.co.in/policies-codes/> and attached as "**Annexure-6**"

The Terms of Reference of the CSR Committee are as under:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities/programs/projects to be undertaken by the Company in areas or subject, specified in schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- To monitor the CSR policy/activities of the Company from time to time;
- To oversight the implementation of corporate social responsibility projects/programs/activities;
- To form and delegate authority to any sub-committee or employee(s) of the Company or one or more members of the committee;
- To obtain legal or other independent professional advice/ assistance;
- To review the Company's disclosure relating to corporate social responsibility matters in accordance with the requirements of the regulatory provisions;
- Any other responsibility as assigned by the Board from time to time and in accordance with the applicable provisions of the Companies Act and/or directions issued by the NHB;
- Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

During the year under consideration, the CSR Committee met one time, on 05th August, 2020. The attendance of the Members of the CSR Committee at its Meeting held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the CSR Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Girdhari Lal Goyal	Chairman	1	0
Mr. Pawan Kumar Goyal	Member	1	1
Mr. Sanjay Agarwal	Member	1	1

The Corporate Social Responsibility Report for the Year 2020-21 is annexed herewith as "**Annexure-5**".

e) RISK MANAGEMENT COMMITTEE

The Company has in place a Risk Management Committee formed pursuant to the Notification issued by National Housing Bank vide no. NHB.HFC.CG-DIR.1/ MD&CEO/2016 dated 9th February, 2017 known as the "Housing Finance Companies –

Corporate Governance (National Housing Bank) Directions, 2016", by which the National Housing Bank notified Housing Finance Companies –to form a Risk Management Committee in order to manage the integrated risk.

As on 31st March, 2021, the Risk Management Committee comprised of four members. Mr. Girdhari Lal Goyal (Chairman of the Committee), Mr. Sahil Goyal, Mr. Ankit Agnihotri and Mr. Karamjeet Singh (Members of the committee).

The Terms of Reference of the Risk Management Committee are as under:

- The Risk Management Committee shall manage the integrated risk, inform the Board about the progress made in implementing a risk management system, and review periodically the Risk Management Policy and strategy followed by the Company.
- The Risk Management Committee shall perform such other duties, as are required to be performed by the Committee, under the applicable laws, Guidelines, and NHB Directions.
- To ensure that the Credit Exposure of the Company to any single/group borrowers does not exceed, the internally set limits and the prescribed exposure ceilings by the Regulator;
- The Risk Management Committee shall apprise the Company of the major risks as well as the movement in the profile of the high-risk category, the root causes of risks and their impact, key performance indicators, risk management measures, and the current controls being exercised to mitigate these risks.
- To undertake such other function as may be mandated by the Board or stipulated by the Companies Act, 2013, or any other regulatory authorities from time to time.

During the year under consideration, the Risk Management Committee met four times, on 30th September, 2020, 23rd November, 2020, 30th December, 2020 and 30th March, 2021. The attendance of the Members of the Risk Management Committee at its Meeting held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the Risk Management Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Girdhari Lal Goyal	Chairman	4	0
Mr. Sahil Goyal	Member	4	4
Mr. Ankit Agnihotri	Member	4	4
Mr. Karamjeet Singh	Member	4	4

f) GRIEVANCE REDRESSAL COMMITTEE

The Company has constituted Grievance Redressal Committee with the aim of development of its customers by registering and

resolving all the complaints and grievances. The objective of the Grievance Redressal Committee is to develop a responsive and accountable attitude among all its employees of the Company.

As on 31st March, 2021, the Grievance Redressal Committee comprised of four members. The Committee comprises of Mr. Sahil Goyal (Chairman of the Committee), Mr. Javed Akhtar, Mr. Kamlesh Khorwal and Mr. Satish Gautam (members of the committee).

The Terms of Reference of the Grievance Redressal Committee are as under:

- To review and advise on the Customer Grievance Redressal Mechanism of the Company and ensure Compliance of fair practice code by the Company;
- To review customer queries and complaint relating to the Company's business;
- To review and advise on the Complaints escalated to the Senior Management and regulatory authorities;
- To review repeated complaints & chronic issues and advise process improvements wherever required;
- To review/examine the quality of Customer service initiatives and efficiency of the Customer Service in the Company.

During the year under review the Grievance Redressal Committee of the company met four times on 15th July, 2020, 08th October, 2020, 31st December, 2020 and 31st March, 2021. The attendance of the Members of the Grievance Redressal Committee at its Meeting held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the Grievance Redressal Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Sahil Goyal	Chairman	4	4
Mr. Javed Akhtar	Member	4	4
Mr. Kamlesh Khorwal	Member	4	4
Mr. Satish Gautam	Member	1	4

The following is a summary of Grievance Redressal complaints received and disposed of during the year 2020-21:

No of complaints received: 141

No of complaints disposed off: 137

g) FINANCE COMMITTEE

As on 31st March, 2021, the Finance Committee comprised of three members. The Committee comprises of Mr. Girdhari Lal Goyal, Mr. Pawan Kumar Goyal and Mr. Sanjay Agarwal (members of the committee).

The Terms of reference of the Finance Committee are as follow:

- To borrow money on the behalf of the company subject to the overall limit of borrowing of Rs.750 Crores.
- To create charge with ROC
- To close the facility with Bank and Fi's
- To open/close/modify/convert current account in various Banks.
- To apply for loan facility with the Banks or Financial Institution or other lender and to monitor all the affairs in this regard.
- To consider and approve/ accept the letters of sanction by the term lending institutions/banks/NHB and Other bodies corporate, opening and / or closing and transfer of the current accounts / cash credit over draft /fixed deposit or other account(s) with any bank and authorize the Directors / officers of the Company for the purpose.
- To borrow moneys for the purpose of the Company's Business in accordance with the Companies Act, 2013 and any modification and enactment thereof, if any, and but not exceeding the overall limit up to which the Board of Directors of the Company are authorized/to be authorized under the Companies Act and any modification and enactment thereof;
- To approve the change/s of rates of interest of all loan products and on debentures, debts or any other instruments / financial products issued by the Company.
- To approve the terms and execution of the agreements, documents, undertakings, contracts, deeds with respect to the transactions approved by the Board or any Committee thereof.

During the year under review the Finance Committee of the company met seven times on 09th May, 2020, 15th May, 2020, 25th July, 2020, 21st September, 2020, 07th January, 2021, 22nd February, 2021 and 11th March, 2021.

The attendance of the Members of the Finance Committee at its Meetings held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the Finance Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Girdhari Lal Goyal	Member	7	4
Mr. Pawan Kumar Goyal	Member	7	7
Mr. Sanjay Agarwal	Member	7	7

h) COMPENSATION COMMITTEE

The Company has duly constituted Compensation committee which comprise of three Directors. Mr. Girdhari Lal Goyal (Non-

Executive Director as Member of the committee), Mr. Ram Ratan Agarwal and Mr. Sanjay Agarwal (Independent Directors of the company as Members of the committee).

The Terms of reference of the Compensation Committee are as follow:

1. The Compensation Committee shall, inter alia, formulate the detailed terms and conditions of the ESOP including:
 - a) The quantum of Options to be granted under the Employee Stock Option Plan per Eligible Employee's and in the aggregate;
 - b) The time and manner in which the Options are to be Granted,
 - c) The number of tranches in which the Options are to be Granted, the number of Options to be Granted in each such tranche and the determination of Eligible Employee's to whom the Options are to be granted.
 - d) The criteria for determining the number of Options to be granted to each Eligible Employee's,
 - e) The assignment of weightage and such other criteria as may be determined by the Board to grade each Eligible Employee's;
 - f) The terms and conditions subject to which the Options Granted would vest in each Eligible Employee's and the Vesting Period
 - g) The terms and conditions subject to which and the time period within which the Options vested shall be exercised by the Eligible Employee's,
 - h) The Exercise Price for each Option,
 - i) Number of options to be granted to each Eligible Employee's;
 - j) The number of Options to be apportioned/allocated for various grades of Eligible Employee's,
 - k) Obtaining permissions from, making periodic reports to regulatory authorities, as may be required and ensuring compliance with all guidelines applicable to the ESOP issued by the Company,
 - l) Framing appropriate procedures and policies for granting, vesting and exercising of Options.
 - m) The number of Options reserved, if any, for Grant to new Employee's and Directors who provide services to the Company in future and become Eligible Employee's;
 - n) The Exercise Period within which an Eligible Employee's should Exercise an Option and that Option would lapse on failure to Exercise the Option within such Exercise Period;
 - o) The specified time period within which an Eligible Employee's shall Exercise the Vested Options in the event of termination or resignation of such Eligible Employee's;

- p) Procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Corporate Actions;
- q) Conditions under which an Eligible Employee's shall have the right to exercise all the Options vested in him at one time or at various points of time within the Exercise Period;
- r) Conditions under which Vesting under the ESOP shall be accelerated at the discretion of the Board;
- s) Treatment of Unvested Options upon termination of Employment, or upon a Director ceasing to hold office;
- t) Stipulating necessary guidelines and/or requirements for any mandatory Exercise of Options by the Eligible Employee's;
- u) The grant, vest and exercise of Option in case of Eligible Employee's who are on long leave or are guilty of misconduct or violation of Company's policies; and
- v) Procedure for cashless exercise of options.
2. The terms and conditions prescribed by the Compensation Committee shall be final and binding on all the Eligible Employee's.
3. The Compensation Committee may at any time amend, discontinue or terminate the ESOP Schemes implemented by the company or any part or portion thereof at any time with the required approval and as per the process as specified in the Companies Act 2013 and rules made thereunder. Provided that any such amendment, discontinuation or termination shall not be detrimental to the interest to the employees.
4. The Compensation Committee may at any time, in writing, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Option(s) thereto granted, prospectively or retrospectively with the required approval and as per the process as specified in the Companies Act 2013 and rules made thereunder. Provided that any such waiver, amendment, alteration, suspension, discontinuation, cancellation or termination shall not be detrimental to the interest to the employees.

j) IT STRATEGY COMMITTEE

Pursuant to the Policy Circular No. NHB/ND/DRS/Policy Circular No.90/2017-18, dated 15th June, 2018, vide which the National Housing Bank specified the IT framework to be adopted by Housing Finance Companies (HFCs).

As on 31st March, 2021, the IT Strategy Committee comprised of four members. The Committee comprises of Mr. Sanjay Agarwal (chairman of the committee), Mr. Sahil Goyal, Mr. Harish Chandra Sharma, Mr. Amardeep Kumar and Mr. Deepak Bansal (members of the committee).

The Terms of reference of the IT Strategy Committee are as

follow:

- Approve IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- To ascertain that the Management had implemented processes and practices that ensure that the IT delivers value to the business;
- To ensure IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitor the method that the Management used to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- To ensure proper balance of IT Investments for sustaining the Company's growth and being aware about exposure towards IT risks and controls.

During the year under review the IT Strategy Committee of the company met two times on 30th September, 2020 and 30th March, 2021.

The attendance of the Members of the IT Strategy Committee at its Meetings held during the Financial Year 2020-21 is given below:

Name of Member's	Category	Attendance at the IT Strategy Committee Meetings held during F.Y. 2020-21	
		Held	Attended
Mr. Sanjay Agarwal	Chairman	2	2
Mr. Ram Ratan Agarwal	Member	2	2
Mr. Sahil Goyal	Member	2	0
Mr. Harish Chandra Sharma	Member	2	2
Mr. Ramjas Choudhary	Member	2	1
Mr. Amardeep Kumar	Member	2	0
Mr. Deepak Bansal	Member	2	0

***Mr. Ram Ratan Agarwal and Mr. Ramjas Choudhary ceased to be member of the IT Committee w.e.f. 31st March, 2021.**

***Mr. Sahil Goyal, Mr. Amardeep Kumar and Mr. Deepak Bansal were appointed as the member of the IT Committee w.e.f. 31st March, 2021.**

k) COMMITTEE w.r.t NEW OFFICE BUILDING

As on 31st March, 2021, the New Office Building Committee comprised of three members. The Committee comprises of Mr. Sahil Goyal (chairman of the committee), Mr. Karamjeet Singh and Mr. Ankit Agnihotri (members of the committee).

The Terms of reference of the New Office Building Committee are as follow:

- review, at least annually, the planned construction and renovation projects, and the projected capital budget and other sources of funding, as well as projected expenditures and ongoing operating costs;
- Ensure that sources of financing for property acquisition, construction or renovation projects are clearly identified and assured and that the costs of maintenance and operations are taken into consideration before any property acquisition or project, or any amendment thereto, is approved by the Committee or recommended to the Board.

***Note: The above Committee has been dissolved in the Board Meeting held on 26/05/2021.**

l) CREDIT COMMITTEE

Pursuant to the Credit Policy of the Company, a Credit Committee was constituted in relation to approval sanction of loan(s) and the said Committee will act as per the terms of reference and credit policy of the Company. The Credit Committee assist the Board of Directors in reviewing and overseeing the overall lending of the Company.

The committee came into existence w.e.f. 31st March, 2021. The Credit Committee comprises of five members. The Committee comprises of Mr. Sanjay Agarwal (chairman of the committee), Mr. Pawan Kumar Goyal, Mr. Ankit Agnihotri, Mr. Sahil Goyal and Mr. Harish Chandra Sharma (members of the committee).

The Terms of reference of the Credit Committee are as follows:

- To review and oversee the overall lending of the Company.
- To maintain credit risk, subject to such restrictions, if any, as may from time to time be imposed on the Credit Committee by the Board of Directors of the Company.
- To provide loan approval/sanction to the customers for loan amount as per the sanction power mentioned in the credit policy along with other terms and conditions of the loan and other related matters thereof.
- To review and monitor the effectiveness and applicability of Credit policy along with related standards and procedures.
- To ensure that the systems established by the Board to identify, assess, manage and monitor loans are designed and operating effectively.
- Have the authority to investigate any matter within its terms of reference and the resources and information which it needs.
- To ensure that any deviations/exceptions to Credit policy are communicated to the Board, if required, which may recommend corrective actions to be taken.
- Any other responsibility as assigned by the Board or as per updated credit policy of the Company from time to time.

m) INTERNAL COMMITTEE

An internal committee was constituted by the Board of the

Company in relation to review/monitor/consider/approve the various compliances of NHB/RBI, various trainings program, Fair Practice Code (FPC) Report, KYC & AML Report, Fraud Report etc.

The committee came into existence w.e.f. 31st March, 2021. The Internal Committee comprises of office members. The Committee comprises of Mr. Sanjay Agarwal (chairman of the committee), Mr. Ram Ratan Agarwal, Mr. Pawan Kumar Goyal, Mr. Sahil Goyal and Mr. Ankit Agnihotri (members of the committee).

The Terms of reference of the Internal Committee are as follows:

- To overview the process of detection and impounding of counterfeit notes and reporting the same to NHB/RBI.
- To have periodic review of the trainings provided to the recovery agents, employee, other service provider etc. as per the guidelines of the NHB/RBI, Policies of the Company etc.
- To review fraud and suspicious cash transactions on quarterly basis.
- To review/monitor/consider/approve the various report like report on Fair Practice Code, KYC & AML Report, Fraud Report etc.
- Any other responsibility as assigned by the Board from time to time as per applicable provisions of the Companies Act and/or directions issued by the NHB/RBI or various policies of the Company.

n) INVESTMENT COMMITTEE

An investment committee was constituted by the Board of the Company for the purpose of investment of idle funds lying with the Company, Investment as per the sanction terms of the lenders, and sale of such investments partially or fully as per the requirements, and to take any decisions relating to investment made or to be made by the company and other related matters.

The committee came into existence w.e.f. 31st March, 2021. The Investment Committee comprises of four members. The Committee comprises of Mr. Sanjay Agarwal (chairman of the committee), Mr. Pawan Kumar Goyal, Mr. Sahil Goyal and Mr. Ankit Agnihotri (members of the committee).

The Terms of reference of the Investment Committee are as follows:

- To invest the idle funds lying with the company.
- To invest as per the sanction terms of the lenders.
- Sale such investments partially or fully as per the requirements.
- To take any decisions relating to investment made or to be made by the company.
- Such other matters as delegated by the Board from time to time.

REMUNERATION TO DIRECTORS

The Company has paid remuneration to directors after being

recommended and approved by the Board of directors in their board meeting and is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company. The Nomination and Remuneration Policy of the Company is displayed on the website of the Company <https://mentorloans.co.in/policies-codes/>.

The detail of remuneration paid to directors is furnished below:

Name	Designation	Remuneration paid in F.Y. 2020-21 (INR)	Remuneration paid in F.Y. 2019-20 (INR)
Mr. Pawan Kumar Goyal	Managing Director	84,00,000/-	84,00,000/-
Mr. Basant Kumar Goyal	Non-Executive Director	-	36,06,000/-

* Mr. Basant Kumar Goyal was paid commission of Rs. 36,06,000 during the Financial Year 2019-20.

SITING FEES TO NON-EXECUTIVE INDEPENDENT DIRECTORS

The Company has paid sitting fees to the Non-Executive Independent Directors of the Company for attending the meeting as approved by the Board of Directors of the Company.

The Details of the Sitting Fees paid to Independent Directors are furnished below:

Name	Designation	Sitting Fees paid in F.Y. 2020-21 (INR)	Sitting Fees paid in F.Y. 2019-20 (INR)
Mr. Ram Ratan Agarwal	Independent Director	1,00,000/-	60,000/-
Mr. Sanjay Agarwal	Independent Director	1,20,000/-	90,000/-
Mr. Mohan Lal Bhargava	Independent Director	10,000/-	30,000/-

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 READ WITH RULES

The Company is an equal opportunity employer and is committed to ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It strongly believes in upholding the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace. Members of the Internal Complaints Committee constituted by the Company are responsible for reporting and conducting inquiries pertaining to such complaints. The Policy has been widely communicated internally amongst all its employees. The Company ensures that no employee is disadvantaged by way of

gender discrimination.

Further, it is hereby stated that 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 and have given training to its employees.

Pursuant to Section 4 of the Sexual Harassment of the Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 and all other applicable, if any, provisions for the time being in force read with rules & regulations framed under the Act, the Company has constituted an Internal Complaints Committee (ICC).

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules there under, the Internal Complaints Committee of the Company has not received any complaint of sexual harassment during the Financial Year under review.

The following is a summary of sexual harassment complaints received and disposed of during the Financial Year 2020-21:

No. of complaints received: Nil

No. of complaints disposed of: Nil

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has Vigil Mechanism Framework for directors and employees to report genuine concern about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company has established a Vigil Mechanism, in the form of a whistle Blower policy.

This Policy provides for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee. The Whistle Blower Policy provides for protected disclosure and protection to the Whistle Blower. Under the Vigil Mechanism all stakeholders are provided access to Chairman of the Audit Committee of the Company or Managing Director of the Company, to report illegal or unethical behaviour, actual or suspected fraud(s) or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity.

The Company affirms that the mechanism provides adequate safeguards against victimisation of Director(s)/employee(s) who use the mechanism, provides for direct access to the Chairperson of the Audit Committee and also affirms that no personnel have been denied access to the Audit Committee.

The Whistle Blower Policy of the Company is available on the website of the Company and the web link for the same is <https://mentorloans.co.in/policies-codes/>

EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12(1) of the Companies

(Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website at <https://mentorloans.co.in/annual-report/>.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014.

a) CONSERVATION OF ENERGY

i) The Steps taken / impact on conservation of energy:

The Company is not engaged in any manufacturing activity and its operations are not energy intensive. The operations of the Company, being financial services do not require intensive consumption of electricity. However, the Company is taking every necessary step to reduce its consumption of energy.

ii) The Steps taken by the Company for utilizing alternate sources of energy:

The Company has procured power saving lamps, LEDs that have been installed in branches as a measure for conservation of energy. The Company has installed High-end Copier Machine in High Print volume to reduce the Carbon Footprint.

As a part of Save Green efforts, a lot of paper work at branches and the registered office has been reduced by suitable leveraging of technology and promoting digitalization.

iii) The Capital investment on energy conservation equipment:

In view of the nature of the activities carried on by the Company, there is no capital investment on energy conservation equipment.

b) TECHNOLOGY ABSORPTION

i. the efforts made towards technology absorption:

a) Your Company has implemented a "Housing Finance Solutions Platform" which is a step towards aligning technology to the projected business growth.

b) The Company utilizes a mobile application through which almost all leads are recorded, which assists in the monitoring and tracking of leads from an early stage and generating a credit appraisal memorandum, resulting in lower costs and an increase in productivity.

The Company utilizes an enterprise-wide loan management system to provide an integrated platform for credit processing, credit management, general ledger, debt management and

reporting.

c) On the part of customer service and retention your Company has implemented an online payment gateway on its website to enable its customers to make online payments.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution: The Company consistently monitored its cost-to-income ratio, leveraging economies-of-scale, increasing manpower productivity with growing disbursements through the enhanced use of information technology systems, resulting in quicker loan turnaround time and reducing transaction costs.

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)

a) the details of technology imported: N.A.

b) the year of import: N.A.

c) whether the technology has been fully absorbed: N.A.

d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

iv. the expenditure incurred on Research and Development: N.A.

c) FOREIGN EXCHANGE EARNINGS AND OUTGO

There were no foreign exchange earnings and outgo during the year under review.

GENERAL

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions occurred on these items during the year under review and further provisions of relevant Sections of the Act are not applicable on the Company.

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- The Company does not have subsidiary, therefore question of receiving any remuneration from its subsidiaries by any Whole-time Director of the Company does not arise.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.
- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from Banks or Financial Institutions

along with the reasons thereof.

ACKNOWLEDGEMENTS

The Directors express their sincere gratitude to the Reserve Bank of India, National Housing Bank, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors would also like to acknowledge the role of all its Customers, Members, Debenture holders, and others for their continued support and faith reposed in the Company.

The Directors would like to thank the National Securities Depository Limited, and Rating Agencies for their continued co-operation. Further, the Directors express their appreciation for the dedication and commitment with which the employees of the Company at all levels have worked during the period.

Date: 03/09/2021 **For & on behalf of the Board of Directors**
Place: Jaipur **Mentor Home Loans India Limited**

Sd/-

Girdhari Lal Goyal
Chairman and Director
DIN: 00020248
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

Sd/-

Pawan Kumar Goyal
Managing Director
DIN: 00020153
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

Form: MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2021

{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To

The Members,
Mentor Home Loans India Limited,
Mentor House,
Govind Marg, Sethi Colony,
Jaipur, Rajasthan-302004

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mentor Home Loans India Limited, (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Mentor Home Loans India Limited's, books, papers, minute books, forms, returns filed, documents and other records maintained by the Company and also the information and representations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, returns filed, documents and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the reporting period under audit)**
- 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 reporting period under audit)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during the reporting period under audit)**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the reporting period under audit)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014; **(Not applicable to the Company during the reporting period under audit)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the reporting period under audit)**
 - (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 reporting period under audit)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the reporting period under audit)&**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during**

the reporting period under audit)

- vi. As confirmed, following other laws are specifically applicable to the Company which have been verified on test check basis for which the Management has confirmed that the Company has devised proper systems to ensure compliance with the provisions of all such applicable laws and that such systems are adequate and operating effectively:
- National Housing Bank Act, 1987 and the Guidelines and circulars issued thereunder from time to time;
 - Housing Finance Companies (NHB) Directions, 2010 and all the Rules, Regulations, Circulars and Guidelines prescribed by the National Housing Bank for Housing Finance Companies as amended from time to time.
 - Reserve Bank of India Act, 1934 and rules, regulations & directions issued from time to time, to the extent as applicable.
 - Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

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

- Secretarial Standards on the Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with Stock Exchange(s); **(Not applicable to the Company during the reporting period under audit)**

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as represented to us and mentioned below:

- National Housing Bank (NHB) vide its letter no. NHB (ND)/ HFC/ DOS/ 07599/ 2020 dated 14th December, 2020, issued show cause notice in regard to the inspection of the Company, as per provisions of the National Bank Act, 1987 with reference to its position as on 31st March, 2019 and 31st March, 2020 by levying penalty for non-compliances. Further, NHB vide its letter no. (ND)/ HFC/ DOS/ 00736/ 2021 dated 18th February, 2021 imposed a monetary penalty and directed the Company to credit the total penalty amount of Rs. 90,000/- plus applicable tax.
- The Company is under process for filing of e-form PAS-6 with Registrar of Companies Pursuant to sub-rule (8) of rule 9A Companies (Prospectus and Allotment of Securities Rules, 2014.
- As per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Company was required to spend an amount of Rs.60,69,526.35/- during the financial year 2020-2021, however, the Company had spent an amount of Rs.47,36,018.60/- during the year and the Company is under process of completing its CSR obligation amounting to Rs.13,33,507.75/- which remained unspent in the financial year 2021-22, in accordance with the provisions of Section 135 of the Companies Act, 2013 read-with Rules made thereunder, as amended from time to time.
- As per the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. However, pursuant to directions issued by Hon'ble National Company Law Tribunal, Bench at Jaipur in the Company Petition No. 231/241-242/JPR/2019 titled as Basant Kumar Goyal & ors. V/s Mentor Home loans India Limited dated 6.12.2019 the Company is maintaining status quo of composition of the Board of Directors.
- The tenure of Mr. Sanjay Agarwal (DIN: 02403354) and Mr. Ram Ratan Agarwal (DIN:010007350) as Independent directors on the Board of the Company was expired on 31.03.2020. However, pursuant to directions issued by Hon'ble National Company Law Tribunal, Bench at Jaipur to continue them on the board with regards to maintaining status quo of composition of the Board of Directors, they were appointed as Additional Directors with effect from 1.04.2020 under the category of "Independent" under section 149 and 161 of the Companies Act, 2013 read-with rules thereunder and the Board expressed its limitation to propose the agenda seeking relevant approval of Members in the AGM held on 4.09.2020.

I further report that, during the year under review:

The Board of Directors of the Company is duly constituted. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except as mentioned above.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are generally sent at least seven days in advance or at shorter period, as the case may be, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Pincha & Co.
Company Secretaries
Firm's Unique Code No. P2016RJ051800
Firm's P.R. Certificate No. 832/2020

Sd/-
Pradeep Pincha
Partner
M. No.: F5369
C. P. No.: 4426

Dated: 12/05/2021
Place: Jaipur
UDIN: F005369C000309068

(This report is to be read with our letter of even date which is annexed as Annexure-A which forms an integral part of this report.)

“Annexure-A”

To
The Members,
Mentor Home Loans India Limited,
Mentor House,
Govind Marg, Sethi Colony,
Jaipur, Rajasthan-302004

The above report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
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.

For Pincha & Co.
Company Secretaries
Firm's Unique Code No. P2016RJ051800
Firm's P.R. Certificate No. 832/2020

Sd/-
Pradeep Pincha
Partner
M. No.: F5369
C. P. No.: 4426

Dated: 12/05/2021
Place: Jaipur
UDIN: F005369C000309068

Annexure-2

FORM NO. AOC-2

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

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

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

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

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

a)	Name(s) of the related party and nature of relationship.	NIL
b)	Nature of contracts/arrangements/transactions.	NIL
c)	Duration of the contracts/arrangements/transactions.	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	NIL
e)	Date of approval by the Board.	NIL
f)	Amount paid as advances, if any.	NIL

Date: 03/09/2021

Place: Jaipur

For & on behalf of the Board of Directors

Mentor Home Loans India Limited

Sd/-

Girdhari Lal Goyal
 Chairman and Director
 DIN: 00020248
 Add: C-153, Dayanand Marg,
 Tilak Nagar, Jawahar Nagar,
 Jaipur-302004, Rajasthan

Sd/-

Pawan Kumar Goyal
 Managing Director
 DIN: 00020153
 Add: C-153, Dayanand Marg,
 Tilak Nagar, Jawahar Nagar,
 Jaipur-302004, Rajasthan

RELATED PARTY TRANSACTION POLICY (The Policy is formulated as per directive of NHB)

I. Introduction

The Board of Directors (the “Board”) of Mentor Home Loans India Limited [Formerly, Mentor India Limited (the “Company”) proposed this Policy on Related Party Transactions (“Policy”) as required under Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 issued by National Housing Bank vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated 9 February, 2017 (‘Direction’) and Companies Act, 2013 (‘the Act’).

The Board of Directors (“the board”) of Mentor Home Loans India Limited (hereinafter referred to the “Company” or MHL”), in pursuance of The Companies Act, 2013 (the Act’), the Rules framed thereunder and Housing Finance Companies–Corporate Governance (National Housing Bank) Directions, 2016, and other applicable provisions, has adopted Related Party Transaction Policy (“this policy”) to regulate the transactions between the Company and its Related Parties and ascertainment of materiality of transactions with related parties.

The Board has adopted this Policy to ensure that all transactions with Related Parties shall be subject to this Policy and approval or ratification in accordance with Applicable Laws (defined herein). This Policy contains the policies and procedures governing the review, determination of materiality, approval and reporting of such Related Party Transactions.

II. Definitions

Unless the term(s) otherwise defined, the following terms shall have the following meaning assigned to them wherever appearing in the policy:

- i) **“Applicable Laws” includes** (a) the Companies Act, 2013 („the Act”) and rules made thereunder; (b) Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and applicable under the Act (c) National Housing Bank (NHB) Act, 1987 (d) NHB Housing Finance Companies Directions, 2010 (e) Housing Finance Companies–Corporate Governance (National Housing Bank) Directions, 2016, from time to time and (f) any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions, as may be applicable on the Company, from time to time.
- ii) **“Arm’s length transaction”** mean the explanation provided under the provisions of section 188(1) of the Companies Act, 2013, i.e. transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- iii) **“Audit Committee”** means the committee of Board of Directors of the Company constituted in accordance with the provisions of Companies Act, 2013 and Rules made thereunder.
- iv) **“Key Managerial Personnel”** or **“KMP”** shall have the meaning as defined in the Companies Act 2013.
- v) **“Material Related Party Transactions”** mean such Related Party Transaction(s) to be entered into individually or taken together with previous Related Party Transaction(s) during a financial year, which exceeds the threshold limits as specified under Rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time.
- vi) **“Related Party”**: means any person who is
 - i.) a related party under Section 2(76) of the Companies Act, 2013 read with rules issued thereunder;
 - ii.) a related party under the applicable accounting standards; or
 - iii.) any other person or entity covered under Applicable Laws

III. Procedures for approval and review of Related Party Transactions

A. Audit Committee

- Each of MHL Directors is instructed to inform the Company Secretary or Management of the Company of any potential Transaction with Related Party. All such transactions will be analyzed by the Audit Committee in consultation with management to determine whether the transaction or relationship does, in fact, constitute a Related Party Transaction requiring compliance with this Policy. The Committee will be provided with the following details of each new, existing or proposed Related Party Transaction:
 - The name of the Related Party and nature of relationship;

- The nature, duration and particulars of the contract or arrangement;
- The material terms of the contract or arrangement including the value, if any;
- Any advance paid or received for the contract or arrangement, if any;
- The manner of determining the pricing and other commercial terms, both included as part of the contract and not considered as part of the contract;
- Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.
- Transactions with related party including any subsequent modification shall review by the Audit Committee irrespective of ordinary course of business or arm length basis or both.
- The Related Party Transactions which are not in the ordinary course of business and/or not at arm's length will be reviewed by the Audit Committee and then recommended to the Board of Directors for its approval or recommending to the shareholders" of company for their approval, if required.
- Any member of the Committee who has an interest in the transaction under discussion will abstain from voting on the approval of the Related Party Transaction. However, the Chairperson of the Committee may allow participation of such member in some or all of the Committee's discussions of the Related Party Transaction.
- The Audit Committee may review any previously approved or ratified Related Party Transaction that is continuing and determine based on then-existing facts and circumstances, including the Company's existing contractual or other obligations, if it is in the best interests of the Company to continue, modify or terminate the transaction.

B. CRITERIA FOR OMNIBUS APPROVAL

- Pursuant to the provisions of Section 177 of the Companies Act, 2013 read-with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time. The Committee after taking into consideration all the provisions defined the following criteria for making omnibus approval for transactions with individual Related Party:
 - The maximum value per transaction shall not exceed Rs. 50 Crs.
 - The maximum value of all transactions in aggregate shall not exceed Rs 200 Crs
- Following disclosures shall be made while granting omnibus approval:
 - Name of the related party
 - Nature and duration of the transaction
 - Maximum amount of transactions that can be entered into
 - The indicative base price or current contracted price and the formula for variation in the price, if any; and
 - Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may make omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

- The Committee shall review and assess, on periodically basis, the related party transactions entered into by the company, including the limits to ensure that they are in compliance with the policy and criteria specified herein. Further, the omnibus approval cannot be made for transactions in respect of selling or disposing of the undertaking of the company.

C. Board of Directors

- In terms of the provisions of Section 188 of the Companies Act, 2013 Approval of the Board shall not be required for the RPTs to be entered into in ordinary course of business and at arm's length basis.
- Transactions with related parties which are other than in ordinary course of business or arm length basis, as recommended by Audit Committee, will require prior approval of the Board of Directors.
- The Board of Directors shall review and recommend all transactions in terms of section 188(1) requiring shareholders"

prior approval.

- Where any director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.
- Following minimum information would be placed before the Board for enabling the Board to consider and approve the Related Party Transaction:
 - The Name of the Related Party and nature of relationship;
 - The nature, duration and particulars of the contract or arrangement;
 - The material terms of the contract or arrangement including the value, if any; Any advance paid or received for the contract or arrangement, if any;
 - The manner of determining the pricing and other commercial terms, both included as part of the contract and not considered as part of the contract;
 - Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
 - Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

D. Approval of Shareholders

The contracts or agreements with any Related Party may require prior approval of the shareholders by a resolution in accordance with the provisions of Section 188 of the Companies Act, 2013 read-with Rules made thereunder.

E. Disclosure

Each director who is, directly or indirectly, concerned or interested in any way in any transaction with the Related Party shall disclose all material information and the nature of his interest in the transaction to the Committee or Board of Directors.

F. Standards for Review

A Related Party Transaction reviewed under this Policy will be considered, approved or ratified if it is authorized by the Audit Committee / Board, as applicable, in accordance with the standards set forth in this Policy after full disclosure of the Related Party's interests in the transaction.

The Audit Committee / Board will review all relevant information available to it about the Related Party Transaction. The Audit Committee / Board, as applicable, may approve / ratify / recommend to the shareholders, the Related Party Transaction only if the Audit Committee / Board, as applicable, determines in good faith that, under all of the circumstances, the transaction is fair as to the Company. The Audit Committee / Board, in its sole discretion, may impose such conditions as it deems appropriate on the Company or the Related Party in connection with approval of the Related Party Transaction.

IV. Administrative Measures

The Audit Committee / Board as applicable, shall evaluate such transaction and may decide such action as it may consider appropriate including ratification, revision or termination of the Related Party Transaction.

In connection with such evaluation and review of the Related Party Transaction, the Audit Committee / Board as applicable, shall have the authority to modify or waive any procedural requirements of this Policy.

V. Interpretation

In any circumstance where the terms of these Policies and Procedures differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as these Policies and Procedures are changed to confirm to the law, rule, regulation or standard.

VI. Dissemination of Information

The Company shall disclose related party Transactions in the Financial Statements and Annual Report of the Company in

accordance with Companies Act 2013, Accounting Standards, the NHB Direction and other applicable law.

The Company shall keep one or more registers as specified under Applicable Laws giving separately the particulars of all contracts or arrangements with any Related Party.

VII. Disclaimer

While this policy has been made as informative as possible and structured to ensure quick and easy interpretation by all. As and when there's an amendment to this policy, the updated policy document will be shared through the appropriate channel of communication.

In case of any ambiguity related to understanding of this policy, the final interpretation by the management will be considered as applicable.

Any changes in this policy shall be with the approval of Managing Director.

Date: 03/09/2021
Place: Jaipur

For & on behalf of the Board of Directors
Mentor Home Loans India Limited

Sd/-
Girdhari Lal Goyal
Chairman
DIN: 00020248
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

Sd/-
Pawan Kumar Goyal
Managing Director
DIN: 00020153
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

Nomination and Remuneration Policy

In pursuance of the Company's policy to consider human resources as its invaluable assets and to pay equitable remuneration to all Directors, key managerial personnel and employees of the Company this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee ("Committee") and approved by the Board of Directors of the Company.

Objective

The objective of the policy is to ensure that

- (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay as and when influenced reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Applicability

- i. Directors (Executive and Non-Executive).
- ii. Key Managerial Personnel.
- iii. Senior Management Personnel etc. (Chief Financial Officer, Company Secretary, Chief Operating Officer and Chief Executive Officer).

Policy for appointment and removal of Director, KMP And Senior Management

1. Appointment Criteria and Qualifications:

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- ii. 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 is sufficient / satisfactory for the concerned position.
- iii. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director 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.
- iv. The Criteria for Independence of the Director(s) shall be as per the Companies Act, 2013

2. Term / Tenure:

i. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive 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.

ii. 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 of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

3. Evaluation

The Committee shall undertake evaluation process in accordance with provision with Companies Act, 2013, as amended from time to time.

4. 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 Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, 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 Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy for Remuneration to Directors/KMP/Senior Management Personnel etc.

1. Remuneration to Managing/Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration/ compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

DISCLAIMER

While this policy has been made as informative as possible and structured to ensure quick and easy interpretation by all. As and when there's an amendment to this policy, the updated policy document will be shared through the appropriate channel of communication.

In case of any ambiguity related to understanding of this policy, the final interpretation by the management will be considered as applicable.

Date: 03/09/2021
Place: Jaipur

For & on behalf of the Board of Directors
Mentor Home Loans India Limited

Sd/-
Girdhari Lal Goyal
Chairman
DIN: 00020248
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

Sd/-
Pawan Kumar Goyal
Managing Director
DIN: 00020153
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020:

1. Brief outline on CSR Policy of the Company –

CSR Policy has been duly recommended by the CSR Committee and adopted by the Board of Directors of the Company as per the applicable provisions of the Companies Act, 2013 read with applicable Rules and Regulations as amended from time to time. CSR Policy of the Company is also been hosted on the website of the Company.

2. Composition of CSR Committee:

Sr. 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.	Mr. Girdhari Lal Goyal	Chairman cum Non-Executive Director	1	0
2.	Mr. Pawan Kumar Goyal	Managing Director	1	1
3.	Mr. Sanjay Agarwal	Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company – <https://mentorloans.co.in/policies-codes/>

4. Provide the 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 (attach the report) – NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1.	NIL	NIL	NIL

6. Average net profit of the company as per section 135(5) – Rs.30,34,76,317/-

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs.60,69,526.35/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – NIL

(c) Amount required to be set off for the financial year, if any – NIL

(d) Total CSR obligation for the financial year (7a + 7b – 7c) – Rs.60,69,526.35/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
	Amount.	Date of transfer.	Name of the fund	Amount.	Date of transfer.
47,36,018.60	13,33,507.75	03/09/2021	NIL	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl No.	(2) Name of the project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (In Rs.)	(8) Amount spent in the current financial year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of implementation – Direct (Yes/No)	(11) Mode of Implementation – Through implementing Agency	
				State	District						Name	CSR Registration number.
1.	Construction/ renovation of S.R. Goyal Hospital, Sethi Colony, Jaipur Distribution of mask, sanitizer etc., Distribution of seeds, rice, wheat, bread, milk etc.	Disaster Management	Yes	Rajasthan	Jaipur	3 years	27,33,507.75	14,00,000	13,33,507.75	No	G.L. Goyal Charitable Trust	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation – Direct (Yes/ No)	(8) Mode of implementation – Through implementing agency.	
				State	District			Name	CSR registration number
1.	Midday Meal	Poverty	Yes	Rajasthan	Jaipur	76500	No	Akshaya Patra Foundation	-
2.	Go Seva	Animal Welfare	Yes	Rajasthan	Jaipur	84000	No	Hare Krishna Movement	-
3.	Anti-Pollution washable solid and printed masks	Health Care	Yes	Rajasthan	Jaipur	1660518.60	Yes	-	-
4.	Farmer Educations. Women empowerment, Rural development's	Social Welfare	Yes	Rajasthan	Jaipur	500000	No	Krishk Vikas Sansthan	-
5.	Promotion of awareness about various laws like Consumer Protection Law, Women Rights & laws, Right to Education, Housing & Rented Laws etc.	Education and Women Empowerment	Yes	Rajasthan	Jaipur	1015000	No	Jayoti Vidyapeeth Women's University, Jaipur	-

(d) Amount spent in Administrative Overheads – NIL

(e) Amount spent on Impact Assessment, if applicable – Not Applicable

(f) Total amount spent for the Financial Year – Rs. 47,36,018.60/-
(8b+8c+8d+8e)

(g) Excess amount for set off, if any - Not Applicable

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	60,69,526.35
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer.	
1.	2017-18	Not applicable in terms of the FAQs issued by the MCA vide its General Circular No. 14 /2021 dated 25 th August, 2021	-	Not applicable in terms of the FAQs issued by the MCA vide its General Circular No. 14 /2021 dated 25 th August, 2021			-
2.	2018-19		-				1,99,546
3.	2019-20		-				45,36,473
TOTAL			-				47,36,019

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed/ Ongoing.
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

- Date of creation or acquisition of the capital asset(s) – NIL
 - Amount of CSR spent for creation or acquisition of capital asset – NIL
 - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NIL
 - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NIL
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Due to widespread pandemic of COVID-19, the Company's major CSR activities focused on health, education & response to pandemic crisis. Hence the Company was unable to utilize the complete amount of CSR budget allocated. The Company has transferred an amount of Rs.13,33,507.75/- to Unspent CSR Account which will be utilised in the upcoming financial year(s) as per the provisions of Section 135 of the Companies Act, 2013.

Date: 03/09/2021

Place: Jaipur

For & on behalf of the Board of Directors
Mentor Home Loans India Limited

Sd/-
Girdhari Lal Goyal
Chairman and Director
(Chairman of CSR Committee)
DIN: 00020248
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

Sd/-
Pawan Kumar Goyal
Managing Director
DIN: 00020153
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan

CSR POLICY

Preamble

According to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 every company having net worth of Rupees Five Hundred Crore or more or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board.

In compliance of the above requirements, Mentor Home Loans India Limited, (The Company), has constituted Corporate Social Responsibility (CSR) Committee and formulated a Policy.

Further, at The Company, CSR is not viewed as a responsibility but is rather a duty as a responsible corporate citizen. Since inception, the Company has been actively engaged in the area of social and community development.

CSR Committee

The Board of Directors of the Company shall constitute a committee called the "Corporate Social Responsibility Committee" ("CSR Committee") in accordance with the provisions of Companies Act, 2013 and rules made thereunder.

The CSR Committee of the Board shall be responsible for:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities/programs/projects to be undertaken by the Company in areas or subject, specified in schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- To monitor the CSR policy/activities of the Company from time to time;
- To oversight the implementation of corporate social responsibility projects/programs/activities;
- To form and delegate authority to any sub-committee or employee(s) of the Company or one or more members of the committee;
- To obtain legal or other independent professional advice/ assistance;
- To review the Company's disclosure relating to corporate social responsibility matters in accordance with the requirements of the regulatory provisions;
- Any other responsibility as assigned by the Board from time to time and in accordance with the applicable provisions of the Companies Act and/or directions issued by the NHB
- Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under;

The CSR Committee may meet at such intervals, in such manner and may carry out matters in such manner and function generally as it deems fit.

The terms of reference of the CSR committee shall be as per the applicable provisions of the Companies Act, 2013, as may be amended from time to time, including such functions as may be entrusted by the Board of Directors from time to time.

CSR Activities

The Company would endeavor to adopt an integrated approach to address the community, societal, & environmental concerns by taking up projects or programs relating to following activities (Hereinafter referred to as 'Identified Areas'):

- Eradicating hunger, poverty and malnutrition [promoting health care including preventive health care] and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga];
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports;
- Contribution to the prime minister's national relief fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the

schedule caste, tribes, other backward classes, minorities and women;

- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
- Rural development projects;
- Slum Area Development;
 Explanation- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force
- Disaster management, including relief, rehabilitation and reconstruction activities;
- Such other areas as may be included in Schedule VII of the Companies Act, 2013 from time to time.

The Projects / Programs in the aforementioned Identified Areas would be of a continual nature requiring long-term commitment from the Company for which fixed implementation schedules cannot be specified.

The Projects / Programs may be undertaken by the Implementation Agency or the Company directly provided that such projects / programs are in line with the activities enumerated in Schedule VII of the Companies Act, 2013 as amended from time to time.

Area for CSR Activities

The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

UNDERTAKING CSR ACTIVITIES

Mentor Home Loans India Limited will undertake CSR activities itself or through the following eligible entities: -

- (a) A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 established by the company, either singly or along with any other company, or
- (b) A company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- (c) Any entity established under an Act of Parliament or a State legislature; or
- (d) A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities

CSR Budget

For undertaking the CSR activities, the Company will strive to spend in each financial year a minimum of 2% of the average net profits of the Company made during the three immediately preceding financial years. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of the section 198 of the Companies Act, 2013 read-with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Act, as amended from time to time.

Budget for expenditure to be incurred on the focused activities to be covered, to achieve the aforesaid goal, would be decided by the CSR Committee from time to time.

The surplus arising out of the CSR activities will not be a part of business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

COMPLIANCE, MONITORING AND REPORTING

Compliance

CSR Committee will plan, implement, monitor and manage all CSR projects & activities for Mentor Home Loans India Limited and will work closely with the Board of the Directors of the company.

After prioritizing the activity, the Committee shall finalise the detail implementation project/programme specifying the following:

- Activities to be undertaken.
- Budgets proposed.
- Time frame for implementation.
- Responsibilities and authorities for implementation.
- Results expected to be achieved post implementation

Monitoring Mechanism

1. The monitoring of CSR activities of the Company will be undertaken by the CSR Committee of the Company.
2. The CSR Committee shall discuss the progress of each project undertaken and make any decision with respect to the project which it thinks fit.
3. The Committee may require the Company / Implementation Agency to furnish such additional information or reports as it may require.
4. The members of the Committee may either on their own and through their delegated representatives make periodic visits to the CSR sites, review meetings and ascertain the progress of the CSR Projects /Programs.
5. The members of the Committee shall also have the right to inspect and audit the books of accounts, records and other documents of the Company / Implementation Agency pertaining to the CSR activities of the Company, either by themselves or through the aid of external agencies.

REPORTING

The CSR Committee will be responsible for the monitoring CSR activities and report to the Board from time to time

The Board's Report of a company covered under these rules pertaining to any financial year shall include an annual report on CSR containing particulars specified.

A presentation will be made to the Committee which will also include the details of the projects / activities planned for the next year and its respective budgets.

Every company having average CSR obligation of Rs.10 Cr. or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of 1 crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

A Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed 5% of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less

REVIEW OR AMENDMENT

The committee shall review CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.

INFORMATION DISSEMINATION

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website for public access.

Date: 03/09/2021

Place: Jaipur

**For & on behalf of the Board of Directors
Mentor Home Loans India Limited**

**Sd/-
Girdhari Lal Goyal
Chairman
DIN: 00020248
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan**

**Sd/-
Pawan Kumar Goyal
Managing Director
DIN: 00020153
Add: C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004, Rajasthan**

REPORTS OF AUDITORS ON ACCOUNTS OF MENTOR HOME LOANS INDIA LIMITED AS REQUIRED BY HOUSING FINANCE COMPANIES (NHB), DIRECTIONS, 2016

TO THE DIRECTORS OF

MENTOR HOME LOANS INDIA LIMITED

In addition to our report under section 145 of the companies Act, 2013 a report to the Board of Directors of the company on the matters specified in paragraphs 34 and 35 of chapter IV of the Housing Finance Companies (NHB) Directions, 2016 is also providing by us.

The Mentor Home Loans India Limited was previously known as Mentor India Limited incorporated on 24th Feb, 1995 as a NBFC and obtained the status of National Housing Finance Company as on 5th Aug, 2014 after getting certificate of Registration from National Housing Bank;

(A) In case of all Housing Finance Companies

- i. Yes, the company has obtained a valid certificate of Registration (COR) for conducting Housing Finance Activity granted by the NHB.
- ii. Yes, company is meeting up the required Net Owned Fund (NOF) requirement as prescribed under section 29A of the National Housing Bank Act, 1987.

(B) In case of Housing Finance Companies not accepting/ holding public deposits

- i. The Housing Finance Company has complied with section 29C of the National Housing Bank Act, 1987 read with Section 36(1)(viii) of Income Tax Act, 1951. During the year the company have transferred 20% of its profit to Reserve as required by section 29C. The company has transferred its profit to its profit earned after getting the certificate for status as National Housing Company;
- ii. The Board of Directors have passed resolution for non-acceptance of any public deposits;
- iii. As informed and explained to us the Company does not accept deposits so the provision of Sec. 29B of the National Housing Bank Act, 1987 is not applicable to the company;
- iv. Yes, the total borrowings of the housing finance company are within the limits prescribed under paragraph 3(2) of the housing Finance companies (NHB) directions, 2010;
- v. Yes, the company has complied with the prudential norms on income recognition, accounting standards

asset classification land value ratio,

- vi. provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/ investments as specified in the Housing Finance Companies (NHB) directions, 2010;
- vii. That capital Adequacy Ratio as disclosed in the return submitted to National Housing Bank has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset Ratio as prescribed by the National Housing Bank in Housing Finance Companies (NHB) Directions, 2010;
- viii. Yes, the Housing Finance company has furnished to the Bank within the stipulated period the Schedule –II return as specified in the Housing Finance Companies (NHB) Directions, 2010;
- ix. Yes, the housing finance company has furnished to the National Housing Bank within the stipulated period the schedule – II return on Statutory Liquid Assets as specified in the Housing Finance Companies (NHB) Directions, 2010;
- x. Yes, in the case of opening of new branches/ offices or in case of closure of existing branches/ offices, the housing finance company has complied with the requirements contained in the Housing Finance Companies (NHB) Directions, 2010;
- xi. Yes, the company has complied with the provisions contained in paragraph 38 and 38A of the housing Finance Companies (NHB) Directions, 2010. It has not given any loan against its shares or for purchase of gold etc.

For H.S. Badaya & Co
Chartered Accountants
FRN 006567C

Sd/-
(Rajat Badaya)
(Partner)
M.No. 422193
UDIN : 21422193AAAABN6096

Place: Jaipur
Date: 03-09-2021

Independent Auditor's Report

To the Members of

Mentor Home Loans India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mentor Home Loans India Limited** ("the Company"), which comprise the Balance sheet as at **31st March 2021**, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, its profit and its cash flows for the year ended on that date.

Basis of Opinion

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

Emphasis of matters

We draw your attention to the following matters in the Notes to the financial statements:

- a) As more fully described in Note 13(e) to the financial statements regarding financial impact of COVID-19. Also, due to COVID-19, Reserve Bank of India ('RBI') issued directions on COVID-19 Regulatory Package- Asset Classification and Provisioning issued on 17th April 2020, the company has granted a moratorium to the borrowers and the resultant asset classification benefit on loans and advances to its customers.
- b) As described in the Note No.34 to the financial statement

regarding the amount have been shown in the financial statements to be recoverable from Mentor Finmart Private Limited is subject to reconciliation.

Our opinion is not modified in respect of these matters.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for other information. The other information comprises the Directors report to be included in the Company's Annual Report, but does not include the financial statements and auditor's report thereon.

There is ongoing family dispute between two Directors (Brothers) who are also shareholder of the company which has resulted in litigation in National Company Law Tribunal (NCLT) are still pending.

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 in the 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. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, financial position, financial performance and cash

flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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 Board of Directors 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion,

forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Other Matter

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order'), issued by the Central Government 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 said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act; read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure "B" which expressed an unmodified opinion; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As informed by the company there is no financial impact on financial position of the company on its financial statements of pending litigation.
 - ii. The company did not have any long term contract including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For H.S. Badaya & Co
Chartered Accountants
FRN 006567C

Sd/-
(Rajat Badaya)
(Partner)
M.No. 422193
UDIN : 21422193AAAABN6096

Place: Jaipur
Date: 03-09-2021

ANNEXURE A REFERRED TO IN AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF MENTOR HOME LOANS INDIA LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2021.

- (i) a. According to the information and explanation given to us the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. According to the information and explanation given to us the Company has a regular program of physical verification to cover all the items of fixed assets are verified annually. In our opinion this periodicity of physical verification, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all the fixed assets were physically verified by management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property included in fixed assets are held in the name of the Company.
- (ii) The Company is a Housing Finance Company and does not have any inventories. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the 'Act'). The Company has shown Rs. 33,14,887.00 as recoverable from Shri Basant Kumar Goyal Director of the company. As per the information and explanation given to us, the company has erroneously made a payment of Rs. 27,22,728/- to Mr. Basant Kumar Goyal and it is unrecovered. As per information and explanation given to us the amount has been transferred to loan account of Mr. Basant Kumar Goyal at interest rate of 18%. In view of above no comments can be offered about recovery and overdue.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- (vii) a. The Company has generally been regular in depositing undisputed statutory dues, including provident fund employees state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities As explained to us, the Company did not have any dues on account of sales tax, GST, Service tax, duty of customs, duty of excise and value added tax.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance income tax and goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- c. According to the information and explanation given to us and on the basis of our examination of the records, there are no dues of provident fund, employees' state insurance and goods and services tax that have not been deposited on account of any dispute. However, the following dues of income tax have not been deposited by the Company on account of dispute.
- | Sr No | Nature of payment | Year | Amount (Rs.) in Lakhs | Forum where dispute is pending |
|-------|----------------------|---------|-----------------------|----------------------------------------------|
| 1. | Income Tax Act, 1961 | 2016-17 | 280.04 | Commissioner of Income Tax (Appeals), Jaipur |
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing to financial institutions, banks, or debenture holders.

During the year the company availed moratorium pursuant to the Reserve Bank of India (RBI) directions on COVID-19 regulatory package. During the year, the Company did not have any loans or borrowing from the Government.

(ix) In our opinion and according to the information and explanations given to us, the money raised by the Company by way of term loans taken and have been generally applied for the purpose for which they were raised, except pending utilization of the funds which are temporarily deployed in liquid assets at year end. The Company has not raised any money by way of initial public offer or further public offer during the year.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the explanation and information given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to

us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us and based on our examination of records of the company, the company has not made any preferential allotment, or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

(xvi) According to the information and explanation given to us the company is a Housing Finance Company registered with National Housing Bank and thus is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For H.S. Badaya & Co
Chartered Accountants
FRN 006567C

Sd/-

(Rajat Badaya)
(Partner)
M.No. 422193
UDIN : 21422193AAAABN6096

Place: Jaipur
Date: 03-09-2021

Annexure – B To The Independent Auditor’s Report of Even Date on The Financial Statements of Mentor Home Loans India Limited

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the Internal Financial Control over financial reporting of **MENTOR HOME LOANS INDIA LIMITED** (“the Company”) as of **March 31, 2021** in conjunction with our audit of the financial statements of the Company for the year then ended.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, 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 issued by the ICAI.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal

financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For H.S. Badaya & Co
Chartered Accountants
FRN 006567C

Sd/-

(Rajat Badaya)
(Partner)
M.No. 422193
UDIN : 21422193AAAABN6096

Place: Jaipur
Date: 03-09-2021

MENTOR HOME LOANS INDIA LIMITED

REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004

BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Notes No.	Amount in Rs.	
		As at 31-03-2021	As at 31-03-2020
EQUITY AND LIABILITIES			
SHARE HOLDER'S FUND			
(a) Share capital	3	5,75,03,000	5,75,03,000
(b) Reserves and surplus	4	1,14,53,55,863	93,69,36,009
(c) Money received against share warrants		-	-
		1,20,28,58,863	99,44,39,009
NON-CURRENT LIABILITIES			
(a) Long-term borrowings	5	2,36,17,23,110	3,19,05,09,124
(b) Deferred tax Liabilities Net	6	4,02,21,400	3,23,69,368
(c) Other long-term liabilities		-	-
(d) Long-term Provisions	7	3,91,16,669	2,85,52,925
		2,44,10,61,179	3,25,14,31,417
CURRENT LIABILITIES			
(a) Short-term borrowings	8	7,95,64,982	9,78,04,321
(b) Trade Payables			
(i) Total Outstanding dues of micro enterprises and small enterprises and		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Other current liabilities	9	96,39,60,281	73,27,26,298
(d) Short term provisions	10	2,72,90,173	91,05,461
		1,07,08,15,436	83,96,36,080
	TOTAL	4,71,47,35,478	5,08,55,06,506
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment			
(i) Tangible assets			
(ii) Intangible assets	11	8,05,19,585	8,54,83,323
(iii) Capital Work in Progress		19,600	21,400
(iv) Intangible Assets under Development		-	-
(b) Non-current investments	12	2,52,21,975	2,27,43,634
(c) Deffered Tax Assets (Net)		-	-
(d) Long Term Loans & Advances	13	3,30,77,19,269	3,95,58,24,658
(e) Other non-current assets	14	3,52,19,509	6,30,23,445
		3,44,86,99,938	4,12,70,96,460
CURRENT ASSETS			
(a) Current Investment	15	1,00,00,000	44,78,341
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Cash Equivalents	16	54,30,55,166	31,61,24,081
(e) Short Term Loans and Advances	17	66,69,86,195	59,92,32,430
(f) Other current assets	18	4,59,94,179	3,85,75,194
		1,26,60,35,540	95,84,10,046
	TOTAL	4,71,47,35,478	5,08,55,06,506

Summary to Significant Accounting Policies

1 - 2

The Accompanying notes are integral part of the Financial Statements

For H.S. Badaya & Co.
Chartered Accountants
FRN: 006567C

Sd/-
Rajat Badaya
Partner
M.No. 422193

Place: Jaipur
Date: 03-09-2021

For and on behalf of the Board of Directors of
Mentor Home Loans India Limited

Sd/-
Girdhari Lal Goyal
Chairman
DIN:-00020248

Sd/-
Pawan Kumar Goyal
Managing Director
DIN:- 00020153
Company Secretary
Membership No: A47662

MENTOR HOME LOANS INDIA LIMITED

REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st March 2021

Particulars	Notes No.	Amount in Rs.	
		Year ended 31-03-2021	Year ended 31-03-2020
INCOME			
I. Revenue from operations	19	88,78,13,607	97,73,33,257
II. Other income	20	89,33,166	33,676
III. Total Revenue(I+II)		89,67,46,773	97,73,66,933
IV. EXPENSES			
(a) Finance Cost	21	44,15,96,540	49,49,35,245
(b) Employee benefits expense	22	7,62,71,190	8,59,04,019
(c) Depreciation and amortization expenses	23	58,00,328	56,65,307
(d) Provisions	24	2,17,85,347	47,19,316
(e) Other expenses	25	6,69,81,307	7,01,72,477
Total Expenses		61,24,34,712	66,13,96,364
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		28,43,12,061	31,59,70,569
VI. EXCEPTIONAL ITEMS		-	-
VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		28,43,12,061	31,59,70,569
VIII. EXTRAORDINARY ITEMS		-	-
IX. PROFIT BEFORE TAX (VII-VIII)		28,43,12,061	31,59,70,569
X. TAX EXPENSE			
1. Current Tax	26	6,80,40,175	6,84,18,328
2. Deferred Tax	6	78,52,033	1,11,46,404
3. Income Tax of Previous Years			(3,96,924)
XI. PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)		20,84,19,853	23,68,02,761
XII. PROFIT (LOSS) FROM DISCONTINUING OPERATIONS		-	-
XIII. TAX EXPENSE OF DISCONTINUING OPERATIONS		-	-
XIV. PROFIT (LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX) (XII-XIII)		-	-
XV. PROFIT (LOSS) FOR THE PERIOD (XI+XIV)		20,84,19,853	23,68,02,761
Earning per Equity Share of Rs 10 each	27	36.25	41.18
a) Basic & Diluted EPS			

Summary to Significant Accounting Policies

1 - 2

The Accompanying notes are integral part of the Financial Statements

For H.S. Badaya & Co.
Chartered Accountants
FRN: 006567C

Sd/-
Rajat Badaya
Partner
M.No. 422193

Place: Jaipur
Date: 03-09-2021

For and on behalf of the Board of Directors of
Mentor Home Loans India Limited

Sd/-
Girdhari Lal Goyal
Chairman
DIN:-00020248

Sd/-
Pawan Kumar Goyal
Managing Director
DIN:- 00020153

Sd/-
Rohit Jain
Company Secretary
Membership No: A47662

MENTOR HOME LOANS INDIA LIMITED

REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Amount in Rs.	
	Year ended 31-03-2021	Year ended 31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	28,43,12,061	31,59,70,569
Adjustments for:		
Depreciation and amortization expenses	58,00,328	56,65,307
Provision for Expenses	65,99,202	6,05,902
Provision for Non-Performing Assets	1,45,18,769	42,25,691
Contingent provision against standard assets	72,66,578	4,93,625
Dividend income on investments	(3,640)	(33,676)
Profit on sale of Fixed Assets	(2,00,124)	-
Profit on sale of Investments	(87,29,402)	-
Operating profit before working capital changes	30,95,63,772	32,69,27,418
Movements in working capital:		
Changes in current assets and others	(10,48,536)	3,24,151
Changes in short term loans and advances	(63,70,449)	(1,28,37,702)
Changes in trade payables and other current liabilities	3,75,15,339	83,80,074
Cash generated from operations	33,96,60,125	32,27,93,941
Less: Direct Taxes paid	(6,80,40,175)	(6,80,21,404)
Dividend received	3,640	33,676
Net cash from Operations	27,16,23,590	25,48,06,213
Housing and Other Property Loans Disbursed (Net of repayments)	56,73,01,893	20,86,48,599
Net cash flow (used in) operating activities(A)	83,89,25,484	46,34,54,812
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(10,44,736)	(45,86,953)
Proceeds from other non current assets	(1,66,56,804)	(64,42,130)
Proceeds from security deposits	(1,96,500)	(1,17,795)
Proceeds from sale of fixed assets	4,10,070	-
Proceeds from sale of Investments	3,22,29,402	-
Purchase of Investments	(3,15,00,000)	-
Net cash used in investing activities(B)	(1,67,58,568)	(1,11,46,878)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	(62,16,53,731)	(32,30,31,136)
Proceeds from short term borrowings	(1,82,39,339)	6,49,45,307
Net cash used in financing activities(C)	(63,98,93,070)	(25,80,85,830)
Net Increase/(Decrease) in cash and cash equivalents(A+B+C)	18,22,73,846	19,42,22,104
Cash & cash equivalents and Bank balances at the beginning of the period	22,90,21,339	3,47,99,235
Cash and cash equivalents and Bank Balances at the end of the period	41,12,95,185	22,90,21,339

MENTOR HOME LOANS INDIA LIMITED

REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004

Note: 1 Components of Cash and Cash Equivalents and Bank Balances	Year ended 31-03-2021	Year ended 31-03-2020
CASH & CASH EQUIVALENTS AND BANK BALANCES AT THE END OF THE YEAR		
i) Cash in hand	81,16,375	27,50,467
ii) Cash at bank	4,28,52,030	12,52,44,093
iii) Imprest cash	26,780	26,780
iv) Fixed Deposit With Bank & Others (Free FDR)	36,03,00,000	10,10,00,000
TOTAL CASH AND CASH EQUIVALENTS	41,12,95,185	22,90,21,339

Note: 2 The above balance of Cash & Cash Equivalents does not include current and non-current portion of Fixed Deposit under lien with Bank & Others.

Note: 3 Figures in brackets refer cash outflow.

Note: 4 The above cash outflow statement has been prepared under the indirect method set out in AS-3.

As per our report of Even Date

For H.S. Badaya & Co.
Chartered Accountants
FRN: 006567C

Sd/-
Rajat Badaya
Partner
M.No. 422193

Place: Jaipur
Date: 03-09-2020

For and on behalf of the Board of Directors of
Mentor Home Loans India Limited

Sd/-
Girdhari Lal Goyal
Chairman
DIN:-00020248

Sd/-
Pawan Kumar Goyal
Managing Director
DIN:- 00020153

Sd/-
Rohit Jain
Company Secretary
Membership No: A47662

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021

1. Corporate Information

Mentor Home Loans India Limited (the Company) is a Company incorporated in India under the provisions of the Companies Act, 1956. The company obtained the certificate of registration under the National Housing Bank ("NHB") as required under section 29A of the NHB Act, 1987 on 5th August 2014. The Company changed the name of the company pursuant to direction of National Housing Bank, from Mentor India Limited, to Mentor Home Loans India limited and obtained the fresh certificate of incorporation with the new name and certificate to this effect was issued by the registrar of the Companies Rajasthan on 11/06/2015.

The main object of the company, inter alia are to carry out the business of providing long term housing finance for purchase/construction/repair and renovation of new/existing flats/ houses for residential purposes and other loans including Mortgage Loan & unsecured loans.

2. Basis of preparation

"The financial statements of the company are prepared on accrual basis of accounting under, the accounting principal generally accepted in India including the Accounting Standard specified under section 133 of the Companies Act, 2013, Read with rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 National Housing Bank Act, 1987 and the Housing Finance Companies, (NHB) Directions, 2010 as amended from time to time and various guidelines issued by NHB to the extent applicable.

The financial statements have been prepared on an accrual basis and under the historical cost convention except interest on loans which have been classified as non-performing assets and are accounted for on realisation basis.

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of its activities, Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities."

2.1 Summary of significant accounting policies

A) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Management believes that the estimates used in the preparation of the

financial statement are prudent and reasonable taking into account the available information, actual results could differ from these estimates and assumptions and such difference are recognized in the period in which the result are crystallized.

B) Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company & the revenue can be measured reliably.

(i) Interest Income on Loans

Repayment of the Loans is by way of Equated Monthly Installments (EMI), comprises of principal and Interest. Income on Loan transactions is accounted for by using the internal rate of return method. Consequently, a constant rate of return on net outstanding amount is accrued over the period of the contract. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest on loans is computed on a monthly rest basis. Interest on loan assets classified as non-performing is recognized on actual receipts. Amount received from customers subsequent to their accounts becoming NPA are first allocated to interest amount receivable in the financial year and remaining amount is adjusted against the principal outstanding.

(ii) Income from direct assignment

Loan assignment on direct assignment basis have been de-recognised from the loan portfolio of the company as the sale of loan assets is an absolute assignment and transfer on a "no-recourse" basis. The company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreement, the company pays to assignee on a monthly basis, the pro rata collection amounts.

(iii) Fees, other charges and other interest

- Penal Interest/Cheque bouncing charges/ECS return/Forecloser charges in respect of loans is recognised on receipt basis.
- Loan Administrative & Maintenance fees is recognised in the year in which the loan is disbursed.
- Revenue from interest on Fixed Deposits are recognised on accrual basis.

(iv) Income from Investment

Income from dividends is accounted on receipt basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

C) Investments

On initial recognition, all investments are measured at Historical

Cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments (if any). All other investments are classified as long-term investment.

Current investments (if any) are carried in the financial statement at lower of cost and fair value determined script-wise, in accordance with the norms prescribed by the NHB/RBI.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments (if any), in accordance with Accounting Standard -13 'Accounting for Investment'.

D) Operating Cycle

Based on the nature of its activities, the company has determined its operating cycle as 12 Months for the purpose of classification of its assets and liabilities as current and non current.

E) Provisions for Standard Assets, Non-performing Assets (NPA's) and Contingencies

The Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-performing Assets (NPA's) and other contingencies. All loans and other credit exposures where the installments are overdue for more than ninety days are classified as NPA's in accordance with the prudential norms prescribed by the National Housing Bank/RBI. The provisioning policy of the company covers the minimum provisioning required as per the NHB/RBI guidelines.

F) Property, Plant & Equipment

(i) Tangible Property, Plant & Equipment

PPE are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price (if any). Where cost of a part of the asset is significant to total cost of the asset and useful life of that part is different from useful life the principal asset, then useful life of that significant part is determined separately and that part of asset is recorded separately as per component based accounting.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and

cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(ii) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

G) Depreciation & Amortization

(i) Tangible Property, Plant & Equipment

Depreciation on Property, Plant & Equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher.

(ii) Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment, except for Goodwill on Consolidation. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

The depreciable amount of an intangible asset (trademark) should be allocated on a systematic basis over the best estimate of its useful life. There is a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. Amortisation should commence when the asset is available for use.

Best estimate of useful life of trademark cannot be ascertained, therefore it is presumed that the useful life of Intangible asset will not exceed 10 years and thus is amortised over 10 years (120 months).

H) Accounting for Taxes

Tax expense comprises current and deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to

compute the amount are those that are enacted or substantively enacted at the reporting date.

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

I) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders, after deducting preference dividends and attributable taxes, (if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) (if any) that have changed the number of equity shares outstanding, without a corresponding change in resources.

J) Provisions for Expenses

A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

K) Contingent liabilities and Assets

"A contingent liability (if any) is a possible obligation that arises from past events whose existence will be confirmed by the

occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements."

L) Cash Flow Statement

Cash flow are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of the transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

M) Statutory/Special Reserve

"The Company creates Statutory Reserve every year out of its profits in terms of Section 29C of the National Housing Bank Act, 1987. As per the said Act, the Company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer."

N) Repossessed Assets

Repossessed assets are considered as other current assets are valued at principal outstanding or Realizable value (whichever is lower) in the respective borrower account and corresponding credit to the borrower accounts. On disposal of repossessed assets increase/decrease in value on actual realization credited / charged to statement of Profit & Loss.

O) Employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss of the year in which the related service is rendered.

The company operates gratuity plan as defined benefit plan. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year end using the projected unit credit method. Actuarial gains/ losses are recognized at full in the period in which they occur in the statement of profit and loss.

P) Borrowing Costs

Borrowing costs are interest and other costs incurred by an

enterprise in connection with the borrowing of funds.

Borrowing costs includes-

1. Interest and commitment charges on bank borrowings and other short term and long term borrowings;
2. Amortisation of discounts or premiums relating to borrowings
3. Finance charges in respect of assets acquired under finance leases or under other similar arrangements; and
4. Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Ancillary cost incurred in connection with the arrangement of borrowings are amortized over the tenor of the borrowings. Unamortized borrowing costs remaining, if any are fully expensed off as and when the related borrowing is prepaid & cancelled.

Note 3: Share Capital	Amount in Rs.	
	31-03-2021	31-03-2020
	-	
Authorized Share Capital		
Equity Shares:		
1,00,00,000(P.Y.:1,00,00,000) Equity Shares of Rs.10 each	10,00,00,000	10,00,00,000
Issued, Subscribed and Fully paid-up Shares		
Equity Shares:		
5,750,300(P.Y.: 5,750,300) Equity Shares of Rs. 10/- each	5,75,03,000	5,75,03,000
Total Issued, Subscribed and Fully paid-up Share Capital	5,75,03,000	5,75,03,000

Footnotes:

a.The company's reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
	31-03-2021	31-03-2021	31-03-2020	31-03-2020
At the beginning of the Period	57,50,300	5,75,03,000	57,50,300	5,75,03,000
Add :Issued, Subscribed during the year		-		
Outstanding at the end of the period	57,50,300	5,75,03,000	57,50,300	5,75,03,000

b.Terms/rights attached to equity shares:

The company has equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend (if any) proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

Equity shares of Rs. 10 each fully paid	31-03-2021		31-03-2020	
	No. of Shares	in %	No. of Shares	in %
i) Shri Pawan Kumar Goyal	7,82,600	13.61%	7,82,600	13.61%
ii) Shri Sahil Goyal	9,61,500	16.72%	9,61,500	16.72%
iii) Mentor Alliance India Pvt. Ltd.	8,50,000	14.78%	8,50,000	14.78%
iv) Mentor Home Basant Kumar Goyal Escrow Account	8,64,100	15.03%	8,64,100	15.03%
v) Mentor Home Kanishk Goyal Escrow Account	3,03,500	5.28%	3,03,500	5.28%

Note 4: Reserves & Surplus	Amount in Rs.	
	31-03-2021	31-03-2020
i)Securities Premium Account:		
Balance as per last financial statements	13,09,56,000	13,09,56,000
Add: Current Year	-	-
Closing Balance	13,09,56,000	13,09,56,000
ii)Statutory Reserve(as per section 29C of National housing Bank Act, 1987)		
Balance as per last financial statements	53,95,156	27,20,598
Add: Current Year	26,72,247	26,74,558
Closing Balance	80,67,403	53,95,156

Note:- As per Section 29C of the National Housing Bank Act, 1987, the company is required to transfer atleast 20% of its net profits every year to reserve before any dividend is declared. For this purpose any Special Reserve created by the company u/s 36(1)(viii) of the Income Tax Act , 1961 is considered to be an eligible transfer. During the financial year 2020-21, the company has transferred 4,16,83,971 to statutory reserve out which Rs. 3,90,11,724 qualifies to be an eligible transfer u/s 36(1)(viii) of the Income Tax Act, 1961.

iii) Special Reserve u/s 36(1)(viii) of The Income Tax act 1961		
Balance as per last financial statements	14,36,15,576	9,89,29,582
Add: Current Year	3,90,11,724	4,46,85,994
Closing Balance	18,26,27,300	14,36,15,576
iv) General Reserve:		
Balance as per last financial statements	65,69,69,277	46,75,27,068
Add: Transfer from Surplus in Statement of Profit & Loss	16,67,35,883	18,94,42,209
Add: Transfer From Statutory Reserve U/s 451(c) of RBI Act 1934	-	-
Add: Transfer from Provision for Non-Performing Assets	-	-
Add: Transfer from Contingent Provision against Standard Assets	-	-
Closing Balance	82,37,05,159	65,69,69,277
v) Surplus in Statement of Profit & Loss:		
Balance as per last year	-	-
Add: Current Year	20,84,19,853	23,68,02,761
Add: Excess Provision of Tax in Previous Year		
Less: Transfer to Statutory Reserve(Special Reserves u/s 36 (1) (Viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987)	(4,16,83,971)	(4,73,60,552)
Less: Appropriation of Fixed Assets	-	-
Less: Transfer to General Reserve	(16,67,35,883)	(18,94,42,209)
Closing Balance	-	-
Total Reserves & Surplus (i + ii + iii + iv + v)	1,14,53,55,863	93,69,36,009

Note:4(a). Details of Statutory Reserves

Particulars	31-03-2021	31-03-2020
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of National Housing Bank, Act 1987	53,95,156	27,20,598
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987	14,36,15,576	9,89,29,582
c) Total	14,90,10,733	10,16,50,180
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	26,72,247	26,74,558
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987	3,90,11,724	4,46,85,994
Less: a) Amount Appropriated from the Statutory reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special special reserve u/s 36(1) (viii) of Income Tax Act, 1961 which has been Taken into account for the purpose Of provisions u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of National Housing Bank, Act 1987	80,67,403	53,95,156
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987	18,26,27,300	14,36,15,576
c) Total	19,06,94,703	14,90,10,733

Note 5: Long Term Borrowing	Amount in Rs.	
	31-03-2021	31-03-2020
i)Secured Loan:		
a) From Banks	1,03,57,08,464	1,51,02,59,216
b) From Financial Institutions/NBFC's/HFC'S.	98,97,02,307	1,34,33,48,005
ii)Unsecured Loan:		
a) From Financial Institutions	-	71,42,859
b) From Directors & Relatives	3,63,12,339	2,97,59,044
iii) Sub-Ordinated Liabilities		
a) Unsecured Subordinated Non Convertible Debentures	5,00,00,000	5,00,00,000
b) Subordinated Unsecured Loan	25,00,00,000	25,00,00,000
Total Long Term Borrowings (i + ii+iii)	2,36,17,23,110	3,19,05,09,124

Notes:

All Secured Loans (Current And Non Current Portion) from Banks, Financial Institutions and NBFC/HFC's are secured by way of Charge to Banks/ FI's/ NBFC's/ HFC's on stock as per sanction terms. Some borrowings are also secured by way of immovable/cash collateral security and personal guarantee of the directors and their relatives.

The unsecured subordinated non convertible debentures availed from AK Capital Services Limited amounting to Rs. 5 crores of which Rs. 1 crores qualifies for Tier II Capital in accordance with the National Housing Bank's guidelines for assessing capital adequacy. These debentures are redeemable at par on Maturity.

The unsecured subordinated debt taken from IDFC First Bank amounting to Rs. 25 crores of which Rs. 19 Crores qualifies for Tier II Capital in accordance with the National Housing Bank's guidelines for assessing capital adequacy.

Ratings assigned by Credit Rating Agencies as on 31, March 2021

Rating Agency	Type	FY 2020-21	FY 2019-20
Acuite Ratings and Research Limited	Long term Bank Facilities	Acuite BBB;Stable	-
CARE Ratings Limited	Long term Bank Facilities	CARE BBB-; Stable	CARE BBB; Stable
Acuite Ratings and Research Limited	Unsecured Subordinated Non Convertible Debentures	Acuite BBB;Stable	Acuite BBB+;Negative

Note 6: Deferred Tax Liabilities/Assets	Amount in Rs.	
	31-03-2021	31-03-2020
(a) Deferred Tax Assets		
1.On account of Depreciation	-	-
2.On account of Expenses to be allowed on payment basis	59,86,110	38,54,100
3.On account of other Expenses	-	-
TOTAL	59,86,110	38,54,100
(b)Deferred Tax Liabilities		
1. On account of deduction u/s 36(i)(viii)	4,59,67,291	3,61,48,040
2. On account of Depreciation	2,40,219	75,427
3.On account of other Expenses	-	-
TOTAL	4,62,07,510	3,62,23,468
Deferred Tax Liabilities/ Assets during the year (carried to Profit &Loss statement)	(78,52,033)	(1,11,46,404)
Less: Opening Balance	(3,23,69,368)	(2,12,22,964)
Net Deferred Tax (Liabilities)/Assets (carried to Balance Sheet)	(4,02,21,400)	(3,23,69,368)
Note: -In accordance with the Accounting Standards on 'Accounting for Taxes of Income'(AS-22), the company is accounting for deferred tax. The break-up of major component of deferred tax liabilities/assets mentioned above.		

Note 7: Long Term Provisions	Amount in Rs.	
	31-03-2021	31-03-2020
i) Provision against Standard Assets	2,15,33,411	1,42,66,832
ii) Provision for Non-Performing Assets	1,54,52,395	1,26,73,359
iii) Provision for Gratuity	21,30,863	16,12,734
Total Long Term Provisions	3,91,16,669	2,85,52,925

Note 7.1: Provisions for Non Performing Assets	Amount in Rs.	
	31-03-2021	31-03-2020
Opening balance of Provision	1,26,73,359	1,24,70,986
Add: provision created	1,45,18,769	42,25,691
Less: bad debts	1,17,39,733	40,23,318
Closing balance of provision for NPA	1,54,52,395	1,26,73,359
Note 7.2: Detailed Gratuity Liability		
Particulars	Gratuity	
	2020-21	2019-20
Opening defined benefit obligation at 1st April	16,12,734	13,93,708
Current Service Cost	4,13,661	3,00,776
Interest Cost	88,700	83,622
Actuarial loss/(gain)	15,768	(1,65,372)
Benefit paid	-	-
Closing defined benefit obligation at 31st March	21,30,863	16,12,734
Change in plan assets		
Opening Fair Value of plan asset at 1st April	-	-
Expected Return on Plan asset	-	-
Contribution by employer	-	-
Benefit paid	-	-
Closing fair value of plan assets at 31st March	-	-
Reconciliation of Net Defined Benefit Liability		
Net Opening Provision in the books of accounts	16,12,734	13,93,708
Employee Benefit Expenses	5,18,129	2,19,026
Closing Provision in the books of accounts	21,30,863	16,12,734
Principal Actuarial Assumption		
Discount Rate	5.50%	6.00%
Expected Rate of Return	-	-
Salary Escalation	5.00%	5.00%

Note: 8. Short Term Borrowings	Amount in Rs.	
	31-03-2021	31-03-2020
Secured		
Cash Credit facilities from Banks	7,95,64,982	9,78,04,321
Unsecured		
Nil	-	-
Total Short Term Borrowings	7,95,64,982	9,78,04,321

Note: 9. Other Current Liabilities	Amount in Rs.	
	31-03-2021	31-03-2020
i) Current Maturities of Long Term Borrowings	90,81,69,732	70,10,37,449
ii) Expenses Payable	1,05,66,797	1,15,90,321
iii) ESI & PF Payables	3,30,517	4,16,708
iv) Statutory Dues	33,94,551	44,03,344
v) First Loss Default Guarantee Payments	60,49,250	73,59,250
vi) Sundry Payables	2,06,55,541	79,19,226
vii) Amount payable under Direct Assignment	1,47,93,893	-
Total Other Current Liabilities	96,39,60,281	73,27,26,298

Note: 10. Short Term Provisions	Amount in Rs.	
	31-03-2021	31-03-2020
i) Provision for Income Tax (Net of Advance Tax and TDS Receivables)	1,96,15,063	75,11,424
ii) Provision for Corporate Social Responsibility	60,80,520	1,99,545
iii) Provision for Bonus Payable	15,94,590	13,94,492
Total Short Term Provisions	2,72,90,173	91,05,461

Note: 11 Depreciation Chart as on 31st March 2021 (As per Companies Act, 2013)

Particulars	Gross Block as on 1st Apr Rs. 2020	Addition	Deduction	Total Gross Block on 31st March, 2021	Depreciation			Total Depreciation	Net Block as on 31st March, 2021	Net Block as on 31st March, 2020
					Upto 1st Apr, 2020	During the Year	Deduction			
A. Tangible Assets										
Land	5,68,64,079	-	-	5,68,64,079	-	-	-	-	5,68,64,079	5,68,64,079
Vehicles	2,60,99,475	-	11,79,000	2,49,20,475	80,36,560	30,02,296	9,69,054	1,00,69,802	1,48,50,673	1,80,62,915
Computers	80,25,426	8,56,240	-	88,81,666	44,98,860	17,03,610	-	62,02,470	26,79,196	35,26,566
Office Equipments	39,67,511	1,47,521	-	41,15,032	22,55,416	4,72,237	-	27,27,654	13,87,378	17,12,095
Furnitures	80,20,798	40,975	-	80,61,773	27,03,129	6,20,385	-	33,23,514	47,38,259	53,17,669
Total A	10,29,77,289	10,44,736	11,79,000	10,28,43,025	1,74,93,966	57,98,528	9,69,054	2,23,23,440	8,05,19,585	8,54,83,323
B. Intangible Assets										
Trademark	24,000	-	-	24,000	2,600	1,800	-	4,400	19,600	21,400
Total B	24,000	-	-	24,000	2,600	1,800	-	4,400	19,600	21,400
Total (A+B)	10,30,01,289	10,44,736	11,79,000	10,28,67,025	1,74,96,566	58,00,328	9,69,054	2,23,27,840	8,05,39,185	8,55,04,723

Note: 12. Non-Current Investments	Face Value (Rs.per share)	Quantity(No.)	Amount in Rs.	Quantity(No.)	Amount in Rs.
		31-03-2021	31-03-2021	31-03-2020	31-03-2020
a) Quoted Investment					
Alkali Metals Limited	10	780	95140	780	95140
Antarctica limited	1	49600	68806	49600	68806
Ansal Properties & Infrastructure Limited	5	500	57615	500	57615
Empee Distilleries Limited	10	400	62576	400	62576
GTL Infrastructure Limited	10	12000	582834	12000	582834
Hindalco Industries Limited	1	500	51150	500	51150
Hotel Leela Venture Limited	2	1000	41330	1000	41330
Lyka Labs Limited	10	16000	647953	16000	647953
Manaksia Aluminium Company Limited	1	1500	41047	1500	41047
Manaksia Steels Limited	1	1500	41047	1500	41047
Manaksia Coated metals & Undertaking Limited	1	1500	41048	1500	41048
Manaksia Industries Limited	1	1500	41048	1500	41048
McDowell Holdings Limited	10	400	51071	400	51071
Megasoft Limited	10	6988	714110	6988	714110
Morepen Laboratories Limited	2	12300	224548	12300	224548
Adani Ports and Special Economic Zone Limited	2	2275	266066	2275	266066
NHPC limited	10	1300	44818	1300	44818
Norben Tea & Exports Limited	10	2800	35129	2800	35129
Reliance Power Limited	10	2100	360539	2100	360539
Siti Cable Network Limited	1	11000	254100	11000	254100
Total Quoted investment			37,21,975		37,21,975
b) Mutual Funds			2,15,00,000		1,90,21,659
Total Non-Current Investments			2,52,21,975		2,27,43,634

Note 12(a): The Company has shown investments in shares/mutual funds at Historical Cost and the Market Value of the Investments as on 31st March 2021 is Rs. 3.45 crores (Previous year Rs. 3.09 crores)

Note: 13. Long Term Loans & Advances – Under financing Activities	Amount in Rs.	
	31-03-2021	31-03-2020
j) Loan & Other Credit Facility:		
a) Housing Finance	2,35,16,57,125	2,94,82,92,324
b) Mortgage Loans	95,60,62,144	1,00,75,32,333
Total long term Loans & Advances	3,30,77,19,269	3,95,58,24,658

Break-up of Loans	Particulars	Non-current Portion		Current Portion	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
		Housing Loans	2,35,16,57,125	2,94,82,92,324	48,65,45,291
Mortgage Loans	95,60,62,144	1,00,75,32,333	18,04,40,904	15,70,42,032	
Total	3,30,77,19,269	3,95,58,24,658	66,69,86,195	59,92,32,430	
			Amount in Rs.		
a) Secured considered good			3,90,78,46,626	4,48,23,73,208	
b) Secured (sub-standard & Doubtful)			6,68,58,839	7,26,83,880	
(NPA as per NHB Guidelines)					
Total Loans & Advances			3,97,47,05,465	4,55,50,57,088	

Note 13(a): - Loans granted by company are secured against hypothecation of mortgage of Property. Further the company has classified its non performing assets portfolio into various categories of sub standard (90 days overdue), doubtful, loss loans as per NHB direction 2010 for the year ending 31.03.2021.

Note 13(b): The company has not granted any loans against gold jewellery as collateral security.

Note 13(c): The company has Housing loans sanctioned but un-disbursed amount is Rs.4.23 Crores as on 31 March 2021.

Note 13(d): Classification of Total Loans and other credit facilities: - As per Housing Finance Companies (NHB) Direction, 2010, non performing assets are recognized on the basis of ninety days overdue. The total provision carried by company in terms of Housing Finance Companies (NHB) Direction, 2010, and NHB circular No. NHB(ND)/DRS/POL-No. 09/2004-05 dated May 18, 2005 and circular No. NHB(ND)/DRS/POL-No. 45/2011-12 dated 19/01/2012 and NHB circular No. HFC.DIR9/CMD/2013 dated 06/09/2013 and circular No. NHB(ND)/DRS/POL No. 47/2010-2011 dated 24/12/2010, and other relevant circulars and section of NHB Act, 1987, in respect of Housing Loan and Non Housing Loan is as below.

Note 13(e): The COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 19 days across the country to contain the spread of the virus. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Bank. In accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020, April 17, 2020 and May 23, 2020 relating to 'COVID-19-regulatory package', the Company has granted moratorium on the payment of instalments to all eligible borrowers. The company has made additional provision against Standard assets of Rs. 0.99 crores for COVID-19. The company continued to recognize interest income of the moratorium period.

Particulars	Standard	Sub-standard	Doubtful	Loss	Total
Loan Outstanding					
Housing Loan	2,79,31,98,952	1,42,85,527	3,07,17,937	-	2,83,82,02,416
Mortgage Loans	1,11,46,47,673	51,81,590	1,66,73,785	-	1,13,65,03,048
Total	3,90,78,46,626	1,94,67,117	4,73,91,722	-	3,97,47,05,465
Provisions					
Housing Loan	1,42,33,563	21,42,829	81,37,028	-	2,45,13,419
Mortgage Loans	72,99,848	7,77,239	43,95,300	-	1,24,72,386
Total	2,15,33,410	29,20,068	1,25,32,327	-	3,69,85,805

Note: 14. Other Non-Current Assets	Amount in Rs.	
	31-03-2021	31-03-2020
i) Security Deposits	23,28,245	21,31,745
ii) Fixed Deposit With Bank & Financial Institutions (under lien)	1,56,72,267	5,46,85,507
iii) Other Non-Current Assets	1,39,04,110	62,06,193
iv) Loan to Director	33,14,887	-
Total Other Non-Current Assets	3,52,19,509	6,30,23,445

Note: 15. Current Investments	Amount in Rs.	
	31-03-2021	31-03-2020
a) SBI Mutual Funds (under lien)	-	44,78,341
b) SBI Mutual Funds	1,00,00,000	-
Total Current Investments	1,00,00,000	44,78,341

Note 16: Cash and Cash Equivalents	Amount in Rs.	
	31-03-2021	31-03-2020
A) Cash & Bank Balances		
i) Balances With Banks	4,28,52,030	12,52,44,093
ii) Cash in Hand	81,16,375	27,50,467
iii) Imprest Cash Account	26,780	26,780
iv) Fixed Deposit With Bank & Others (Free FDR)	36,03,00,000	10,10,00,000
B) Other Bank Balances		
i) Fixed Deposit With Bank & Others (under lien)	13,17,59,981	8,71,02,741
Total Cash and Cash Equivalents	54,30,55,166	31,61,24,081

Note 17: Short Term Loans and Advances (Current maturities of Loans & Advances Under Financing Activities)	Amount in Rs.	
	31-03-2021	31-03-2020
i) Secured & Considered Good:		
a) Housing Finance	48,65,45,291	44,21,90,399
b) Mortgage Loans	18,04,40,904	15,70,42,032
Total Short-Term Loans & Advances	66,69,86,195	59,92,32,430

Note 18: Other Current Assets	Amount in Rs.	
	31-03-2021	31-03-2020
i) Advance to Staff	26,95,689	16,47,153
ii) Income Tax Refund	1,45,50,295	1,45,50,295
iii) Other Current Assets	2,87,48,195	2,23,77,746
Total Other Current Assets	4,59,94,179	3,85,75,194

Note 19: Revenue From Operations	Amount in Rs.	
	31-03-2021	31-03-2020
i) Interest on Housing Finance	61,88,97,104	69,07,84,770
ii) Interest on Mortgage loan	23,53,45,740	24,74,93,063
iii) Other Operating Income	3,35,70,763	3,90,55,424
Total Revenue From Operations	88,78,13,607	97,73,33,257

Note 20: Other Income	Amount in Rs.	
	31-03-2021	31-03-2020
i) Dividend on share	3,640	33,676
ii) Profit on sale of Fixed assets	2,00,124	-
iii) Profit on sale of Investments	87,29,402	-
Total Other Income	89,33,166	33,676

Note 21: Finance Costs	Amount in Rs.	
	31-03-2021	31-03-2020
i) Bank Interest & Charges	24,04,56,228	26,70,08,333
ii) Interest to Financial Institutions/NBFC's/HFC'S.	19,43,11,189	21,56,37,037
iii) Other Interest	56,03,158	81,08,117
iv) Other Borrowing Costs	12,25,965	41,81,758
Total Finance Costs	44,15,96,540	49,49,35,245

Note 22: Employee Benefit Expenses	Amount in Rs.	
	31-03-2021	31-03-2020
i) Salaries and Bonus	6,50,12,354	7,48,25,793
ii) Directors Salary	84,00,000	84,00,000
iii) Contribution to Provident Funds and Others	28,58,836	26,78,226
Total Employee Benefit Expenses	7,62,71,190	8,59,04,019

Note 23: Depreciation and Amortization Expenses	Amount in Rs.	
	31-03-2021	31-03-2020
i) Vehicles	30,02,296	30,14,271
ii) Computers	17,03,610	15,98,679
iii) Office Equipments	4,72,237	4,69,641
iv) Furniture & Fixtures	6,20,385	5,80,316
v) Trademarks	1,800	2,400
Total Depreciation and Amortization Expenses	58,00,328	56,65,307

Note 24: Provisions	Amount in Rs.	
	31-03-2021	31-03-2020
i) Provision Against Standard Assets	72,66,578	4,93,625
ii) Provision for Non-Performing Assets(Net)	1,45,18,769	42,25,691
Total Provisions	2,17,85,347	47,19,316

Note 25: Other Expenses	Amount in Rs.	
	31-03-2021	31-03-2020
i) Advertising and business promotion Expenses	11,94,547	16,44,802
ii) CIC's Expenses	14,35,829	10,76,189
iii) Commission & Brokerage Expenses	1,78,988	95,35,108
iv) CSR and Donation Expenses (refer note no. 25.1)	1,06,31,984	-
v) Electricity & Water Expenses	9,85,611	13,38,218
vi) Insurance Charges	5,90,420	3,92,751
vii) Legal & Consultancy Expenses	46,46,263	26,23,986
viii) Office Expenses	30,27,210	24,01,468
ix) Printing, Stationery & Postage	8,09,412	18,23,167
x) Professional Fees	83,88,647	32,47,196
xi) Rent	84,45,567	1,05,43,566
xii) Auditors Remuneration (refer note no. 25.2)	12,40,000	13,60,000
xiii) Repair & Maintenance	4,00,112	9,17,812
xiv) SARFAESI and other repo Expenses	96,97,522	1,08,39,463
xv) Software Expenses	83,28,196	39,89,073
xvi) Stamping Charges	32,97,966	6,76,984
xvii) Telephone Charges	17,66,633	18,48,409
xviii) Travelling & Conveyance	14,68,175	54,36,763
xix) Income Tax Expenses	50,597	1,91,610
xx) Miscellaneous Expenses	3,97,629	1,02,85,913
Total Other Expenses	6,69,81,307	7,01,72,477

Note 25.1: Details of Corporate Social Responsibility

(i) As per Section 135 of the Companies Act, 2013, the Company is required to spent an amount of Rs. 60.69 lakhs on CSR activities during the year.

The Board of Directors of the Company has approved an amount of CSR 47.36 lakhs for the FY 2020-21 which was spent during the year.

(ii) The details of amounts spent towards CSR are as under:

Particulars		For the year ended March 31, 2021
a)	Construction/Acquisition of any asset	
b)	On purposes other than (a) above	47,36,018.60

(iii) The company has unspent amount Rs. 60.80 lakhs as at the end of FY 2020-21 including Rs. 13.33 lakhs for FY 2020-21 , Rs. 45.47 lakhs for FY 2019-20 and Rs. 1.99 lakhs for FY 2018-19.

(iv) Details of Ongoing Projects for FY 2020-21

Particulars	31-03-2021
(i) Opening Balance	-
(ii) Amount required to be spent during the year	60,69,526
(iii) Amount spent during the year	47,36,018
(iv) Amount provided as at year end*	13,33,509

* The unspent amount of Rs. 13.33 lakhs pertains to FY 2020-21.

Note 25.2: Payment to Auditor	31-03-2021	31-03-2020
i) Statutory Audit Fees	4,30,000	4,30,000
ii) Tax Audit Fees	1,50,000	1,50,000
iii) Certification Fees	4,20,000	4,20,000
iv) Internal Audit Fees	2,40,000	3,60,000
	12,40,000	13,60,000
	Amount in Rs.	
Note 26: Provision for Tax	31-03-2021	31-03-2020
i) Provision for Current Year*	6,80,40,175	6,84,18,328

* The company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has recognized provision for Income Tax for the year ended March 31, 2020 and re-measured the balance of net deferred tax liabilities, basis the rates prescribed in the aforesaid section and recognized the effect of change in the profit & loss account.

Note 27: Earnings Per Share	Amount in Rs.	
	31-03-2021	31-03-2020
Profit/ (Loss) after tax(before extraordinary items)	20,84,19,853	23,68,02,761
Less: Dividend on convertible preference share & tax there on	-	-
Net profit / (loss) for calculation of Basic EPS	20,84,19,853	23,68,02,761
Weighted average number of Equity Shares in calculating Basic EPS	57,50,300	57,50,300
Basic & Diluted Earnings Per Share	36.25	41.18
Note 28: There are no indications which reflect that any of the assets of the company had got impaired from its potential use and therefore no impairment loss was required to be accounted in the current year as per accounting standard on 'Impairment of Assets' (AS-28).		

Note 29: Related Party Disclosures

As per the Accounting Standard on 'Related Party Disclosures'(AS-18) the related parties of the company with whom the company had carried out transaction are as follows. These transaction were carried out in ordinary course of business and were at Arm's length price.

Name of Related Parties and Relationship, to whom transactions have taken place during the year:

A Key Management Personnel:

1	Pawan Kumar Goyal	Managing Director
2	Rohit Jain	Company Secretary

B Relative of Key Management Personnel:

1	Anju Goyal	Wife of Director
2	Basant Kumar Goyal (HUF)	Director is Member of HUF
3	Garima Goyal	Wife of Director
4	Mohani Devi Goyal	Wife of Director
5	Laxmi Devi Agarwal	Mother of Director
6	Anita Agarwal	Wife of Director
7	Neema Goyal	Daughter of Director
8	Pawan Kumar Goyal (HUF)	Director is Member of HUF
9	Sahil Goyal	Son of Director
10	Kanishk Goyal	Son of Director
11	Utkarsh Goyal	Son of Director
12	Nita Agarwal	Sister of Director
13	Badri Prasad Agarwal	Brother of Director
14	Girdhari Lal Goyal	Chairperson (Father of Director)
15	Basant Kumar Goyal	Non-Executive Director (Brother of Director)

C. Enterprises in which Relatives of KMP are interested:

1	Mentor Alliance India Pvt. Ltd.
2	Mentor Finmart Pvt. Ltd.
3	Mentor Education & Welfare Society

	Particulars	Year ended	Loan Taken	Repayment	Interest Accrued	Balance at the end of FY
A.	Key Management Personnel					
i)	Pawan Kumar Goyal	31.03.2021	6,70,000	14,23,469	29,462	-
		31.03.2020	10,41,93,000	11,72,16,976	18,80,830	7,24,007

B. Relative of Key Management Personnel-

i)	Anju Goyal	31.03.2021	-	-	-	0
		31.03.2020	-	77,369	85,966	0
ii)	Basant Kumar Goyal HUF	31.03.2021	-	-	-	-
		31.03.2020	-	75,068	83,409	-
iii)	Garima Goyal	31.03.2021	56,42,800	1,27,88,392	9,77,111	0
		31.03.2020	2,63,75,200	2,27,49,770	7,38,156	61,68,481
iv)	Mohani Devi Goyal	31.03.2021	-	46,089	5,99,051	46,46,842
		31.03.2020	-	-	5,27,497	40,93,880
v)	Neema Goyal	31.03.2021	37,76,300	37,22,262	2,05,294	15,32,072
		31.03.2020	28,50,000	54,19,697	3,39,261	12,72,740
vi)	Pawan Kumar Goyal HUF	31.03.2021	-	-	-	-
		31.03.2020	1,76,700	1,76,700	-	-
vii)	Sahil Goyal	31.03.2021	6,96,97,014	5,33,71,149	15,87,649	2,52,33,639
		31.03.2020	5,68,60,000	5,14,89,470	11,28,027	73,20,125
viii)	Kanishk Goyal	31.03.2021	-	-	-	-
		31.03.2020	-	84,313	93,681	-
ix)	Laxmi devi Agarwal	31.03.2021	-	21,71,889	5,48,030	25,00,001
		31.03.2020	20,00,000	3,71,021	5,49,868	41,23,860
x)	Anita Agarwal	31.03.2021	-	41,45,116	5,36,739	1
		31.03.2020	20,00,000	3,24,217	4,80,661	36,08,378
xi)	Nita Agarwal	31.03.2021	-	2,02,758	1,65,600	12,00,000
		31.03.2020	-	1,12,328	1,66,096	12,37,158

xii)	Utkarsh goyal	31.03.2021	-	-	-	-
		31.03.2020		73,998	82,220	-
xiii)	Badri Prasad Agrawal	31.03.2021	-	1,72,494	1,38,089	10,00,000
		31.03.2020	-	1,31,192	1,38,413	10,34,405
xiv)	Girdhari Lal Goyal	31.03.2021		1,981	25,756	1,99,788
		31.03.2020	2,50,000	45,20,000	56,875	1,76,013
xv)	Basant Kumar Goyal	31.03.2021	-	-	-	-
		31.03.2020	-	34,947	38,830	-
	Particulars	Year ended	Loan Provided	Repayment	Interest Accrued	Balance at the end of FY
i)	Basant Kumar Goyal	31.03.2021	27,22,728	-	5,92,158	33,14,886
		31.03.2020	-	-	-	-

Footnote:

a) Loan taken from related parties carries an interest rate ranging from 13% p.a. to 15% p.a .

Particulars	Year ended	Incentives	Remuneration	Commission	Rent	
A.Key Management Personnel						
i)	Pawan Kumar Goyal	31.03.2021	-	84,00,000	-	-
		31.03.2020	-	84,00,000	-	-

B.Relative of Key Management Personnel

i)	Garima Goyal	31.03.2021	-	-	-	12,29,844
		31.03.2020	-	-	-	11,18,040
ii)	Sahil Goyal	31.03.2021	-	30,00,000	-	6,14,952
		31.03.2020	-	30,00,000	-	5,59,044
iii)	Kanishk Goyal	31.03.2021	-	-	-	-
		31.03.2020	-	5,00,000	-	-
iv)	Pawan Kumar Goyal (HUF)	31.03.2021	-	-	-	7,92,000
		31.03.2020	-	-	-	7,20,000
v)	Anju Goyal	31.03.2021	-	-	-	-
		31.03.2020	-	5,00,000	-	-
vi)	Girdhari Lal Goyal	31.03.2021	-	-	-	-
		31.03.2020	-	-	-	-
vii)	Basant Kumar Goyal	31.03.2021	-	-	-	-
		31.03.2020	-	-	36,06,000	-

Note 30: Contingent liabilities, capital & other commitments

Particulars	Current Year	Previous Year
	(2020-21)	(2019-20)
(i) Contingent Liabilities :-		
(a) Claims against the company not acknowledged as debt		
Income Tax Liability*	2,80,04,176	2,76,57,600
(b) Other money for which the company is contingently liable	17,25,889	-
(ii) Commitments :-		
(a) Estimated amount of contract remaining to be executed on capital account and not provided for	-	-
(b) Other commitments		

*The tax authorities under Income Tax Act, 1961 legislations have raised tax demand on the Company in respect of the Assessment Year 2017-18. The Company has appealed against them at appropriate forums. As at March 31, 2021 the Company has an amount of 3.65 crores involved in pending tax litigations.

*The litigation amounting to 0.15 Crores out of Rs. 3.65 crores is under section 154 and rectification has been duly filed against it. Thus the management believes that the above claims made are untenable and is contesting them.

*Contingent liability in respect of income-tax demands are net of 0.70 crores as the said amount has been paid and will be received as refund when the matters will be decided in favour of the Company.

The company expects the favourable outcome of these proceedings.

Note 31: In the opinion of the management and to the best of their knowledge and belief the value of loans, advance and other current assets wherever debit or credit, in the ordinary course of business will not be less than the amount of which they are stated in the Balance Sheet.

Note 32: The other information as required to be disclosed as per Schedule III and applicable section and relevant Provisions of Companies Act, 2013 and other applicable laws and state laws is either not ascertainable or nil or not applicable.

Note 33: There is no financial impact of pending litigation on the company.

Note 34: The amount of Rs.13.41 Lakhs is recoverable from Mentor Finmart Pvt.Ltd.

Note 35: Repossessed assets are the assets held for sale which is shown under other current assets and are valued at principal outstanding or Realizable value (whichever is lower) in the respective borrower account and corresponding credit to the borrower accounts. On disposal of repossessed assets increase/decrease in value on actual realization credited / charged to statement of Profit & Loss.

Note 36: The Company operates under the principal business segment viz. "Providing loans for construction, improvement, renovation or purchase of residential property and loans against property". Further, the Company is operating in a single geographical segment. Accordingly, disclosures relating to primary and secondary business segments under the Accounting Standard on 'Segment Reporting' (AS 17) notified u/s 133 of the Companies Act, 2013 are not applicable to the Company.

Note 37: The company has taken premises for office under operating lease agreements. Terms of the lease include terms for renewal, increase in rents in future periods and terms of cancellation. The total lease rent recognised as an expense during the year under the lease agreements amounts to 0.84 Crores

Note 38: Scheme for Grant of Ex- Gratia

The Government of India has announced the Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (1.3.2020 to 31.8.2020) (the 'Scheme') on October 23, 2020, which mandates ex-gratia payment to certain categories of borrowers by way of crediting the difference between simple interest and compound interest for the period between March 1, 2020 to August 31, 2020 by respective lending institutions by November 5, 2020.

The Scheme is applicable to the borrowers of the company. Under the said scheme, the Company has received 1.62 Crores against ex gratia credit to customers during the year ended March 31, 2021.

The Hon'ble Supreme Court of India has pronounced its judgement in the matter of Small Scale Industrial Manufacturers Association vs UOI & Ors. and other connected matters on March 23, 2021 in related to Interest on Interest during the six months.

The Reserve Bank of India vide circular no RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021 directed all lending institutions to put in place a Board-approved policy to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the supreme court judgement.

Based on the RBI Circular and Supreme Court judgement additional amount of 0.04 Crores is eligible and pending for credit to customer account as at March 31, 2021. This has been disclosed in Other Liabilities as at March 31, 2021

Note 39: The Company has not invoked or implemented resolution plan under the "Resolution Framework for COVID-19 related Stress" as per RBI circular dated August 6, 2020 for any of its borrower accounts

Note 40: Disclosure as required by RBI circular dated 17 April 2020 'Covid-19 Regulatory package asset classification and provisioning' are given below:

Particulars	Amount (in Crore)
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the above circular.	9.12
(ii) Respective amount where asset classification benefits is extended.	NA
(iii) Provisions made during the quarter ended 31 March 2020 in terms of paragraph 5 of the above circular.	NA
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6.'	NIL

Note 41: For the periods ended on 31st March 2021, the company has prepared disclosures as required in accordance with notification issued by Reserve Bank of India/National Housing Bank as per Notification no. DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021- Master Direction – Non-Banking Financial Company –Housing Finance Company (Reserve Bank) Directions, 2021 which is given in Annexure I.

Note 42: Previous Year Balances have been regrouped wherever considered necessary.

As per our report of even date

For H.S. Badaya & Co.
Chartered Accountants
Firm Registration No.: 006567C

Sd/-
Rajat Badaya
Partner
M.No. 422193

Place: Jaipur
Date: 03.09.2021

**For and on behalf of the Board of Directors of
Mentor Home Loans India Limited**

Sd/-
Girdhari Lal Goyal
Chairman
DIN: 00020248

Sd/-
Pawan Kumar Goyal
Managing Director
DIN: 00020153

Sd/-
Rohit Jain
Company Secretary
Membership No. : A47662

Annexure I to Note No. 41 to the Standalone Financial statements for the year ended March 31, 2021

Disclosures required by the Reserve Bank of India /National Housing Bank as per Notification no. DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021- Master Direction – Non-Banking Financial Company –Housing Finance Company (Reserve Bank) Directions, 2021

1 Minimum Disclosures

The following additional disclosures have been given in terms of Notification no. DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17 -2021- Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by the RBI

2 Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as note 1 of Accounting policy to the Standalone Financial Statement for the year ended March 31, 2021.

3 Disclosure:

3.1 Capital to risk assets ratio(CRAR)

Sr. No.	Item	Year Ended	Year Ended
		31-03-2021	31-03-2020
1)	CRAR %	60.26%	47.37%
2)	CRAR- Tier I Capital %	50.89%	38.03%
3)	CRAR- Tier II Capital %	9.37%	9.34%
4)	Amount of subordinated debt raised as Tier- II Capital	20 Crs	23 Crs
5)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

The company has raised subordinated debt of Rs.30 crores out of which Rs. 20 crores(Rs. 23 crs in FY 2019-20) qualifies for Tier II Capital in accordance with the National Housing Bank guidelines for assessing Capital Adequacy.

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

Particulars	31-03-2021	31-03-2020
Balance at the beginning of the year		
a)Statutory Reserve u/s 29C of National Housing Bank, Act 1987	0.54	0.27
b)Amount of special reserve u/s 36(1) (viii) of Income Tax Act,1961 taken Into account for the purpose of Statutory Reserve under section29C of the NHB Act,1987	14.36	9.89
c)Total	14.90	10.17
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	0.27	0.27
b)Amount of special reserve u/s 36(1) (viii) of Income Tax Act,1961 taken Into account for the purpose of Statutory Reserve under section29C of the NHB Act,1987	3.90	4.47
Less: a) Amount Appropriated from the Statutory reserve u/s 29C of the NHB Act, 1987	-	-
b)Amount withdrawn from the special special reserve u/s 36(1) (viii) of Income Tax Act,1961 which has been Taken into account for the purpose Of provisions u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a)Statutory Reserve u/s 29C of National Housing Bank, Act 1987	0.81	0.54
b)Amount of special reserve u/s 36(1) (viii) of Income Tax Act,1961 taken Into account for the purpose of Statutory Reserve under section29C of the NHB Act,1987	18.26	14.36
c)Total	19.07	14.90

3.3 Investment

(₹ in crores)

S.No.	Particulars	Current Year	Previous Year
		(2020-21)	(2019-20)
	1. Value of Investments		
(i)	Gross value of Investments		
	(a) In India	3.52	2.72
	(b) Outside India	0	0
(ii)	Provisions for Depreciation		
	(a) In India	0	0
	(b) Outside India	0	0
(iii)	Net value of Investments		
	(a) In India	3.52	2.72
	(b) Outside India	0	0
	2. Movement of provisions held towards depreciation on investments		
(i)	Opening balance	0	0
(ii)	Add: Provisions made during the year	0	0
(iii)	Less: Write-off / Written-bank of excess provisions during the year	0	0
(iv)	Closing balance	0	0

3.4 Derivatives**3.4.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

(₹ in crores)

	Particulars	Current Year	Previous Year
		(2020-21)	(2019-20)
(i)	The notional principal of swap agreements	Nil	Nil
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Nil	Nil
(iii)	Collateral required by the HFC upon entering into swaps	Nil	Nil
(iv)	Concentration of credit risk arising from the swaps \$	Nil	Nil
(v)	The fair value of the swap book @	Nil	Nil
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.			

3.4.2 Exchange Traded Interest Rate (IR) Derivative

(₹ in crores)

	Particulars	2020-21	2019-20
		(2020-21)	(2019-20)
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Nil	Nil
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2021 (instrument-wise)	Nil	Nil
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil	Nil
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and are not "highly effective" (instrument-wise)	Nil	Nil

3.4.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Not Applicable

B. Quantitative Disclosure

	Particulars	Currency Derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	Nil	Nil
(ii)	Marked to Market Positions	Nil	Nil
(a)	Assets (+)	Nil	Nil
(b)	Liability (-)	Nil	Nil
(iii)	Credit Exposure	Nil	Nil
(iv)	Unhedged Exposures	Nil	Nil

3.5 Securitization**3.5.1**

(₹ in crore)

S. No.	Particulars	2020-21	2019-20
1	No of SPVs sponsored by the HFC for securitisation transactions*	Nil	Nil
2	Total amount of securitised assets as per books of the SPVs sponsored	Nil	Nil
3	Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	Nil	Nil
	(i) Off-balance sheet exposures towards Credit Enhancements		
	(ii) On-balance sheet exposures towards Credit Enhancements		
4	Amount of exposures to securitisation transactions other than MRR	Nil	Nil
	(i) Off-balance sheet exposures towards Credit Enhancements		
	(a) Exposure to own securitizations		
	(b) Exposure to third party securitisations		
	(ii) On-balance sheet exposures towards Credit Enhancements		
	(a) Exposure to own securitisations		
	(b) Exposure to third party securitisations		

*Only the SPVs relating to outstanding securitisation transactions may be reported here

3.5.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(₹ in crores)

	Particulars	Current Year	Previous Year
		(2020-21)	(2019-20)
(i)	No. of accounts	Nil	Nil
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	Nil	Nil
(iii)	Aggregate consideration	Nil	Nil
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v)	Aggregate gain / loss over net book value	Nil	Nil

3.5.3 Details of Assignment transactions undertaken by HFCs

(₹ in crores)

Particulars	Current Year (2020-21)	Previous Year (2019-20)
(i) No. of accounts	1477	591
(ii) Aggregate value (net of provisions) of accounts assigned	53.46	15.37
(iii) Aggregate consideration	53.46	15.37
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v) Aggregate gain / loss over net book value	Nil	Nil

3.5.4 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

(₹ in crores)

Particulars	Current Year (2020-21)	Previous Year (2019-20)
1 (a) No. of accounts purchased during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil
2 (a) Of these, number of accounts restructured during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil

B. Details of Non-performing Financial Assets sold:

(₹ in crores)

Particulars	Current Year (2020-21)	Previous Year (2019-20)
1 No. of accounts sold	Nil	Nil
2 Aggregate outstanding	Nil	Nil
3 Aggregate consideration received	Nil	Nil

3.6 Assets Liability Management

Maturity pattern of certain types of items of Assets & Liabilities as on 31st March 2021.

Particulars	Liabilities		Assets	
	Borrowing From Banks		Advances	Investments
1 day to 7 days		2.90	0.08	5.1
8 days to 14 days		0.36	3.81	0.48
15 days to 31 days		4.81	4.55	3.06
Over 1 Months to 2 Months		22.91	5.17	22.77
Over 2 Months to 3 Months		7.21	5.12	7.14
Over 3 Months to 6Months		18.99	15.61	6.86
Over 6 Months to 1 Year		41.59	32.37	9.90
Over 1 Years to 3 Years		131.50	132.28	1.45
Over 3 Years to 5 Years		53.17	100.08	1.69
Over 5 Years to 7 Years		28.38	54.40	0.54
Over 7 Years to 10 Years		19.49	36.08	0.03
Over 10 Years		3.63	7.92	0.37
TOTAL		334.94	397.47	59.39

Maturity pattern of certain types of items of Assets & Liabilities as on 31st March 2020.

Particulars	Liabilities		Assets	
	Borrowing From Banks		Advances	Investments
1 day to 7 days		0.72	0.24	10.35
8 days to 14 days		0.27	2.17	3.01
14 days to 31 days		3.29	2.34	4.07
Over 1 Months to 2 Months		4.50	1.26	3.33
Over 2 Months to 3 Months		5.72	5.1	2.99
Over 3 Months to 6Months		18.26	15.7	2.67
Over 6 Months to 1 Year		38.63	33.11	5.63
Over 1 Years to 3 Years		145.21	150.57	2.69
Over 3 Years to 5 Years		108.83	122.52	1.96
Over 5 Years to 7 Years		36.20	79.81	0.6
Over 7 Years to 10 Years		34.12	32.22	2.49
Over 10 Years		3.19	10.46	0
TOTAL		398.94	455.5	39.79

3.7 Exposure

3.7.1 Exposure to Real Estate Sector

(₹ in crores)

Category		Current Year	Previous Year
Direct Exposure			
(i) Residential Mortgages -			
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to 15 lakh may be shown separately)			
a) Up to 15 Lacs		359.19	409.27
b) More than 15 Lacs		36.82	43.44
(ii) Commercial Real Estate -			
a)	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	1.46	2.79
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
a) Residential			
b) Commercial Real Estate			
Indirect Exposure			
b)	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		
Total Exposure to Real Estate Sector		397.47	455.50

3.7.2 Exposure to Capital Market

(₹ in crores)

Particulars		Current Year (2020-21)	Previous Year (2019-20)
(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;	0.37	0.57
(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;	0	0
(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;	0	0
(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;	0	0
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	0	0
(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;	0	0
(vii)	bridge loans to companies against expected equity flows / issues;	0	0
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	0	0
Total Exposure to Capital Market		0.37	0.57

3.7.3 Details of financing of parent company products

Nil

3.7.4 Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by HFC

Nil

3.7.5 Unsecured Advances

(a) unsecured advances for the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of projects (including infrastructure projects)

Nil

(b) Advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral;

Nil

3.7.6 Exposure to group companies engaged in real estate business

S.No.	Description	Amount (in crore)	% 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

4 Miscellaneous

4.1 Registration obtained from other financial sector regulators

Nil

Regulator	Registration Number
Legal Entity Identifier (LEI)	335800N242YAQPDCYZ29
National Housing Bank	10.0126.15

4.2 Disclosure of Penalties imposed by NHB and other regulators

The National Housing Bank has levied penalty of Rs. 90000 & GST thereon in FY 2020-21 due to Contravention of certain provisions of the Housing Finance Companies (NHB) Directions, 2010, Housing finance Companies – Issuance of Non-convertible Debentures on private placement basis (NHB) Directions, 2014, Housing Finance Companies – Corporate Governance (NHB) Directions, 2016 and NHB Policy Circular no 35, 49, 90 and 94. The same is duly paid by the company. There were no penalties levied by NHB in FY 2019-20.

4.3 Rating assigned by Credit Rating Agencies and Migration of rating during the year

Already disclosed in financial statement under footnote of Note no. 5

4.4 Remuneration of Directors

Already disclosed in financial statement under Note no. - 29 Related Party Transaction.

4.5 Net profit or loss for the period, prior period items and changes in accounting policies

Refer Profit and loss account and Note 2 Significant Accounting Policies

4.6 Related Party Transactions

Already disclosed in financial statement under Note no. - 29 Related Party Transaction.

4.7 Group Structure

Not Applicable

4.8 Revenue Recognition

Revenue is recognised in line with the policy adopted by the company

4.9 Consolidated Financial Statements

Not Applicable

4.10 Management

Refer Management Discussion & Analysis Report forming part of the Annual Report

5 Additional Disclosures

5.1 Provision and Contingencies

(₹ in crores)

S. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Current Year	Previous Year
		(2020-21)	(2019-20)
1	Provisions for depreciation on Investment	0.00	0.00
2	Provision made towards Income tax(Gross)	6.65	6.84
	Less : Income Tax paid	4.68	6.09
	Provision made towards Income tax(Net)	1.96	0.75
3	Provision towards NPA	1.45	0.42
4	Provision for Standard Assets	0.73	0.05
5	Other Provision and Contingencies (Provision for Expenses)	0.66	1.07

(₹ in crores)

S. No.	Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
		Current Year	Previous Year	Current Year	Previous Year
		(2020-21)	(2019-20)	(2020-21)	(2019-20)
1	Standard Assets				
	a) Total Outstanding Amount	279.32	334.05	111.46	114.19
	b) Provisions made	1.42	0.94	0.73	0.49
2	Sub-Standard Assets				
	a) Total Outstanding Amount	1.43	3.74	0.52	1.89
	b) Provisions made	0.21	0.56	0.08	0.28
3	Doubtful Assets – Category-I				
	a) Total Outstanding Amount	2.77	1.16	1.52	0.38
	b) Provisions made	0.70	0.29	0.38	0.10
4	Doubtful Assets – Category-II				
	a) Total Outstanding Amount	0.30	0.09	0.15	0.00
	b) Provisions made	0.12	0.04	0.06	0.00
5	Doubtful Assets – Category-III				
	a) Total Outstanding Amount	0.00	0.00	0.00	0.00
	b) Provisions made	0.00	0.00	0.00	0.00
6	Loss Assets				
	a) Total Outstanding Amount	0.00	0.00	0.00	0.00
	b) Provisions made	0.00	0.00	0.00	0.00
	TOTAL				
	a) Total Outstanding Amount	283.82	339.05	113.65	116.46
	b) Provisions made	2.45	1.83	1.25	0.86

Note:

- The total outstanding amount mean principal and accrued interest pertaining to loans without netting off.
- The Category of Doubtful Assets will be as under:

Period for which the assets has been considered as doubtful	Category
Up to one year	Category-I
One to three years	Category-II
More than three years	Category-III

5.2 Draw Down from reserves Nil

5.3 Concentration of Public Deposits, Advances and exposures and NPAs

(₹ in crores)

Particulars	Current Year	Previous Year
5.3.1 Concentration of Public Deposits		
Total Deposits of twenty largest depositors	NA	NA
(%) of Deposits of twenty largest depositors to Total Deposits of the Company	NA	NA
5.3.2 Concentration of Advances		
Total Loans & Advances to twenty largest borrowers	16.73	18.37
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	4.21%	4.03%
5.3.3 Concentration of all Exposures (including off-balance sheet exposure)		
Total Exposure to twenty largest borrowers / customers	16.73	18.37
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	3.66%	3.89%
5.3.4 Concentration of NPAs		
Total Exposure to top ten NPA accounts	1.21	1.26
5.3.5 Sector-wise NPAs		
Sector	Percentage of NPAs to Total Advances in that Sector	
	Current Year	Previous Year
A. Housing Loans:		
1 Individuals	1.59%	1.47%
2 Builders/Project Loans	-	-
3 Corporates	-	-
4 Other (Specify)	-	-
B. Non-Housing Loans:		
1 Individuals	1.92%	1.95%
2 Builders/Project Loans	-	-
3 Corporates	-	-
4 Other (Specify)	-	-

5.4 Movement of NPAs

(₹ in crores)

S.No.	Particulars	Current Year	Previous Year
(I)	Net NPAs to Net Advances (%)	1.32%	1.34%
	Movement of NPAs (Gross)		
(II)	a) Opening balance	7.26	7.54
	b) Additions during the year	1.95	5.87
	c) Reductions during the year	2.53	6.15
	d) Closing balance	6.68	7.26
(III)	Movement of Net NPAs		
	a) Opening balance	6.00	6.29
	b) Additions during the year	1.65	5.06
	c) Reductions during the year	2.51	5.35
	d) Closing balance	5.14	6.00
(IV)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	1.26	1.24
	b) Net Provisions made during the year	0.29	0.02
	c) Closing balance	1.55	1.26

5.5 Overseas Assets

S.No.	Particulars	Current Year	Previous Year
		(2020-21)	(2019-20)
(i)	No Overseas Assets	Nil	Nil

5.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) NIL

6 Disclosure of Complaints

6.1 Customer Complaints

S.No.	Particulars	Current Year	Previous Year
		(2020-21)	(2019-20)
a)	No. of complaints pending at the beginning of the year	Nil	Nil
b)	No. of complaints received during the year	141	146
c)	No. of complaints redressed during the year	137	146
d)	No. of complaints pending at the end of the year	4	Nil

7 Liquidity Risk Management Framework

(₹ in crores)

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)		As at March 31, 2021
Particulars		
a)	Number of significant counter parties**	21
b)	Amount	327.66
c)	Percentage of funding concentration to total deposits	NA
d)	Percentage of funding concentration to total liabilities*	93.30%
* Total liabilities excludes net worth		

**A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the company's total liabilities.

(ii) Top 20 large deposits

Particulars		As at March 31, 2021
a	Total amount of top 20 deposits	NA
b	Percentage of amount of top 20 deposits to total deposits	NA

(iii) Top 10 borrowings

Particulars		As at March 31, 2021
a	Total amount of top 10 borrowings	167.42
b	Percentage of amount of top 10 borrowings to total borrowings	47.70%

(iv) Funding Concentration based on significant instrument/product

Particulars		As at March 31, 2021	Percentage of total liabilities
a)	Borrowings from Banks/ Financial Institution	285.44	81.28%
b)	Borrowings from National Housing Bank (NHB)	15.00	4.27%
c)	Debt securities	5.00	1.42%
d)	Subordinated liabilities	25.00	7.12%

(v) Stock ratio

Particulars		As at March 31, 2021
a	Commercial paper as a percentage of total public funds	NA
b	Commercial paper as a percentage of total liabilities	NA
c	Commercial paper as a percentage of total assets	NA
d	Non convertible debentures (original maturity of less than one year) as a percentage of total public funds	NA
e	Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities	NA
f	Non convertible debentures (original maturity of less than one year) as a percentage of total assets	NA
g	Other short term liabilities as a percentage of total public funds	NA
h	Other short term liabilities as a percentage of total liabilities	30.49%
i	Other short term liabilities as a percentage of total assets	22.71%

(vi) Institutional set-up for liquidity risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk.

The Board of Directors of the Company has constituted an Asset Liability Committee (ALCO). The main objective of ALCO is to assist the Board and Risk Management Committee in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/ limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds.

The Risk Management Committee constituted by the Board of Directors is primarily responsible for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company.

8	Loans against security of shares	NA
9	Loans against security of single product - gold jewellery	NA
10	A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'	NA

11. Schedule to the Balance Sheet of an HFC

(₹ in crores)

Particulars	Amount outstanding	Amount overdue
LIABILITIES SIDE		
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	0.00	-
: Unsecured (other than falling within the meaning of public deposits)	5.00	-
(b) Deferred Credits	-	-
(c) Term Loans	293.08	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	NA	-
(g) Other Loans (Cash credit, Securitization and Subordinated Liabilities)	36.86	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon		
(a) In the form of Unsecured debentures	NA	NA
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NA	NA
ASSETS SIDE		
Amount Outstanding		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	397.47	
(b) Unsecured		
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing		
(i) Lease assets including lease rentals 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 towards asset financing activities		
(a) Loans where assets have been repossessed		
(b) Loans other than (a) above		
(5) Break-up of Investments		
Current Investments		
1. Quoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		1
(iv) Government Securities		-
(v) Others		-
2. Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
Long Term investments		
1. Quoted		
(i) Shares		
(a) Equity		0.37
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		2.15
(iv) Government Securities		-
(v) Others		-
2. Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others (please specify)		-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	0	0	0
(b) Companies in the same group	0	0	0
(c) Other related parties	0	0	0
2. Other than related parties	397.47	0	397.47
Total	397.47	0	397.47

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :		
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	0.00	0.00
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	3.15	3.52
Total	3.15	3.52

(8) Other information	
Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	0
(b) Other than related parties	6.68
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	5.14
(iii) Assets acquired in satisfaction of debt	

12. Principal Business Criteria for HFCs

Housing finance company" shall mean a company incorporated under the Companies Act, 2013 that fulfils the following conditions:

a) It is an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets).

b) Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing financing for individuals.

The Company meets the aforesaid principal business criteria for HFCs.

Particulars	As at March 31, 2021
Total Assets	471.47
Less: Intangible assets	0
Net total Assets	471.47
Housing Finance	283.82
Individual Housing Finance	282.36
Percentage of housing finance to total assets (netted off intangible assets)	60.20%
Percentage of individual housing finance to total assets (netted off intangible assets)	59.89%
Percentage of individual housing finance to housing finance	99.49%

As per our report of even date

For H.S. Badaya & Co.

Chartered Accountants

Firm Registration No.: 006567C

Sd/-

Rajat Badaya
Partner
M.No. 422193

Place: Jaipur

Date: 03.09.2021

For and on behalf of the Board of Directors of
Mentor Home Loans India Limited

Sd/-

Girdhari Lal Goyal
Chairman
DIN: 00020248

Sd/-

Pawan Kumar Goyal
Managing Director
DIN: 00020153

Sd/-

Rohit Jain
Company Secretary
Membership No. : A47662

CSR COVERAGE



CSR COVERAGE



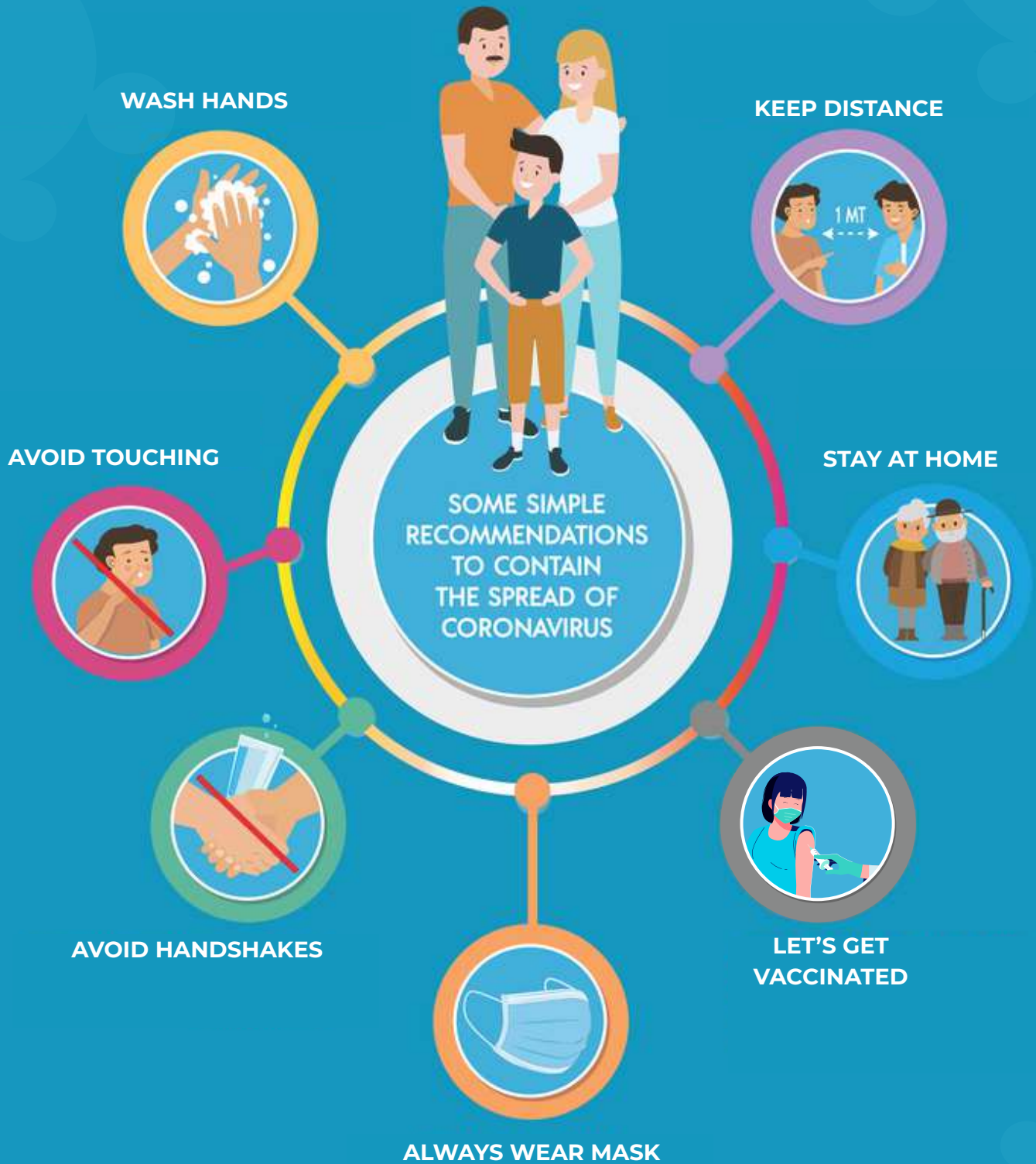
PMAY SUBSIDY



PMAY SUBSIDY



CORONAVIRUS PREVENTIONS



OUR

GEOGRAPHICAL SPREAD

RAJASTHAN

MADHYA
PRADESH

GUJARAT

MAHARASHTRA



Registered & Corporate Office:
Mentor House, Govind Marg,
Sethi Colony, Jaipur - 302004
Ph.: +91-141-2611999, 8946800900

CIN: U67120RJ1995PLC009580
Email: info@mentorloans.co.in
Web: www.mentorloans.co.in