



खुशियां आपकी साथ हमारा

TOWARDS
A BETTER
FUTURE



ANNUAL REPORT
2022-23

MENTOR HOME LOANS INDIA LTD.



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The theme of this report

The company is focused on helping our customers own a home. We are in an age where technology is revolutionizing many long-established business models. Increased customer convenience provided by effective deployment of technology is the driving force behind this change. Mentor's forward-looking investments in customer engagement and technology helped to create a platform that should translate into sustainable growth across the coming years.

Forward-looking Statement

In this Annual Report, we have disclosed forward-looking information to enable stakeholders to comprehend our prospects and take relative decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



FROM OUR CHAIRMAN'S DESK



Dear Shareholder,

My warm greetings to all of you. Hope you and your families are safe and in good health. I take, great-pleasure in presenting before you the performance of Mentor Home Loans India Limited for the year 2022-23. I would like to give my regards and best wishes to all of you as we step into FY 2023-24 with more determination and focus.

Mentor has demonstrated great resilience in an environment entailing multiple macroeconomic uncertainties including economic slowdowns due to the global environment.

Much of this momentum is being catalysed by the need for affordable homes— directly in the form of building materials and lifestyle supports needed in homes and indirectly in the form of enhanced aspirations translating in to wider consumption. The result is that India's affordable housing sector is emerging as possibly the country's most extensive economic growth driver.

As India today ranks as the 5th largest economy in the world according to the World GDP Rankings 2023 and stands tall amongst most emerging-economies. As economies across the globe grapple with geopolitical tensions, high inflationary environment and monetary tightening, the India story is one of resilience, backed by strong macro fundamentals and prudence-governance.

The global economy has been severely impacted in FY 22-23 by the Russia Ukraine war. The war crippled the global supply chain, triggered a global food shortage, spiked commodity prices and consequently led to high inflation rates across the world. The Federal Reserve had raised its key interest rate by 0.25% to as much as 5.5%, the highest level in 22 years, as it continues to fight persistent inflation in the U.S. economy. Though consumer prices have declined for 12 straight months, in June, consumer prices increased 3% year on year.

In parallel to combat inflation, for the six time in a row in FY 2022-23, the Reserve Bank of India's monetary policy panel hiked the key lending rate, also known as the Repo Rate and interest rates by 25 basis points to 6.50%, joining a long line of financial institutes and central banks which have done the same to combat the effects of a surging dollar and rising costs.

India is trading up, and everyone is aiming higher. Economic growth and positive sentiments bring along aspiration and the desire to lead a better, more fulfilling life. Couple this with India's large middle-class

population and the Government's push for Housing for all the ecosystem thus created is highly conducive for Housing Finance Companies to thrive. India Ratings and Research (Ind-Ra) predicts that India's housing market will continue to grow in the current financial year 2023-24, with sales expected to increase by 9.00% compared to the previous financial year. The growth is supported by a steady and healthy demand, although factors such as a potential global recession and inflation may slightly dampen the demand soon. However, the market is expected to withstand any pressure due to supply consolidation and improved affordability compared to historical standards.

India has taken major steps in using technology in deepening of financial reach through digital medium. UPI continues to drive digital payments, and is now going international. With e-Rupee, the payments mechanism in India has received a further boost. Mentor has leveraged technology to drive operational efficiency, deliver faster turnarounds, increase transparency, build scale and reduce costs.

The year gone by has been critical for us in terms of continuing our efforts to capitalize on these favourable macro-economic factors. we delivered a strong performance and navigated through the tough times with resilience and optimism. Our Interest income of Rs. 59.91 Crores and Profit after tax of Rs. 11.68 Crores for the year ended 31st March, 2023. The AUM stood at Rs. 397.93 Crores. The net interest margin of the Company is 11.29% for the year ended 31st March, 2023. The EPS of the year 2022-23 is Rs. 20.32.

Your company continued to invest in its digital transformation, evolving and learning in the process. Mentor understands that it is not just a provider of simplistic digitalized tools addressing the needs of the day on the contrary, it invested in a digitalized foundation to scale the business profitably as well.

We believe we have a compelling value proposition to offer; our customers are spread pan-India. Even as the creation of a digital cloud-based backbone will make it possible for the business to be scaled wider and faster at a lower cost, the role of physical engagement should not be under-estimated. In a business where most customers are at the cusp of possessing a formal and detailed evidence of their income sources, the role of a fintech needs to be complemented with a human centric approach with a premium on patient understanding of the customer's life aspiration, family reality, profession, and credibility. At Mentor, we are optimistic about the future, and we will make every effort possible to positively impact the individuals and families we touch.

On this note, I'd like conclude by thanking all our stakeholders, National Housing Bank (NHB), Reserve Bank of India (RBI), our customers, lenders, rating agencies, my colleagues on the Board and our employees, for their continued support and faith in us and our potential.

Thank You!!

SANJAY AGARWAL
Chairman



CORPORATE INFORMATION

BOARD OF DIRECTORS

- Mr. Sanjay Agarwal**
Independent Director
(Chairman of the Board)
(DIN: 02403354)
- Mr. Girdhari Lal Goyal**
Non-Executive Director
(DIN: 00020248)
- Mr. Pawan Kumar Goyal**
Managing Director
(DIN: 00020153)
- Mr. Basant Kumar Goyal**
Non-Executive Director
(DIN: 00020127)
- Mr. Ram Ratan Agarwal**
Independent Director
(DIN: 01000735)
- Mr. Mohan Lal Bhargava**
Independent Director
(DIN: 03433342)

COMPANY SECRETARY

Mr. Rohit Jain

COMMITTEES OF THE BOARD

Audit Committee

Mr. Sanjay Agarwal, (Chairman)
Mr. Ram Ratan Agarwal, Member
Mr. Pawan Kumar Goyal, Member

Nomination & Remuneration Committee

Mr. Ram Ratan Agarwal (Chairman)
Mr. Girdhari Lal Goyal, Member
Mr. Sanjay Agarwal, Member

Corporate Social Responsibility (CSR) Committee

Mr. Sanjay Agarwal (Chairman)
Mr. Pawan Kumar Goyal, Member
Mr. Ram Ratan Agarwal, Member

Asset and Liability Management Committee (ALCO)

Mr. Pawan Kumar Goyal (Chairman)
Mr. Satish Gauttam, Member
Mr. Sahil Goyal, Member
Mr. Ankit Agnihotri, Member

Grievance Redressal Committee

Mr. Sahil Goyal (Chairman)
Mr. Javed Akhter, Member
Mr. Satish Gauttam, Member
Mr. Rahul Dev Gupta, Member

Risk Management Committee

Mr. Pawan Kumar Goyal (Chairman)
Mr. Sahil Goyal, Member
Mr. Ankit Agnihotri, Member
Mr. Hayat Ali, Member

Finance Committee

Mr. Ram Ratan Agarwal, Member
Mr. Pawan Kumar Goyal, Member
Mr. Sanjay Agarwal, Member

Information Technology (IT) Committee

Mr. Sanjay Agarwal (Chairman)
Mr. Sahil Goyal, Member
Mr. Sunil Jangid, Member

Credit Committee

Mr. Sanjay Agarwal (Chairman)
Mr. Pawan Kumar Goyal, Member
Mr. Sahil Goyal, Member
Mr. Ankit Agnihotri, Member
Mr. Hayat Ali, Member

Internal Committee

Mr. Sanjay Agarwal (Chairman)
Mr. Ram Ratan Agarwal, Member
Mr. Pawan Kumar Goyal, Member
Mr. Sahil Goyal, Member
Mr. Ankit Agnihotri, Member

Investment Committee

Mr. Sanjay Agarwal (Chairman)
Mr. Pawan Kumar Goyal, Member
Mr. Sahil Goyal, Member
Mr. Ankit Agnihotri, Member

STATUTORY AUDITORS

Agarwal Jain & Gupta

Chartered Accountants
Plot No 5, Girdhar Colony,
Opp. Soni Hospital, Sikar Road,
Jaipur-302012

INTERNAL AUDITORS

Rajeev & Associates, Chartered Accountants

818, Banshi Path, Rani Sati Nagar, Ajmer Road, Jaipur-302019

SECRETARIAL AUDITORS

V. M. & Associates

Company Secretaries
403, Royal World, Sansar Chandra Road,
Jaipur-302001

COMPANY LAW ADVISORS

Pinchaa & Co., Practicing Company Secretary

108, I Floor, Shree Mansion, G-23,
Kamla Marg, C-Scheme, 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

RATING AGENCY

Acuite Ratings & Research Ltd.

SUBSIDIARY COMPANY

Mentor Foundation (Section 8 Company)

CORPORATE IDENTITY NUMBER (CIN):

U67120RJ1995PLC009580

LEGAL ENTITY IDENTIFIER (LEI):

335800N242YAQPDCYZ29

REGISTERED AND CORPORATE OFFICE ADDRESS

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

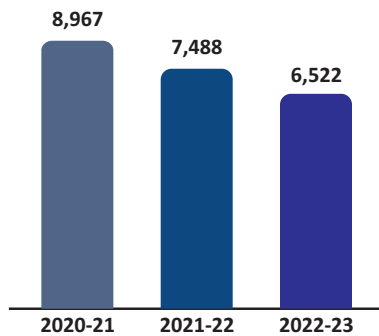
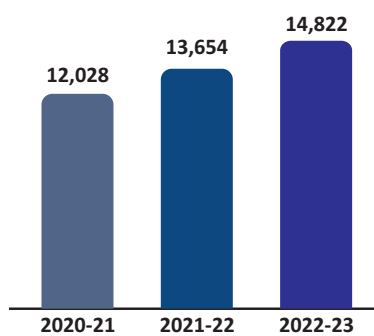
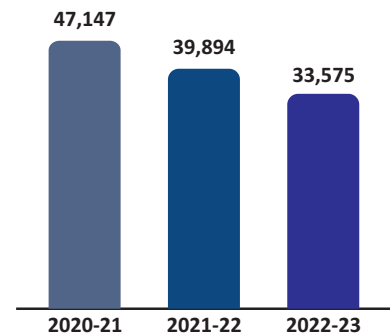
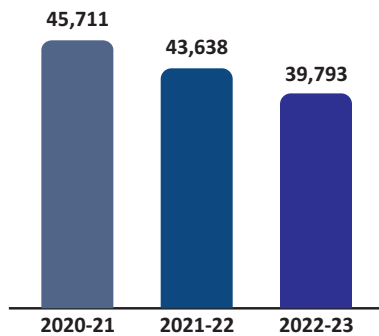
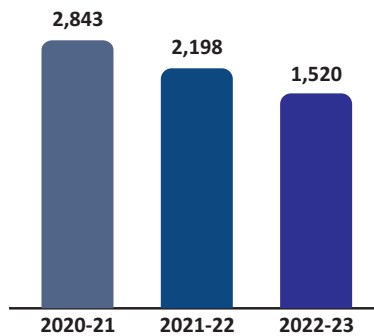
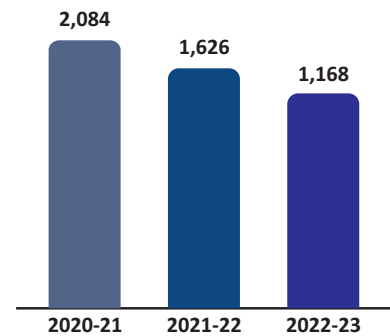
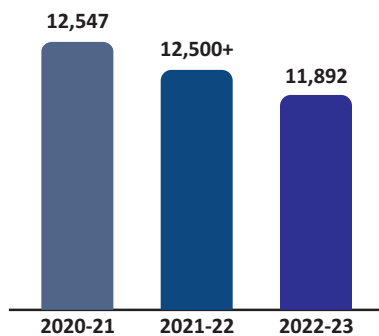
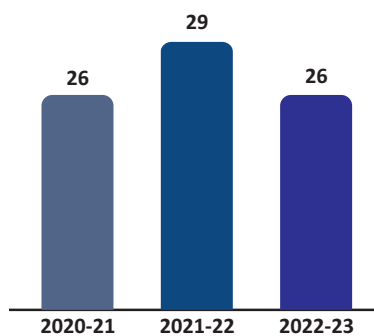
OUR BANKS & FINANCIAL INSTITUTIONS

State Bank of India
IDFC First Bank
LIC Housing Finance Limited
Punjab National Bank
AU Small Finance Bank Limited
HDFC Bank Limited
Hinduja Housing Finance Limited
Equitas Small Finance Bank Limited
Manappuram Finance Limited
Capital Small Finance Bank Limited
Hinduja Leyland Finance Limited
Utkarsh Small Finance Bank Limited
IndusInd Bank Limited
Fincare Small Finance Bank Limited
Jana Small Finance Bank Limited
Sundaram Homes Finance Limited
Avanse Financial Services Private Limited
Northern Arc Capital Ltd (IFMR)
TATA Capital Financial Services Limited
DCB Bank Limited
AK Capital Finance Private Limited
A.K Capital Services Limited
MAS Financial Services Limited

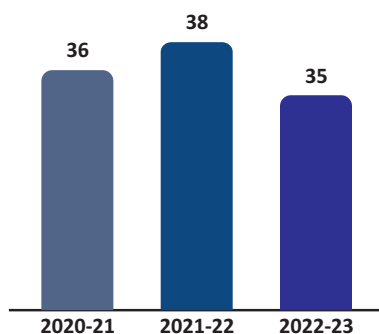


KEY PERFORMANCE HIGHLIGHTS

FINANCIAL INDICATORS

Revenue (Rs. in Lacs)**Shareholders Fund (Rs. in Lacs)****Balance Sheet Size (Rs. in Lacs)****Assets Under Management
(Rs. in Lacs)****PBT (Rs. in Lacs)****PAT (Rs. in Lacs)****Customer Accounts (in Numbers)****Partners (in Numbers)**

NON-FINANCIAL INDICATORS

Branches (in Numbers)



THE BOARD



Mr. Sanjay Agarwal is the Chairman and Independent Director of the Company. He was appointed as the Chairman of the Company with effect from 27th September, 2021. He 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 in the last 3 decades. He has vast and diversified experience of over 3 decades in the fields of Finance, Economics, Compliances, automobile, logistics, FMCG businesses. With his deep financial expertise and effective team management capabilities, he has scaled the Company to higher levels with utmost honesty and integrity. By virtue of his entrepreneur experience, he oversees and advise in technology advancement, business development strategies for different geographies and give suggestion in the formation of Company's policy in the best interest of outsiders like lenders, customers and other stakeholders.

MR. SANJAY AGARWAL, Chairman cum Independent Director

Mr. Pawan Kumar Goyal is the promoter and the Managing director of the company and has over 3 decades of strategic executive experience. He started his career as a member of Jaipur Stock Exchange Limited. He was also involved in structuring the overall project of setting up Hybrid micro circuit & energy meter in name of Genus overseas electronics Limited & also successfully get the organisation listed on NSE / BSE stock exchange. He possesses extensive experience in Retail Finance, Accountancy, Rural Economy, Credit Risk and Business Management. Further owing to his wide-ranging network in Finance Industry, 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. With a vision of delivering superior benchmark performance in financing, he founded Mentor Home Loans India Limited in 1995 and successfully running this organisation following the sound corporate governance.



MR. PAWAN KUMAR GOYAL, Managing Director



Mr. Girdhari Lal Goyal established Mentor Home Loans India Limited in 1995, successfully rising from being an automobile trader, in Shillong (Meghalaya) and has rich experience of 50+ years. Within a span of 12 Years, he established the largest showroom of Automobile trade in Shillong. He is a philanthropist and established hospitals, schools, trusts, etc. He has donated a 100-beds hospital in name of S.R. Goyal Hospital (Sethi colony Jaipur) to one of the largest government hospitals in Jaipur, namely SMS Hospital. He has guided the Mentor group in the establishment of a CBSE school in the rural areas to make education accessible to rural kids. Further, the group is also running a Charitable trust to uplift the poor people from last 4 decades.

MR. GIRDHARI LAL GOYAL, Non-Executive Director

Mr. Ram Ratan Agarwal is an Independent Director of the Company. He started his career with Bank of Rajasthan and has worked over 3 decades with multiple PSU Banks. Mr. Ram Ratan Agarwal has more than three decades of experience in retail & corporate Banking with impeccable track record in full spectrum of Asset & Liability business from business conceptualization to development of risk management in products such as home loans, mortgages loans & branch banking with robust internal control procedures.



MR. RAM RATAN AGARWAL, Independent Director



Mr. Mohan Lal Bhargava is an Independent Director of the Company. He holds degree of B.E. (Hons.) and a M.A. in Economics by qualification. He has experience of managing varied teams, 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 and in corporate governance. He also possesses the teaching experience in Swami Keshvanand Institute of Technology and Management (SKIT), Jaipur in application orientation of engineering knowledge.

MR. MOHAN LAL BHARGAVA, Independent Director

Mr. Basant Kumar Goyal is a Non-Executive Director of the 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 many international fair & exhibitions for business developments.



MR. BASANT KUMAR GOYAL, Non-Executive Director



BOARD'S REPORT

To the Members of Mentor Home Loans India Limited,
The Directors hereby present their 28th Annual Report on the business, operations and the state of affairs of the Company together with the audited standalone and consolidated financial statements for the Financial Year ended March 31, 2023.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMY: REVIEW AND OUTLOOK

Global economic shocks in the past were severe but spaced out in time. This changed in the third decade of this millennium. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies. The rate hike and persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the IMF in its October 2022 update of the World Economic Outlook. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.

According to the IMF's latest World Economic Outlook (WEO), April, 2023, the baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.

Global Economic Growth

	Year – on – Year		
	Estimate	Projections	
	2022	2023	2024
World	3.4%	2.8%	3.0%
Advanced economies	2.7%	1.3%	1.4%
Emerging Markets and Developing Economies	4.0%	3.9%	4.2%

(Source: IMF, WEO April, 2023)

The projected downturn in inflationary pressure is attributed to declining international fuel and non-fuel commodity prices, owing to weaker global demand and tighter monetary policy effect. However, the surge in demand across nations are stoking inflationary pressure in the economy and fuelling a stronger rebound.

INDIAN ECONOMY: REVIEW AND OUTLOOK

India's economy has demonstrated resilience despite a challenging external environment. The World Bank said despite external challenges, the Indian economy is relatively well positioned to weather global spillovers compared to most other emerging markets.

India to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the trajectory of economic and political developments globally. Economic survey 2022-23 projects a baseline GDP growth of 6.5 per cent in real terms in FY24. Economy is expected to grow at 7 per cent (in real terms) for the year ending March 2023, this follows an 8.7 per cent growth in the previous financial year. Credit growth to the Micro, Small, and Medium Enterprises (MSME) Sector has been remarkably high, over 30.5 per cent, on average during Jan-Nov 2022. Capital expenditure (capex) of the Central Government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year. RBI projects headline inflation at 6.8 per cent in FY23, which is outside its target range. Return of migrant workers to construction activities helped housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year. Surge in growth of exports in FY22 and the first half of FY23 induced a shift in the gears of the production processes from mild acceleration to cruise mode. Private consumption as a percentage of GDP stood at 58.4 per cent in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport. Survey points to the lower forecast for growth in global trade by the world trade organisation, from 3.5 per cent in 2022 to 1.0 per cent in 2023.

India's financial system is well-prepared to support the country's economic progress, and the upcoming year is expected to see a rebound in private sector investment. Additionally, India's large foreign exchange reserves, exceeding its external debt, provide further strength to the economy. Participating in a steady and measured withdrawal of liquidity by central banks worldwide, including in India, is anticipated to support growth without causing disruption. Overall, while the growth rate for FY 2023-24 may be slower than FY 2022-23, the underlying strength of the Indian economy and its financial system establish a solid foundation for ongoing progress.

Housing Finance Sector Overview

Housing finance companies have been posting record profits and surging business owing to multiple macroeconomic factors and



the government nudging in the right direction. With India becoming the most populous country, a significant portion of the population has been aspiring to own homes. This has set the demand for real estate skyrocketing.

The demand for housing is fueled by factors such as urbanization, a young population, and government initiatives to promote affordable housing. Initiatives like Pradhan Mantri Awas Yojana (PMAY), interest subsidies, tax benefits, and relaxed regulations have made housing more affordable and accessible. The availability of funds at competitive interest rates allows them to finance their lending activities and expand their operations. Additionally, regulatory developments such as the introduction of Real Estate Investment Trusts (REITs) have provided alternative funding options for the housing sector.

According to the Economic Survey 2022-23, the release of pent-up demand was reflected in the housing market. Demand for housing loans picked up. Consequently, housing inventories have declined, prices are firming up, and construction of new dwellings is picking up pace. This has stimulated innumerable backward and forward linkages that the construction sector is known to carry. The universalisation of vaccination coverage also has a significant role in lifting the housing market as, in its absence, the migrant workforce could not have returned to construct new dwellings.

In 2021, the affordable housing segment with ticket size up to Rs.35 lakh comprised 90% of the market in terms of volume and about 60% based on value. Growth in FY 22-23 was driven by healthy demand and growing economic activity without compromising growth and asset quality estimates. According to the Housing Price Index (HPI) published by the National Housing Bank, the overall increase in composite HPI assessment and HPI market price in the quarter ending September 2022 compared to the quarter ending September 2021 indicates a revival in the housing finance sector.

Assets under management (AUM) of housing finance companies were expected to grow 10-12% in FY 22-23 compared to 8% in FY 21-22. Structural factors driving end-user housing demand remain intact in FY 22-23 despite the impact of rising real estate prices and interest rates (accounting for 13-15% growth in the home loan segment). The proportion of homebuyers aged under 35 increased as a proportion of the whole and families buying second homes increased as buyers moved into larger homes. Collection efficiency for NBFCs and housing finance companies remained in the range of 97-101% when last estimated at the beginning of FY 22-23.

Housing finance companies registered a double-digit growth rate of 11% in FY 22-23 on year, surpassing 7% growth by banks. The growth of the housing finance sector in FY 21-22 was 9%, driven largely by the affordable housing segment. At present, India's home loan market is valued at about Rs. 24 lakh crore and is expected to double in the next five years with mortgage to GDP ratio rising commensurately from 11% in 2022. Affordable housing segments are driving incremental growth, with lower-

ticket housing loan disbursement growing by 25% YoY during FY23 (till Dec'22) mostly in tier II cities and beyond. The growth in affordable housing finance is driven by expansion and increasing penetration rather than rate cycles or market growth.

Overall, the housing finance sector in India is expected to see sustained growth in the coming years.

GROWTH DRIVERS

Rising Middle-class Population

The need for affordable housing in India is being driven by the country's expanding middle class. India's middle-class population is expanding and is anticipated to continue to grow during the forecast period. The National Council of Applied Economic Research estimates that India's middle-class population will have grown from around 47 million in 2010 to over 200 million by 2025.

The need for affordable housing is being driven by the growth of the middle class, as more individuals are seeking houses that meet their requirements and budgets. To fulfill the demands of the expanding middle-class population, the government and private developers are placing more and more focus on offering affordable housing alternatives. Overall, the expanding middle-class population in India is boosting demand for affordable housing, and this trend is projected to continue during the forecast period.

Increasing working population

The demand for cheap housing is driven by India's growing working population. By 2050, India is expected to have one of the largest employment markets in the world, with a population of over 1 billion people who are of working age. As this population expands, there will be an increasing need for housing, especially in metropolitan regions where most of the job possibilities are located.

Additionally, the public and private sectors would need to work with an intensive effort to provide working-class residents with affordable homes. In general, it is important to address the issue of affordable housing in India and make sure that the expanding working population has access to it.

Adoption of Green and Sustainable Building Practices

The adoption of green and sustainable construction methods can encourage the development of affordable housing in India, as green buildings are meant to be energy-efficient, which can result in decreased operational costs for the residents. This is crucial for affordable housing since it might eventually make the house more affordable. Green buildings also employ low-emission materials and have superior ventilation systems, which improve the quality of the air within the building. In affordable housing, where residents do not have access to medical services, this can result in better health outcomes for inhabitants.

Moreover, green buildings generally involve the usage of renewable energy sources, such as solar electricity. This can



minimize homeowners' electricity costs and lessen their reliance on non-renewable energy sources. Hence, by lowering operating costs, enhancing indoor air quality, and utilizing renewable energy, the adoption of green and sustainable construction principles can spur the creation of affordable housing in India.

Mortgage penetration

The mortgage penetration in India as at-end March 2023 from formal lending sources stands at approximately 10.9%, ensuring growth longevity.

Urbanisation

The growth of urban areas has led to increased demand for housing. As more people move to cities for better job opportunities, the demand for housing has kept pace. India's urban population is projected to be 67.5 crore in 2035, growing from 48.3 crore in 2020 to 54.3 crore in 2025 and 60.7 crore in 2030, as per World Cities Report 2022. By 2035, the percentage of population in India at mid-year residing in urban areas will be 43.2%, from 34.9% in 2020.

Government support

Government initiatives such as subsidies, tax incentives, and various regulatory measures and schemes, encourage developers to build affordable housing.

CORPORATE GOVERNANCE

COMPANY'S OVERVIEW

Mentor Home Loans India Limited (MHLIL/ the Company) is a national scale affordable housing financing company having business origination across 3 states with 35 branches and a well-diversified portfolio, operating in the fastest growing and under-penetrated sub-segment of housing finance catering to more than 11,892 customers. The Company is principally involved in offering home loans to underserved lower & middle-income families based out of rural and semi urban under penetrated markets in states of Rajasthan, Madhya Pradesh and Gujarat. MHLIL's registered and head office is situated in Jaipur, Rajasthan.

The Company is growing its another segment by way of entering into business correspondence agreement and focussing on Co-Lending Model to provide competitive credit to Borrower(s) and co-operate with other lenders to explore loan co-origination/co-lending opportunities.

The Company strives to accomplish the objective of financial inclusion by serving first time customers with limited / no access to formal credit by deep presence of the Company in semi-urban and rural segments through its unwavering focus on small-ticket loans and low Loan to Value (LTV).

OPPORTUNITIES AND CHALLENGES

Strengths

- Strong presence in rural and semi-urban markets with low penetration
- Robust management bandwidth supported by strong middle layer management

- Higher Capital Adequacy Ratio
- Robust Asset Quality
- Model driven by technology
- Enjoys credit facilities from 16 leading banks and financial institutions.
- High governance focus.

Challenges

- Rising interest rates and high Inflation
- Increasing borrowing cost
- Unpredictable change in demand and employment market

Opportunities

- Rising affordable housing demand
- Growing urbanisation, nuclearization
- Increasing middle class and working-class population of India
- Ability to partner and co-lend
- Government's enhanced focus on promoting housing and promotional schemes

Threats

- Unfavorable macro-economic situation
- Rising competition from large lenders and fintech companies
- Risk associated with Liquidity Management
- Inflationary pressures

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	1,20,00,000	1,20,00,000
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	-	-
5.	Total (A)	1,20,00,000	1,20,00,000



b) Remuneration to other Directors

(Rs. In Lakhs except EPS)

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	2,80,000	3,30,000	60,000	6,70,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	2,80,000	3,30,000	60,000	6,70,000
2.	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total B=(1+2)	2,80,000	330,000	60,000	6,70,000
	Total Managerial Remuneration	-	-	-	1,26,70,000

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Total Income	6521.58	7487.63	6521.58	7487.63
Employee Benefit Expenses	1,083.26	952.94	1,083.26	952.95
Provisions	281.22	196.37	281.22	196.37
Other Expenses	959.78	779.52	959.64	780.01
Profit Before Finance Cost, Depreciation and Tax	4197.32	5558.79	4197.46	5558.30
Finance Charges	2623.19	3303.79	2623.19	3303.78
Depreciation	54.19	57.01	54.19	57.01
Net Profit Before tax	1519.94	2198.00	1520.08	2197.51
Current Tax	351.19	500.00	351.19	499.90
Deferred Tax	0.38	72.46	0.38	72.44
Net Profit After Tax	1168.37	1625.54	1168.51	1625.17
Earnings Per Share (EPS)	Rs. 20.32	Rs.28.27	Rs. 20.32	Rs.28.26

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 standalone and consolidated financial performance of the Company for the Financial Year ended March 31, 2023 is summarized as below:

FINANCIAL AND OPERATIONAL PERFORMANCE

A. INCOME AND PROFITS

- Total Income of the Company for the Financial Year ended March 31, 2023 was Rs. 6521.58 Lakhs as compared to Rs. 7,487.63 Lakhs in the previous Financial Year ended March 31, 2022.
- For the Financial year ended March 31, 2023, the Company reported a Profit before Tax (PBT) of Rs. 1519.94 Lakhs as against Rs. 2,198.00 Lakhs in the previous Financial Year ended March 31, 2022.

B. ASSETS UNDER MANAGEMENT (AUM)

The AUM of the Company stood at Rs. 39,793 Lakhs (including direct assignment of Rs. 11,553 Lakhs) as on March 31, 2023 as against Rs. 43,638 Lakhs (including direct assignment of Rs. 11,735 Lakhs) in the previous financial year ended March 31, 2022.

**C. ASSETS LIABILITY MANAGEMENT (ALM)**

The Company has sound ALM position with a positive cash flow in all its buckets up to five 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 has not applied and received any sanctions from banks. The outstanding term loans from Banks, NBFCs, HFCs and others as on March 31, 2023 were Rs. 16,149 Lakhs.

E. DIRECT ASSIGNMENTS

During the financial year 2022-23, we received a purchase consideration of Rs. 3,505 Lakhs from direct assignment and the securitized assets were derecognized in the books of the company. As at 31st March, 2023, the company has outstanding Direct Assignment of Rs. 11,553 Lakhs in the total portfolio compared to Rs. 11,735 Lakhs as at 31st March, 2022.

F. BORROWING COMPOSITION

As on March 31, 2023, the Company's outstanding bank loans stood at Rs. 10,136.56 Lakhs, loans from Financial Institutions & others stood at Rs. 6,711.52 Lakhs, Rs. 2,500 Lakhs for unsecured subordinated debt out of which Rs. 1,500 Lakhs qualify for Tier II capital).

In 2022-23, the Company's bank loan borrowings' rating is **Acuite 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.

G. 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 15% on a standalone basis on March 31, 2023.

The Company's Capital Adequacy Ratio as of March 31, 2023 was 92.42% as Compared to previous financial year 82.96%, which is far above the minimum required level of 15% as per the NHB.

H. 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, 2023 was Rs. 425.96 Lakhs, which is equivalent to 1.51% of the loan portfolio of your Company, as against Rs. 669.97 Lakhs i.e. 2.10% of the loan portfolio as on March 31, 2022.

The Net NPA as on March 31, 2023 was Rs. 299.77 Lakhs i.e. 1.07% of the loan portfolio as against Rs. 461.75 Lakhs i.e. 1.48% of the loan portfolio as on March 31, 2022. The total cumulative provision towards loan and other assets as on March 31, 2023 was Rs. 210.65 Lakhs as against Rs. 334.22 Lakhs in the previous year.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the period under review there is no change in the nature of the business as compared to immediately preceding financial year.

SHARE CAPITAL

During the financial year under review there has been no change in the Share Capital of the Company.

The Authorized Share Capital of the Company as on March 31, 2023, 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, 2023 was Rs.5,75,03,000/- divided into 57,50,300 equity shares of Rs.10/- each.

DEMATERIALISATION OF SHARES

In compliance with the notification issued by Ministry of Corporate Affairs dated September 10, 2018 and Rule 9A of Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, the entire holding of securities of its promoters, directors, key managerial personnel of the Company are in dematerialised form.

NON-CONVERTIBLE DEBENTURES

As on 31st March, 2023, there were no outstanding Non-Convertible Debentures (NCDs).

During the financial year under review, your Company has redeemed following NCDs:

S. No.	Date of redemption	Type of NCDs	No. of NCDs	Face Value (per NCD in Rs.)	ISIN
1.	30-09-2022	Subordinated Rated, Unsecured Redeemable Taxable Non Convertible Debentures	500	1,00,000	INE206X08012

Your Company is in compliance with the provisions of Master Direction- Non-Banking Financial Company -Housing Finance Company (Reserve Bank) Directions, 2021, the provisions of the



Companies Act, 2013 as amended from time to time, and other laws to the extent applicable to the Company.

DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and, therefore, do not recommend any dividend for the financial year ended March 31, 2023.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 125 of the Companies Act, 2013, the dividends which remain unclaimed for a period of 7 years will be transferred by the Company to the "Investor Education and Protection Fund" (IEPF) established by the Central Government as and when they fall due. 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 2022-23 under review, your Company has transferred following amounts to the Reserves:

Amount
(Rs. in Lakh)

S. No.	Reserve Head	Opening Balance	Addition	Deduction	Closing Balance
1	Securities Premium Account	1309.56	-	-	1309.56
2	Statutory Reserve u/s 29C of National Housing Bank Act, 1987	99.19	36.39	-	135.58
3	General Reserve	9537.48	934.69	-	10472.17
4	Special Reserve u/s 36(1)(viii) as per Income Tax Act, 1961	2132.86	197.29	-	2330.15

CREDIT RATING

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

NAME OF RATING AGENCY	NATURE OF SECURITIES	RATING
Acuite Ratings and Research Limited	Long term Bank Facilities	Acuite BBB; Stable
Acuite Ratings and Research Limited	Unsecured Subordinated Non-Convertible Debentures	Acuite BBB; Stable

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

Pursuant to Section 2(87) of the Companies Act, 2013, Mentor Foundation is a wholly owned subsidiary of the Company. Mentor Foundation is a non-profit organization registered under Section 8 of the Companies Act, 2013 and incorporated on 10th September, 2021. During the year under review, Mentor Foundation incurred total income of Rs. 14.12 Lakhs and total expenses of Rs. 13.98 Lakhs. The financial performance of the Mentor Foundation for the Financial Year ended March 31, 2023 is summarized as below:

(Rs. in Lakh)

Particulars	FY 2022-23	FY 2021-22
Total Income	14.12	8.54
Total Expenses	13.98	9.03
Excess of expenditure over income for the year carried to balance sheet	.14	-0.49

Further the Company does not have any holding, Joint Venture and Associate Company.

In Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 to the Companies (Accounts) Rules, 2014, your Company has prepared Consolidated Financial Statements of the Company, which forms part of this Annual Report. Further, a separate Statement containing salient features of financial statements of the wholly owned Subsidiary company in the prescribed format AOC-1, is also included in the Annual Report and the same is annexed as 'Annexure-1' to this Report.

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

During the financial year under review, an Interim Order has been passed by the Hon'ble National Company Law Tribunal (NCLT) on 1st June, 2022 which was in favour of the Company.

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



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 if any, M/s Rajeev & Associates, Chartered Accountants (Firm Registration No. 015355C) were appointed as the Internal Auditors of the Company to conduct the Internal Audit as per the scope, functioning, periodicity and methodology mutually decided by the Board/Committees thereof and the Internal Auditors. The Internal Audit function operates under the supervision of the Audit Committee of the Board of Directors.

For the Financial year under review, the Internal Auditors have not submitted any material qualifications, reservations or adverse remarks or disclaimers.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal Control System to ensure adherence to company's policies and procedures, compliance with applicable laws and regulations, to ensure that management information and financial reporting is correct, reliable, and complete, to enable detection and prevention of frauds and errors and to safeguard the company assets against loss from unauthorised use or disposition, amongst others. Further, the internal control system is commensurate with the size, of the business as well as the industry in which the Company operates. The framework endorses ethical values, good corporate governance, and risk management practices. The Company has appointed Internal Auditors to ensure compliance with the company's policies and procedures and compliance with applicable laws and regulations.

Further, the Company has its in-house internal audit team to ensure and monitor proper internal control system and implementation of the internal audit, to review the performance of the same and to assist the Internal Auditor. It provides an audit report to the Audit Committee from time to time.

Audit Committee of the Board reviews the performance of the internal audit and the adequacy of the internal control systems and compliance with regulatory guidelines. Audit Committee also provides necessary oversight, gives recommendations, and monitors implementation of such recommendations.

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 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.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to its financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. In the opinion of the Auditors of the Company, there are adequate internal financial control procedures that are commensurate with the size, scale and complexities of the Company.

STATUTORY AUDITORS

At the Twenty Sixth Annual General Meeting held on 30th day of September, 2021, M/s. **Agrawal Jain & Gupta, Chartered Accountants (Firm Registration No. 013538C)** were appointed 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 financial year 2023-2024.

The Statutory Auditors have given their consent and furnished a certificate of their eligibility for being appointed as the Auditors of the Company, as required under the provisions of Section 139(1) and 141 of the Companies Act, 2013.

The Company in compliance with para 54 of Master Direction on Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 on Rotation of the partners of the Statutory Auditors Firm.

AUDITOR'S REPORT

The observations (including any qualification, reservation, adverse remark or disclaimer) reported by the Statutory Auditor in their audit reports on the Financial Statements both standalone and consolidated for the Financial Year 2022-23 are self-explanatory. The said Auditors' Reports for the Financial Year ended March 31, 2023 on the Financial Statements of the Company forms part of this Annual Report.

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

During the year under review, The Auditors of the Company has not reported any fraud under Section 143(12) of the Companies Act, 2013.

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, M/s V.M. & Associates, Practicing Company Secretaries (Firm Registration No.



P1984RJ039200) were appointed as Secretarial Auditors by the Board of Directors to conduct the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report of Secretarial Auditors in form MR-3 for the Financial Year 2022-23 is annexed to this Report as **"Annexure-2"**.

The observations reported by the Secretarial Auditor in its report are self-explanatory.

COST RECORDS

Being a Housing Finance Company, the Provisions of Section 148 of the Companies Act, 2013 about the requirement of maintenance of cost records and accounts are not applicable on the Company and accordingly such accounts and records are not so made and maintained.

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 was acting as Debenture Trustee for the NCDs issued by the Company on private placement basis.

However, the Company has redeemed NCDs with effect from 30th September, 2022 and the principal and/or interest thereon has been fully paid.

INFORMATION TECHNOLOGY SUPPORT

The Company endeavours to leverage new age technologies and introduce digital ecosystems for providing its services to the customers. The Company has been continuously upgrading its technology stack to achieve these objectives. As the Company continues to grow and expands its physical footprint, the focus always remains on improving the digital journey of the customer from onboarding, credit underwriting, file processing, disbursement to collection and to make better decisions based on available data.

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.

The 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.

Your Company conducts audit of its IT systems through external agencies at regular intervals. The external agencies' suggestions

and recommendations are reported to the IT Strategy Committee and Audit Committee and implemented wherever found feasible.

The Company has implemented robust cyber security measures and by working with IS Audit has complied with all regulations, external and internal audits and continues to monitor and update policies to remain compliant with evolving regulatory requirements.

RISK MANAGEMENT

The Company has a well-defined process of identifying, analysing, and treating risks to avoid hindrances in achieving its objectives. Your Company has Board approved Risk Management Policy wherein risks faced by the Company are identified and assessed.

For effective risk management strategy, the Company has developed, formulated and implemented a Risk Management framework, which lays down guidelines for risk identification, assessment, and monitoring as an on-going process that is supported by a robust risk reporting framework. It entails the establishment of robust systems and processes within the Risk Management Framework to mitigate risks effectively. Risk management framework encompasses management and monitoring of Credit risk, Market risk, Liquidity risk, Operational risk (including Fraud risk), Cyber risk, Compliance risk, Reputation risk in addition to any other risk envisaged during the course of the business. The Board has delegated authority for overall risk management to the Risk Management Committee (RMC) to ensure focused oversight and committed board level capacity for this task.

The Risk Management Committee is chaired by Mr. Pawan Kumar Goyal, Managing Director(DIN:00020153) who on a quarterly basis update the Risk Management Committee and Audit Committee on key matters. The Risk Management oversight structure includes a Committee of the Board and Senior Management Committee.

The procedure for risk assessment and minimization is regularly reviewed by the Board. Post assessment, risks are continuously monitored and appropriate measures are taken to mitigate reduce and avoid all possible threats to the organization.

The Company continues to focus on increasing operational resilience and mitigation of these risks.

HUMAN RESOURCES

The strength of the Company comes from its employees. We understand that the growth of our company is inextricably linked to the growth of our employees. Therefore, we strongly support and provide individualized support and development to each of our employees. We aim to discover, cultivate, and empower talented employees, recognizing that everyone has their unique strengths and purpose.



Your Company has continuously invested in developing and ensuring the financial as well as mental well-being of its employees. We believe that creating a positive and stimulating work environment is essential for a company's success, and has a high impact on an employee's well-being. As a Company, we are sensitive to the needs of the employees and ensure that best practices are adopted in the organization and conducive environment is created for growth of the employees. Employee career growth is the focus area of Human Resource(HR) policy that aims to balance personal and professional growth. There are various trainings provided to the employees to up skill them and help them progress in their careers. Further, employee engagement programs are undertaken to keep them motivated and to instil a sense of belongingness. HR policy strives to align employee goals with that of the Company to foster a productive work culture.

We have built a strong senior management team which has played a crucial role in the organizational growth journey.

As on 31st March, 2023, the employee's strength stood at 265 as compared to 293 as at 31st March, 2022.

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 are not applicable on the Company.

POLICIES AND CODES

During the financial year under review, the Company has reviewed and revised statutory policies as required in terms of the RBI Master directions/ circulars/ regulations/ guidelines, provisions of the Act, various other laws applicable to the Company and as a part of good corporate governance and were duly adopted by the Board of Directors of the Company and the same are hosted on the website at <https://mentorloans.co.in/policies-codes/>.

POLICY ON NOMINATION AND REMUNERATION OF DIRECTORS /KMP/SENIOR MANAGEMENT

Policy on Nomination and Remuneration of Directors/ KMP/ Senior Management has been formulated by the Nomination and Remuneration Committee (NRC) and same has been approved by the Board of Directors of the Company. The said policy is for determining qualifications, positive attributes, and independence of a Director, KMP, and Senior Management. Salient features of the said policy are as follows:

- Appointment and Removal of Directors, KMP, and Senior Management;
- Evaluation/ Assessment of Directors/ KMP/ Senior Management;

- Remuneration to Non-Executive Directors and Executive Directors;
- Remuneration to the Key Managerial Personnel and Senior Management; and

The Policy on Nomination and Remuneration of Directors/ KMP/ Senior Management is available on the website of the Company at <https://mentorloans.co.in/policies-codes/>.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

As on March, 2023 your Company adhered to the Internal Guidelines on Corporate Governance adopted in accordance with Master Directions–Non-Banking Finance Company (Housing Finance Company), (Reserve Bank) Directions, 2021, which inter-alia, defines the legal, contractual and social responsibilities of the Company towards its various Stakeholders and lays down the Corporate Governance practices of the Company. The said policy is available on the website of the Company and can be accessed at <https://mentorloans.co.in/policies-codes/>.

REGULATORY AND STATUTORY COMPLIANCES:

The Company is regulated by the statutory regulators including but not limited to the Ministry of Corporate Affairs, Reserve Bank of India and National Housing Bank.

All the relevant circulars, notifications, guidelines and directions issued by the aforesaid statutory regulators were duly placed before the Board of Directors at regular intervals to update the Board members on compliance of the same. Your Company has adhered to all the applicable circulars, notifications, and guidelines issued from time to time.

Your Company is also in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder including Secretarial Standards and other applicable statutory requirements.

MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021:

Your Company is in Compliance with the Master Directions – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and as updated from time to time.

SCALE BASED REGULATION (SBR): A REVISED REGULATORY FRAMEWORK FOR NBFCs

Your Company is in Compliance with the applicable circulars, directions, notifications and paras of Scale Based Regulation (SBR), a revised regulatory framework for NBFC as notified from time to time.

COMPLIANCE WITH PRINCIPAL BUSINESS CRITERIA

Your Company is adhering to Principal Business Criteria for HFCs as specified under Master Directions – Non-Banking Financial



Company – Housing Finance Company (Reserve Bank) Directions, 2021 and as updated from time to time

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.

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 demat mode, as per the details mentioned below:

NSDL Database Management Limited

(CIN: U72400MH2004PLC147094)

Address: 4TH Floor, Trade World A Wing Kamla 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 to investment made by the Company, the detailed particulars are set out in the Note No.13 and 16 that forms part of this Annual Report.

DEPOSITS

Being a non-deposit taking Company, the Company has not accepted any deposits from the public with in the meaning of the provisions of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and provisions of the Companies Act, 2013 ("the Act") relating to deposit are not applicable on the Company. Further, the Company shall not accept deposits from public without obtaining prior approval from the RBI.

PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on arm's Length Basis and in the ordinary course of business. 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-3**" 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. 30 of the financial statements for the financial year ended March 31, 2023.

Further as required by RBI Master Directions – Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, 'Policy on transactions with Related Parties' is given as "Annexure-4" to this Report and can be accessed on the website of the Company at <https://mentorloans.co.in/policies-codes/>.

CORPORATE GOVERNANCE

DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD OF DIRECTORS

The Company has a diverse and inclusive Board which empowers to protect the interest of all the Stakeholders. 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. Sanjay Agarwal [DIN: 02403354]	Chairman cum Independent Director
2.	Mr. Pawan Kumar Goyal [DIN: 00020153]	Managing Director
3.	Mr. Girdhari Lal Goyal [DIN: 00020248]	Non-Executive Director
4.	Mr. Basant Kumar Goyal [DIN: 00020127]	Non-Executive Director
5.	Mr. Ram Ratan Agarwal [DIN: 01000735]	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.

All the Directors except Mr. Basant Kumar Goyal have confirmed that they satisfy the "fit and proper" criteria as prescribed in Chapter IX of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as amended from time to time and that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013.

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.



During the year, there were no changes in composition of the Board of Directors of your Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from independent directors that they meet the criteria for independence as provided in Section 149(6) of the Companies Act, 2013. The Board is of the opinion that the Independent Directors of the Company have the highest standards of integrity and possess requisite expertise and experience required to full their duties as Independent Directors.

In term of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered with the databank maintained by the Indian Institute of Corporate Affairs ("IICA").

All the Independent Directors have complied with the code of conduct as prescribed in Schedule IV of the Companies Act, 2013

KEY MANAGERIAL PERSONNEL

As on March 31, 2023, 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 2022-23, the Board of Directors met four times on 29th June, 2022, 02nd September, 2022, 28th December, 2022 and 28th March, 2023.

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 2022-23, and Annual General Meeting (AGM) of the Company held on 30th September, 2022, are as follows:

Names of Director(s)	Nature of Directorship	Attendance at the Board Meetings held during F.Y. 2022-23		Attendance at the last AGM held on 30 th September, 2022 (YES / NO)
		Eligible to Attend	Attended	
Mr. Girdhari Lal Goyal (DIN:00020248)	Non-Executive Director	4	0	NO
Mr. Pawan Kumar Goyal (DIN:00020153)	Managing Director	4	4	YES
Mr. Basant Kumar Goyal (DIN:00020127)	Non-Executive Director	4	2	YES
Mr. Ram Ratan Agarwal (DIN:01000735)	Independent Director	4	4	YES
Mr. Sanjay Agarwal (DIN:02403354)	Chairman cum Independent Director	4	4	YES
Mr. Mohan Lal Bhargava (DIN:03433342)	Independent Director	4	3	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 alongwith 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 1st September, 2022. The Meeting was conducted without the attendance of non-independent directors and members of management.

At this Meeting, the Independent Directors:

- 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 of the Company;
- 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.

COMMITTEES OF THE BOARD

The Board committees and other committees play an important role in the governance and focus on specific areas and make informed decisions within the terms of reference and authority delegated. To enable better and focused decision making for the Company, the Board has constituted sub-committees with clearly defined roles. The Board Committees focus on specific areas and make informed decisions within the framework of delegated authority, as well as make specific recommendations to the Board on matters within their areas or purview.

a) AUDIT COMMITTEE

The Audit Committee has been constituted in terms of provisions of Section 177 of the Companies Act, 2013. The composition of the Committee is in adherence to provisions of this Act and the RBI Master Directions for Housing Finance Companies.

As on 31st March, 2023, the Audit Committee comprised of three Directors, out of which two are Independent Directors. The Committee comprises of Mr. Sanjay Agarwal (Independent Directors as Chairman of the committee), Mr. Pawan Kumar Goyal (Managing Director as Member of the Committee) and Mr. Ram Ratan Agarwal (Independent Directors as Member of the committee).

The Audit Committee of the company met four times during the year under consideration on 27th June, 2022, 02nd September, 2022, 28th December, 2022 and 27th March, 2023. 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 2022-23 is given below:

Name of Directors(s)	Position in the Committee	Attendance at the Audit Committee Meetings held during F.Y. 2022 -23	
		Held	Attended
Mr. Sanjay Agarwal (DIN:02403354)	Chairman	4	4
Mr. Pawan Kumar Goyal (DIN:00020153)	Member	4	4
Mr. Ram Ratan Agarwal (DIN:01000735)	Member	4	4

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')

The Nomination and Remuneration Committee has been constituted in terms of the provisions of Section 178 of the Companies Act, 2013 and RBI master directions.

As on 31st March, 2023, 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).

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. With the objective of enhancing the effectiveness of the Board, the Nomination and Remuneration Committee has formulated the methodology and criteria to evaluate the performance of the Board and its Committees and each Director.

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 apprised 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-5"** 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 two times on 27th June, 2022 and 02nd September, 2022.

The attendance of the Members of the Nomination and Remuneration Committee at its Meetings held during the Financial Year 2022-23 is given below:

Name of Director (s)	Position in the Committee	Attendance at the NRC Committee Meetings held during F.Y. 2022-23	
		Held	Attended
Mr. Ram Ratan Agarwal (DIN:01000735)	Chairman	2	2
Mr. Girdhari Lal Goyal (DIN:00020248)	Member	2	0
Mr. Sanjay Agarwal (DIN:02403354)	Member	2	2

c) CORPORATE SOCIAL RESPONSIBILITY ('CSR') COMMITTEE

The Corporate Social Responsibility (CSR) Committee was formed as per the provisions of the Section 135 of the Companies Act, 2013 and applicable rules made thereunder.

As on 31st March, 2023, the CSR Committee comprised of three Directors, out of which two are Independent Director. The Committee comprises of Mr. Sanjay Agarwal (Independent Director as Chairman of the Committee), Mr. Pawan Kumar Goyal (Managing Director as Member of the Committee) and Mr. Ram Ratan Agarwal (Independent Director as Member of the committee).

The CSR Committee is responsible for formulation, recommendation and monitoring of the utilization of the funds for the Company's CSR projects.

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 and monitors the CSR Policy of the Company periodically. The Corporate Social Responsibility Report for the Year 2022-23 is annexed herewith as **"Annexure-6"**. The CSR Policy of the Company is displayed on the website of the Company <https://mentorloans.co.in/policies-codes/> and attached as **"Annexure-7"**.

During the year under review, the CSR Committee met two times, on 27th June, 2022 and 28th December, 2022. The attendance of the Members of the CSR Committee at its Meeting held during the Financial Year 2022-23 is given below:

Name of Director (s)	Position in the Committee	Attendance at the CSR Committee Meetings held during F.Y. 2022-23	
		Held	Attended
Mr. Sanjay Agarwal (DIN:02403354)	Chairman	2	2
Mr. Pawan Kumar Goyal (DIN:00020153)	Member	2	0
Mr. Ram Ratan Agarwal (DIN:01000735)	Member	2	2

The Corporate Social Responsibility Report for the Year 2022-23 is annexed herewith as **"Annexure-6"**.

During the Financial Year under review, recommendations made by all Committees were accepted by the Board.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report for the financial year 2022-23



as stipulated in the Section II(A) - Corporate governance of RBI Circular dated April 19, 2022 on Disclosure in Financial Statements – Notes to Accounts of NBFCs read with RBI Circular dated October 22, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs, forms part of the Annual Report.

REMUNERATION TO DIRECTORS

The Company has paid remuneration to directors after being recommended and approved by the Nomination and Remuneration Committee and the Board of directors in their 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. 2022-23 (INR)	Remuneration paid in F.Y. 2021-22 (INR)
Mr. Pawan Kumar Goyal (DIN:00020153)	Managing Director	1,20,00,000/-	1,20,00,000/-

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 of Board and Committees 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. 2022-23 (INR)	Sitting Fees paid in F.Y. 2021-22 (INR)
Mr. Ram Ratan Agarwal (DIN:01000735)	Independent Director	2,80,000	1,80,000/-
Mr. Sanjay Agarwal (DIN:02403354)	Independent Director	3,30,000	6,10,000/-
Mr. Mohan Lal Bhargava (DIN:03433342)	Independent Director	60,000	80,000/-

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

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 2022-23:

No. of complaints received: Nil

No. of complaints disposed of: Nil

The Annual Report for the calendar year 2022 as prescribed in the Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 has also been duly filed to the Labour Commissioner, Jaipur.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company has formulated a Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about unethical behaviour, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The whistle blower policy is placed on the website of the Company and can be accessed at <https://mentorloans.co.in/policies-codes/>.

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 as at March 31, 2023 is available on the website of the Company and can be accessed 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:

As the nature of business of the Company is providing housing finance, the Company's operations call for nominal energy consumption cost and there are no major areas where conservation measures could be applied on. The Company, however, is making continuous efforts to conserve energy and optimize energy consumption practicable by economizing the use of power.

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

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.

Further, through its CSR initiatives, the Company has undertaken various projects on environmental sustainability such as reforestation/ plantation in the Financial Year 2022-23.

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: The Company has always been using the latest technology available in the industry. Accordingly, efforts are made to maintain and develop the quality of the product to meet the expectation of market.

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)

- the details of technology imported: **N.A.**
- the year of import: **N.A.**
- whether the technology has been fully absorbed: **N.A.**
- 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.

ENVIRONMENT HEALTH AND SAFETY (EHS) PROTECTION

Your Company is committed to high Environmental and Social (ES) Standards in its business and will continue to develop its investment decision making processes and procedures so as to reflect the requirements of Indian ES legislation, as well as relevant international standards (specifically IFC Performance Standards) as applicable to our housing finance. The Company always ensures that healthy and safe working environment is provided to all employees of the Company.

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 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 Board of Directors place on record their sincere gratitude for valuable guidance and the support to all Stakeholders of the Company including the Reserve Bank of India, National Housing Bank, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, Bankers, Lenders, Financial Institutions, Members, Credit Rating agencies, National Securities Depository Limited, Central Depository Services (India) Limited and Customers of the Company for the ongoing support extended by them.

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: 31.08.2023

Place: Jaipur

For & on behalf of the Board of Directors

Mentor Home Loans India Limited

Sd/-

Sanjay Agarwal

Chairman and Independent Director

DIN: 02403354

D/220-B, Bhaskar Marg,
Bani Park Shastri Nagar,
Jaipur- 302016 (Rajasthan)

Sd/-

Pawan Kumar Goyal

Managing Director

DIN: 00020153

C-153, Dayanand Marg,
Tilak Nagar, Jawahar Nagar,
Jaipur-302004 (Rajasthan)



CORPORATE GOVERNANCE REPORT

The Board of the Company is an apex body, which oversees overall functioning, provides a strategic, direction, guidance, leadership and owns the fiduciary responsibility to ensure that your company's actions and objectives are aligned in creating long term value for its stakeholders. The Board helps the Company in adhering high Corporate Governance practice.

1. Composition of the Board:

Sl No	Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Direct or-ships	Remuneration			No. of shares held in and convertible instruments held in the HFC
					Held	At- tended		Salary and other compen- sation	Sitting Fee	Com- mission	
1	Mr. Sanjay Agarwal	03/03/2004	Chairman Cum Independent Director	02403354	04	04	Nil	Nil	3,30,000	Nil	Nil
2	Mr. Pawan Kumar Goyal	30/09/2005	Managing Director	00020153	04	04	01	1,20,00,000	Nil	Nil	782600
3	Mr. Girdhari Lal Goyal	01/08/2006	Non-Executive Director	00020248	04	00	Nil	Nil	Nil	Nil	256500
4	Mr. Basant Kumar Goyal	01/08/2006	Non-Executive Director	00020127	04	02	01	Nil	Nil	Nil	864100
5	Mr. Ram Ratan Agarwal	04/08/2005	Independent Director	01000735	04	04	Nil	Nil	2,80,000	Nil	Nil
6	Mr. Mohan Lal Bhargava	08/06/2016	Independent Director	03433342	04	03	Nil	Nil	60,000	Nil	Nil

Details of change in composition of the Board during the current and previous financial year:

There is no change in the composition of the Board of the Company during the current financial year viz., 2022-23. However, during previous financial year viz., 2021-22, Mr. Girdhari Lal Goyal (DIN:00020248) ceased to be a Chairman of the Company and Mr. Sanjay Agarwal (DIN: 02403354) was appointed as the Chairman of the Company w.e.f. 27th September, 2021.

Apart from above, there were no change in the composition of the Board of the Company during previous financial year 2021-22.

Where an independent director resigns before expiry of his/ her term, the reasons for resignation as given by him/her shall be disclosed:

No such instance during the financial year under review and hence the said section is not applicable.

Details of any relationship amongst the directors *inter-se* shall be disclosed:

Mr. Pawan Kumar Goyal, Managing Director and Mr. Basant Kumar Goyal, Non-Executive Director of the Company are sons of Mr. Girdhari Lal Goyal, Non-Executive Director of the Company and thus are brothers to each other.

Apart from the disclosure mentioned above, none of the Directors of the Company are related.

1. Committees of the Board and their composition

The Board of the Company has established various committees, the names of which along with its members and summarized terms of reference is given below:

A) Audit Committee:

The Board of the Company has constituted Audit Committee in accordance with provisions of the Companies Act, 2013 and rules made there under and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. The Audit Committee comprised of three Directors, out of which two are Independent Directors. During the financial year under review four (4) Audit Committee meetings were held.



Below are the requisite details of the Audit Committee in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022 -23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Sanjay Agarwal (DIN:02403354)	25-03-2019	Chairman Cum Independent Director	04	04	Nil
2	Mr. Pawan Kumar Goyal (DIN:00020153)	25-03-2019	Managing Director	04	04	782600
3	Mr. Ram Ratan Agarwal (DIN:01000735)	25-03-2019	Independent Director	04	04	Nil

The summary of terms of reference of Audit Committee, inter alia, includes the following:

- 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;

B) Nomination and Remuneration Committee:

The Board of the Company has constituted Nomination and Remuneration Committee (the "NRC") in accordance with provisions of the Companies Act, 2013 and rules made thereunder and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. The NRC comprised of 3 (three) directors of the Company, of whom one (1) is Non-Executive Director and other two (2) are Independent Directors. During the financial year under review two (2) NRC meetings were held.

Below are the requisite details of the NRC in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the HFC
				Held	Attended	
1	Mr. Ram Ratan Agarwal (DIN:01000735)	25-03-2019	Independent Director	02	02	Nil
2	Mr. Girdhari Lal Goyal (DIN:00020248)	25-03-2019	Non-Executive Director	02	00	256500
3	Mr. Sanjay Agarwal (DIN:02403354)	25-03-2019	Chairman cum Independent Director	02	02	Nil



The summary of terms of reference of NRC Committee, inter alia, includes the following:

- 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.

C) Corporate Social Responsibility ('CSR') Committee

The Board of the Company has constituted Corporate Social Responsibility Committee (the "CSR") in accordance with provisions of the Companies Act, 2013 and rules made thereunder and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. The CSR comprised of 3 (three) directors of the Company, of whom one (1) is Managing Director and other two (2) are Independent Directors. During the financial year under review two (2) CSR meetings were held.

Below are the requisite details of the CSR in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022 -23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Sanjay Agarwal (DIN:02403354)	25-03-2019	Chairman cum Independent Director	02	02	Nil
2	Mr. Pawan Kumar Goyal (DIN:00020153)	25-03-2019	Managing Director	02	02	782600
3	Mr. Ram Ratan Agarwal (DIN:01000735)	25-03-2019	Independent Director	02	02	Nil

The summary of terms of reference of CSR Committee, inter alia, includes the following:

- 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.

D) Asset Liability Management Committee ('ALCO')

The Board has constituted the Asset Liability Management Committee (ALCO) as per the guidelines issued by the NHB.

As on 31st March, 2023, the ALCO comprised of four members viz. Mr. Pawan Kumar Goyal, (Chairman of the Committee), Mr. Satish Gautam, Mr. Sahil Goyal and Mr. Ankit Agnihotri (Members of the Committee).

During the year under review, the ALCO met three times on 13th July, 2022, 03rd October, 2022 and 05th January, 2023.

The Asset Liability Management Committee (ALCO) lays down policies and quantitative limits that involve assessment of various type of risks and shifts in assets and liabilities to manage such risks. The Committee has constituted 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.

Below are the requisite details of the ALCO in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022 -23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Pawan Kumar Goyal (DIN:00020153)	25-03-2019	Managing Director	03	03	782600
2	Mr. Sahil Goyal	25-03-2019	Chief Operating Officer	03	03	961500
3	Mr. Ankit Agnihotri	25-03-2019	Finance Head	03	02	400
4	Mr. Satish Gautam	30-03-2022	Chief Manager (Operation)	03	03	500

The summary of terms of reference of ALCO, inter alia, includes the following:

- 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;
 - Liquidity risk,
 - Market risk,
 - Interest rate risk,
 - 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;

E) Risk Management Committee

The Board constituted the Risk Management Committee (the "RMC") pursuant to the Master Direction- NBFC – HFC (Reserve Bank) Directions, 2021 in order to identify the risks that can create an impact on the Company and to take appropriate measures to mitigate such risks for assisting the Board to establish a risk culture and risk governance framework in the organization.

As on 31st March, 2023, the Risk Management Committee comprised of four members. Mr. Pawan Kumar Goyal (Chairman of the Committee), Mr. Sahil Goyal, Mr. Ankit Agnihotri and Mr. Hitendra Chouhan (Members of the committee).

During the year under review, the Risk Management Committee met four times, on 13th July, 2022, 03rd October, 2022, 05th January, 2023 and 29th March, 2023.

Below are the requisite details of the RMC in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:



Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022 -23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Pawan Kumar Goyal (DIN:00020153)	29-12-2021	Managing Director	04	04	782600
2	Mr. Sahil Goyal	25-03-2019	Chief Operating Officer	04	04	961500
3	Mr. Ankit Agnihotri	25-03-2019	Finance Head	04	03	400
4	Mr. Hitendra Chouhan	30-03-2022	Credit Head	04	04	Nil

The summary of terms of reference of RMC, inter alia, includes the following:

- 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 manage the cyber security incidents as duly reported by the Chief Technical Officer (CTO) that have occurred or may have occurred in the Company.
- To review the policies and procedures of Cyber Crisis Management Plan.
- 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.

F) Grievance Redressal Committee

The Board constituted Grievance Redressal Committee (the "GRC") 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, 2023, 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).

During the year under review the Grievance Redressal Committee of the company met three times on 13th July, 2022, 03rd October, 2022 and 05th January, 2023.

Below are the requisite details of the GRC in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022-23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Sahil Goyal	25-03-2019	Chief Operating Officer	03	03	961500
2	Mr. Javed Akhtar	25-03-2019	Chief Manager	03	03	1000
3	Mr. Kamlesh Khorwal	25-03-2019	Senior Manager (Legal)	03	03	Nil
4	Mr. Satish Gautam	25-03-2019	Chief Manager (Operation)	03	03	500



The following is a summary of Grievance Redressal complaints received and disposed of during the year 2022-23:

No. of complaints received: 105

No. of complaints disposed off: 106*

*Three complaints were pending from the previous FY 2021-22 and the Company has disposed off the same during the FY 2022-23.

The summary of terms of reference of GRC, inter alia, includes the following:

- 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.

G) Finance Committee

As on 31st March, 2023, the Finance Committee comprised of three members. The Committee comprises of Mr. Ram Ratan Agarwal (DIN: 01000735), Mr. Pawan Kumar Goyal (DIN: 00020153) and Mr. Sanjay Agarwal (DIN: 02403354) (members of the committee).

During the year under review the Finance Committee of the company met Ten times on 21st April, 2022, 01st June, 2022, 28th July, 2022, 29th September, 2022, 02nd November, 2022, 08th December, 2022, 29th December, 2022, 10th January, 2023, 23rd January, 2023 and 27th March, 2023.

Below are the requisite details of the Finance Committee in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022 -23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Pawan Kumar Goyal (DIN:00020153)	25-03-2019	Managing Director	10	10	782600
2	Mr. Sanjay Agarwal (DIN:02403354)	25-03-2019	Chairman cum Independent Director	10	10	Nil
3	Mr. Ram Ratan Agarwal (DIN:01000735)	29-12-2021	Independent Director	10	09	Nil

The summary of terms of reference of Finance Committee, inter alia, includes the following:

- 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 overdraft /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.

- To approve the sale/ assignment/ transfer of assets/ loan receivables of the Company up to the maximum limit of Rs. 250 Crores through the process of Direct Assignment;
- To borrow funds through securitization and Pass through Certificate (PTC).
- To formulate the Business Correspondent (BC) Model to ensure integrity and fraud prevention.

H) IT Strategy Committee

The Board constituted the IT Strategy Committee in accordance with 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, 2023, the IT Strategy Committee comprised of three members. The Committee comprises of Mr. Sanjay Agarwal (Chairman of the committee), Mr. Sahil Goyal and Mr. Raj Kumar Soni (Members of the committee).

During the year under review the IT Strategy Committee of the company met two times on 29th September, 2022 and 28th March, 2023.

Below are the requisite details of the IT Strategy Committee in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022-23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Sanjay Agarwal (DIN:02403354)	29-06-2019	Chairman cum Independent Director	02	02	Nil
2	Mr. Sahil Goyal	31-03-2021	Chief Operating Officer	02	02	961500
3	Mr. Sudhakar Ratawa*	29-12-2021	Chief Technical Officer	01	01	Nil
4	Mr. Raj Kumar Soni*	28-03-2023	Chief Technical Officer	01	01	Nil

***Note: Mr. Raj Kumar Soni was appointed as a Chief Technical Officer of the Company and as a member of the IT Strategy committee in place of Mr. Sudhakar Ratawa as he ceased to be associated with the Company, thereby the IT Committee was re-constituted by way of inserting the name of Mr. Raj Kumar Soni in place of Mr. Sudhakar Ratawa as a member of the IT Strategy committee with effect from 28th March, 2023.**

The summary of terms of reference of IT Strategy Committee, inter alia, includes the following :

- To 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 manage the cyber security incidents that have occurred or may have occurred in the Company;
- To ensure proper balance of IT Investments for sustaining the Company's growth and being aware about exposure towards IT risks and controls;
- To undertake such other function related to IT activities as may be mandated by the board or stipulated by the RBI/ NHB, or any other regulatory authorities from time to time.

I) Credit Committee

Pursuant to the Credit Policy of the Company, a Credit Committee was constituted in relation to approval and 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 Credit Committee comprises of five members. The Committee comprises of Mr. Sanjay Agarwal (Chairman of the committee), Mr. Pawan Kumar Goyal, Mr. Sahil Goyal, Mr. Ankit Agnihotri and Mr. Hitendra Chouhan (Members of the committee).

During the year under review the Credit Committee of the company met two times on 04th October, 2022 and 31st March, 2023. Below are the requisite details of the Credit Committee in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non - Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022 -23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Sanjay Agarwal (DIN:02403354)	31-03-2021	Chairman cum Independent Director	02	02	Nil
2	Mr. Pawan Kumar Goyal (DIN: 00020153)	31-03-2021	Managing Director	02	02	782600
3	Mr. Sahil Goyal	31-03-2021	Chief Operating Officer	02	02	961500
4	Mr. Ankit Agnihotri	31-03-2021	Finance Head	02	02	400
5.	Mr. Hitendra Chouhan	31-03-2021	Credit Head	02	02	Nil

The summary of terms of reference of Credit Committee, inter alia, includes the following:

- 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.

J) Internal Committee

The Board constituted Internal Committee in relation to reviewing/monitoring /considering /approving the various compliances of NHB/RBI, various trainings program, Fair Practice Code (FPC) Report, KYC & AML Report, Fraud Report etc.

The Internal committee comprises of Five 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).

During the year under review the Internal Committee of the company met Four times on 27th June, 2022, 03rd October, 2022, 20th December, 2022 and 29th March, 2023.

Below are the requisite details of the Internal Committee in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:



Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022 -23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Sanjay Agarwal (DIN:02403354)	31-03-2021	Chairman cum Independent Director	04	04	Nil
2	Mr. Ram Ratan Agarwal (DIN:01000735)	31-03-2021	Independent Director	04	04	Nil
3	Mr. Pawan Kumar Goyal (DIN:00020153)	31-03-2021	Managing Director	04	04	782600
4	Mr. Sahil Goyal	31-03-2021	Chief Operating Officer	04	04	961500
5	Mr. Ankit Agnihotri	31-03-2021	Finance Head	04	04	400

The summary of terms of reference of Internal Committee, inter alia, includes the following:

- 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

K) Investment Committee

The Board constituted the Investment Committee 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 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).

During the year under review the Investment Committee of the company met once on 05th December, 2022.

Below are the requisite details of the Investment Committee in terms of Section II (A) - Corporate governance of RBI Circular dated 19th April, 2022 on Disclosure in Financial Statements - Notes to Accounts of NBFCs read with RBI Circular dated 22nd October, 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee held during F.Y. 2022-23		No. of shares held in the HFC
				Held	Attended	
1	Mr. Sanjay Agarwal (DIN:02403354)	31-03-2021	Chairman cum Independent Director	01	01	Nil
2	Mr. Pawan Kumar Goyal (DIN:00020153)	31-03-2021	Managing Director	01	01	782600
3	Mr. Sahil Goyal	31-03-2021	Chief Operating Officer	01	01	961500
4	Mr. Ankit Agnihotri	31-03-2021	Finance Head	01	01	400



The summary of terms of reference of Investment Committee, inter alia, includes the following:

- To invest the idle funds lying with the Company;
- To invest as per the sanction terms of the lenders;
- To sale such investments partially or fully as per the requirements;
- To invest in shares, bonds, debentures, mutual funds, fixed deposits, SIPs etc.
- To deal in Capital Market Segment, Future & Options Segment, Commodity derivatives Segment, Currency Derivatives Segment, Depository or any other segment that may be introduced by NSE / BSE / MCX / CDSL in future.
- Acquire by way of subscription, purchase or otherwise, the securities of any other body corporate including Holding, Subsidiary or Wholly Owned Subsidiary, if any.
- To take decisions relating to investment made or to be made by the Company and such other matters as delegated by the Board from time to time.
- To authorize any senior employee including director of the Company for making decision regarding investments and to deal, sign on behalf of the Company, if required.

3. General Body Meetings

Below are the details of the general meeting held during the financial year under review:

Sl. No.	Type of Meeting (Annual/ Extra - Ordinary)	Date and Place	Special resolutions passed
1	Annual General Meeting	Date: 30.09.2022 Place: Through Video Conference from the registered office of the Company situated at Mentor House, Govind Marg, Sethi Colony, Jaipur-302004, Rajasthan	No Special Resolutions were passed due to lack of votes in favour.

4. Details of non-compliance with requirements of Companies Act, 2013: (Give details and reasons of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards)

There were no default/non-compliance with requirement of Companies Act, 2013 during the financial year under review.

5. Details of penalties and strictures: (HFCs should disclose details of penalties or stricture imposed on it by the Reserve Bank or any other statutory authority)

During the financial year under review, there were no penalties or stricture imposed on the Company by the Reserve Bank of India or any other statutory authority.

Date: 31.08.2023

Place: Jaipur

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

Sd/-
Sanjay Agarwal
Chairman and Independent Director
DIN: 02403354
D/220-B, Bhaskar Marg,
Bani Park Shastri Nagar,
Jaipur- 302016 (Rajasthan)

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

**"Annexure-1"****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A: Subsidiaries

(Amount in Rs.)

S.No.	Particulars	Details
1.	Name of the Subsidiary	Mentor Foundation
2.	The date since when subsidiary was acquired	Mentor Foundation was not acquired, it was incorporated as wholly owned subsidiary of the Company on 10 th day of September, 2021.
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Not applicable
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not applicable
5.	Share capital	1,00,000
6.	Reserves and surplus	(34948)
7.	Total assets	91328.00
8.	Total Liabilities	26276
9.	Investments	Nil
10.	Turnover	Nil
11.	Profit before taxation	14002
12.	Provision for taxation	Nil
13.	Profit after taxation	14002
14.	Proposed Dividend	Nil
15.	Extent of shareholding (in percentage)	100%

Notes: The following information shall be furnished at the end of the statement:

1. Name of subsidiaries which are yet to commence operations: - NIL
2. Name of subsidiaries which have been liquidated or sold during the year: - NIL



Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	-	-	-
2. Date on which the Associate or Joint Venture was associated or acquired	-	-	-
3. Shares of Associate or Joint Ventures held by the company on the year end			
No.	-	-	-
Amount of Investment in Associates or Joint Venture	-	-	-
Extent of Holding (in percentage)	-	-	-
4. Description of how there is significant influence	-	-	-
5. Reason why the associate/Joint venture is not consolidated.	-	-	-
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-	-	-
7. Profit or Loss for the year			
i. Considered in Consolidation	-	-	-
ii. Not Considered in Consolidation	-	-	-

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note : This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Date: 31.08.2023
Place: Jaipur

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

Sd/-
Sanjay Agarwal
Chairman and Independent Director
DIN: 02403354
D/220-B, Bhaskar Marg,
Bani Park Shastri Nagar,
Jaipur- 302016 (Rajasthan)

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

**Annexure-2****Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

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

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2023 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 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 Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the Audit Period);**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not applicable to the Company during the Audit Period);**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not applicable to the Company during the Audit Period);**
- (vi) As confirmed by the management, following other laws are specifically applicable to the Company 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:



- a) The National Housing Bank Act, 1987 and the guidelines and circulars issued thereunder from time to time;
- b) 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;
- c) The Reserve Bank of India Act, 1934 and rules, regulations & directions issued from time to time, to the extent as applicable;
- d) Master Direction-Non Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with Stock Exchanges **(Not applicable to the Company during the Audit Period)**

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

1. ***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 reappointment 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 06.12.2019 the Company is maintaining status quo of composition of the Board of Directors.***
2. ***As per the provisions of section 167(1)(b) of the Act, the office of a director shall become vacant in case he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board. In view of the said section it is reported that Mr. Girdhari Lal Goyal Director of the Company has not attended any Board Meeting during a period of twelve months commencing from April 01, 2022 till March 31, 2023 and accordingly he has ceased to be Director of the Company by virtue of said section. 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 06.12.2019 the Company is maintaining status quo of composition of the Board of Directors.***

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. 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, if any, are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period, the company has as per the term sheet of NCD redeemed 500 Non-Convertible Debentures ("NCD") of Rs. 1,00,000/- (Rupees One Lakh Only) each aggregating up to Rs. 5,00,00,000/- (Rupees Five Crore Only) on September 30, 2022 pursuant to maturity.

Place: Jaipur

Date: August 31, 2023

UDIN: F003355E000901164

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581 / 2019

Sd/-
CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
C P No.: 1971

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



Annexure A

To,

The Members,

Mentor Home Loans India Limited

Mentor House, Govind Marg, Sethi Colony

Jaipur– 302004 (Rajasthan)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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. Our 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.

Place: Jaipur

Date: August 31, 2023

UDIN: F003355E000901164

For V. M. & Associates

Company Secretaries

(ICSI Unique Code P1984RJ039200)

PR 581 / 2019

Sd/-

CS Manoj Maheshwari

Partner

Membership No.: FCS 3355

C P No.: 1971

**"Annexure-3"****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 (s) 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.	Mr. Sahil Goyal, son of Mr. Pawan Kumar Goyal (Managing Director and Key Managerial Personnel of the Company)
b)	Nature of contracts / arrangements / transactions.	Increase in remuneration of Mr. Sahil Goyal holding an office or place of profit which is at arm's length basis and in the ordinary course of business as prescribed under Section 188 of the Companies Act, 2013 read with Rules made thereunder.
c)	Duration of the contracts / arrangements / transactions.	Regular
d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	The total remuneration payable to Mr. Sahil Goyal, Chief Operating Officer of the Company has increased to Rs. 5,00,000/- per month effective from 01 st October 2022 (including variable pay together with benefits, perquisites, allowances and facilities, as applicable / payable to the other employees occupying similar position in the Company, as per the policy of the Company).
e)	Date (s) of approval by the Board.	02.09.2022
f)	Amount paid as advances, if any.	NIL

Date: 31.08.2023

Place: Jaipur

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

Sd/-
Sanjay Agarwal
Chairman and Independent Director
DIN: 02403354
D/220-B, Bhaskar Marg,
Bani Park Shastri Nagar,
Jaipur- 302016 (Rajasthan)

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

**"Annexure-4"****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 "MHLIL"), 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 MHLIL 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 be reviewed 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 recommendation of the shareholders' of company for their approval, if required.
- Any member of the Committee who has an interest in the transaction under discussion will be abstained from voting on the concerned 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 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 formulated 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 periodical 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, and 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 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: 31.08.2023

Place: Jaipur

For & on behalf of the Board of Directors

Mentor Home Loans India Limited

Sd/-

Sanjay Agarwal

Chairman and Independent Director

DIN: 02403354

D/220-B, Bhaskar Marg,

Bani Park Shastri Nagar,

Jaipur- 302016 (Rajasthan)

Sd/-

Pawan Kumar Goyal

Managing Director

DIN: 00020153

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, Chief Executive Officer and Chief Compliance 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 upto 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.

INTERPRETATION

In any circumstance where the terms of this Policy 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 this policy and procedure until such time as this Policy is changed to confirm to the Law, Rule, Regulation or Standard.

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: 31.08.2023

Place: Jaipur

For & on behalf of the Board of Directors

Mentor Home Loans India Limited

Sd/-
 Sanjay Agarwal
 Chairman and Independent Director
 DIN: 02403354
 D/220-B, Bhaskar Marg,
 Bani Park Shastri Nagar,
 Jaipur- 302016 (Rajasthan)

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

**“Annexure-6”****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

1. Brief outline on CSR Policy of the Company –

At Mentor Home Loans India Limited (the 'Company'), we contribute to growth by empowering communities and accelerating development through interventions in core areas of women empowerment, environment, eradicating hunger, health, education, animal welfare and society welfare. The Company through various implementing agency, implemented long term projects and supported social cause.

The 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. The CSR policy of the Company inter alia provides guiding principles for selection and implementation of CSR activities in pursuance of Schedule VII of the Companies Act, 2013, roles and responsibilities of the CSR Committee, guidance for formulation of an annual action plan, process for implementation of CSR activities, modalities of monitoring and evaluation framework and reporting mechanism. The CSR Policy of the Company is available on the Company's website at <https://mentorloans.co.in/policies-codes/>.

2. Composition of CSR Committee:

Sl. 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. Sanjay Agarwal (DIN:02403354)	Chairman (Independent Director)	2	2
2.	Mr. Pawan Kumar Goyal (DIN:00020153)	Member (Managing Director)	2	2
3.	Mr. Ram Ratan Agarwal (DIN:01000735)	Member (Independent Director)	2	2

3. Provide the web-link(s) 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 executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – Not applicable.

5. (a) Average net profit of the company as per sub-section (5) of section 135 – Rs.28,00,93,653/-

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 – Rs.56,01,873.06/-

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

(d) Amount required to be set-off for the financial year, if any – Rs. 14,734.55/-

(e) Total CSR obligation for the financial year [(b) + (c) – (d)] – Rs.55,87,138.51/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – Rs.69,44,188/-

(b) Amount spent in administrative overheads – NIL

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

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] – Rs. 69,44,188/-

(e) 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 sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the fund	Amount.	Date of transfer.
56,19,137/-	NIL	NIL	NIL	NIL	NIL



(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	56,01,873.06
	Less: Excess amount set off for the Financial Year 2021-22	14,734.55
(ii)	Total CSR obligation for the Financial Year	55,87,138.51
	Total amount spent for the Financial Year	56,19,137.00
(iii)	Excess amount spent for the Financial Year [(ii) -(i)]	31,998.49
(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)]	31,998.49

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of transfer	
1.	2019-20	-	-	-	-	-	-
2.	2020-21	13,33,508	13,33,508	NIL	NIL	NIL	13,33,508
3.	2021-22	-	13,33,508	8,457	NIL	NIL	13,25,051

Note: There is no amount remaining to be spent in succeeding financial years since the Company has spent remaining unspent amount of Rs. 13,25,051/- towards the ongoing project during the financial year 2022-23.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:
No, the Company has not created or acquired any capital asset through CSR spent in the Financial Year 2022-23.
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. NIL

Date: 31.08.2023

Place: Jaipur

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

Sd/-
 Sanjay Agarwal
 Chairman and Independent Director
 DIN: 02403354
 D/220-B, Bhaskar Marg,
 Bani Park Shastri Nagar,
 Jaipur- 302016 (Rajasthan)

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

**CORPORATE SOCIAL RESPONSIBILITY (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 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 Defence 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.

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 2% of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is higher.

INTERPRETATION

In any circumstance where the terms of this Policy 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 this policy and procedure until such time as this Policy is changed to confirm to the Law, Rule, Regulation or Standard.

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: 31.08.2023

Place: Jaipur

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

Sd/-
Sanjay Agarwal
Chairman and Independent Director
DIN: 02403354
D/220-B, Bhaskar Marg,
Bani Park Shastri Nagar,
Jaipur- 302016 (Rajasthan)

Sd/-
Pawan Kumar Goyal
Managing Director
DIN: 00020153
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, 2021

To,

The Director of

Mentor Home loans India Ltd

In addition to our report under section 143 of the companies Act, 2013 a report to the Board of Directors of the company on the matters specified in paragraphs 70 and 71 of the Housing Finance Companies (NHB) Directions, 2021 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 7th Oct, 2015 after getting certificate of Registration from National Housing Bank;

In case of Housing Finance Companies not accepting /holding public deposits.

- i. The Housing Finance Company has obtained a valid certificate of Registration (COR-Not valid for acceptance of public deposit) for conducting Housing Finance activity granted by the NHB dated 07 Oct 2015. Further the housing Finance company is Complying with principal business criteria as defined in Paragraph 4.1.17. Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.
- ii. The Housing Finance Company is meeting the required Net Owned Fund (NOF) requirement as prescribed under section 29A of the National Housing Bank Act, 1987 during the period of audit and as on 31st march 2023. The housing Finance company has not issued paid up preference share which are compulsorily convertible into equity.
- iii. 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 housing Finance company have transferred 20% of its profit to Reserve as required by section 29C.;
- iv. The total borrowings of the Housing Finance Company are within the limits prescribed under paragraph 27.2 of the housing Finance companies (NHB) directions, 2021;
- v. The Housing Finance Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in the housing Finance companies (NHB) directions, 2021;
- vi. The capital adequacy ratio as disclosed in the half-yearly statutory return, submitted to the NHB, as per the directions issued by NHB in this regard, has been correctly determined and such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio

statutory return, submitted to the NHB, as per the directions issued by NHB in this regard, has been correctly determined and such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR); as specified in the Housing Finance Companies (NHB) directions, 2021

- vii. The Housing Finance Company has furnished to the NHB within the stipulated period the half-yearly statutory return, as specified in the Housing Finance Companies (NHB) Directions, 2021
- viii. The Housing Finance Company has furnished to the NHB within the stipulated period the quarterly statutory return on Statutory Liquid Assets as specified in the Housing Finance Companies (NHB) Directions, 2021;
- ix. 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, 2021;
- x. The Housing Finance Company has complied with the provisions contained in Paragraph 3.1.3, Paragraph 3.1.4 and Paragraph 18 of the Housing Finance Companies (NHB) Directions, 2021, It has not given any loan against its shares or for purchase of gold or loans against securities.
- xi. The Board of Directors have passed resolution for non-acceptance of any public deposits;
- xii. The Housing Finance Company has not accepted any public deposits during the financial year 2023.

For: Agrawal Jain & Gupta

Chartered Accountants

FRN: 013538C

Sd/-

Nitesh Agrawal

Partner

M.No. 406155

UDIN : 23406155BGYBYF3676

Place : Jaipur

Date : 31st August 2023



INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
MENTOR HOME LOANS INDIA LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the Standalone Financial Statements of **Mentor Home Loans India Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, the Statement of Cash Flows and notes to the standalone financial statements, for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, our report the aforesaid financial statements give the information required by the Companies Act 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March, 31 2023 its profit including its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Accounting Standards (AS) 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 statement.

Emphasis of matters

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

- a) As draw the attention to the Note No.45 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.
- b) Closing balance of Direct Assignment parties is subject to balance confirmation.
- c) Updation of CKYC and allotting Unique Customer Identification code for already sanctioned loans are doing by the company and also confirmed by the company to NHB for completing the same by 31st March 2024.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our 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.

As confirmed by the Management, Inspection was done by the National Housing Bank (NHB) during the Financial Year. In this regards, NHB has sent a supervisory letter to the Company and the Company has duly submitted its detailed reply to the NHB. Company is also comply with the NHB direction is in the process in the system.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and



application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it



- appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act except below mentioned director –
 Basant Kumar Goyal - Declaration and undertaking from in terms of Annex-VIII was not submitted by one of the Non-Executive Directors of the Company, Shri. Basant Kumar Goyal for financial year 2022-23.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of

- funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. No dividend have been declared or paid during the year by the company.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Agrawal Jain & Gupta
Chartered Accountants
Firm Reg. No. 013538C

Sd/-
CA Nitesh Agrawal
Partner
Membership No. 406155
UDIN: 23406155BGYBXQ8011
Place: Jaipur



Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

Date : 31st August 2023

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company does not have intangible Assets during the year therefore these clause is not applicable to the company;
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at the reasonable interval and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and based on verification of records provided to us through system access directly by us or system access by management and provide in documentary format,
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.
- (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- (ii) (a) The Company is engaged in the business of providing Loans and not hold any physical inventories. Accordingly, the provisions of clause 3(ii)(a) of the order is not applicable.
- (b) According to information and explanations given to us, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. Therefore, this clause is not applicable.
- (iii) (a) The Company being a Housing Finance Company and engage in the business of providing loans. Accordingly, the provisions of clause 3(iii)(a) are not applicable to the company.
- (b) According to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest;
- (c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing housing finance and loans against property, the schedule of repayment of

principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the Company has disclosed asset classification / staging in note 14 to the Standalone Financial Statements and the relevant, applicable guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

- (d) The Company, being a Housing Finance Company, is registered with the National Housing Bank and the applicable directives issued by Reserve Bank of India, and in pursuance of its compliance with provisions of the said National Housing Bank Act, 1987, Rules thereunder and applicable RBI Directives, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and reports the total amounts overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 14 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. However, Based on the information and explanations given to us reasonable steps are taken by the Company for recovery thereof.
- (e) The Company being a Housing Finance Company in the business of providing the loans. Accordingly the provisions of clause 3(iii)(e) are not applicable to the company.
- (f) The company has not granted any loans or



advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly the provisions of clause 3(iii)(f) are not applicable to the company.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal on the Company in respect of the aforesaid deposits.
- (vi) As per information & explanation given by the management, the company has not required to maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, hence this clause is not Applicable.
- (vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.

S. No.	Nature of Payments	Year	Amount	Forum where dispute is pending
1.	Income Tax Act, 1961	2016-17, 2017-18, 2020-21	378.82 lacs	Commissioner of Income Tax (Appeals), Jaipur

- (viii) As per the information and explanation provided to us and as represented to us, there were no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information

and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Clause is not applicable because company not having any Loan liabilities.

- (b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) In our opinion and according to the information and explanations given by the management, the Company has not obtained money by way of term loans during the year hence this clause not Applicable.
- (d) In our opinion and according to the information and explanations given by the management, Company has not raised short term funds hence this clause not applicable.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) Considering the principles of materiality outlined in the Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of the audit and also according to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- (b) During the year and upto the date of this report, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government.



- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- (xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements,
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. The internal audit is performed as per a planned program approved by the Audit Committee of the Board of Directors of the Company. We have considered, the internal audit reports for the year under audit, issued to the Company during the year.
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
- (b) The Company is a Housing Finance Company registered with the National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There is no resignation of the statutory auditors during the year.
- (xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) according to the information and explanations given to us, the Company does not have any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, 2013 towards Corporate Social Responsibility in respect of any ongoing project or other than ongoing projects as at the end of the financial year. Accordingly, reporting under clause 3 (xx) of the Order is not applicable to the Company;
- (xxi) There has not been any qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements.

For Agrawal Jain & Gupta
Chartered Accountants
Firm Reg. No. 013538C

Sd/-
CA Nitesh Agrawal
Partner
Membership No. 406155
UDIN: 23406155BGYBXQ8011
Date : 31st August 2023
Place : Jaipur



Annexure 'B'

Report on Internal Financial Controls with reference to financial statements

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

We have audited the internal financial controls over financial reporting of **Mentor Home Loans India Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Agrawal Jain & Gupta
Chartered Accountants
Firm Reg. No. 013538C

Sd/-
CA Nitesh Agrawal
Partner
Membership No. 406155
UDIN: 23406155BGYBXQ8011
Place: Jaipur
Date : 31st August 2023



MENTOR HOME LOANS INDIA LIMITED
REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004

STANDALONE BALANCE SHEET AS AT 31st MARCH 2023

		Rs. in Lakh	
Particulars	Notes	As at	As at
	No.	31-03-2023	31-03-2022
EQUITY AND LIABILITIES			
SHARE HOLDER'S FUND			
(a) Share capital	3	575.03	575.03
(b) Reserves and surplus	4	14,247.46	13,079.10
(c) Money received against share warrants		-	-
		14,822.49	13,654.13
NON-CURRENT LIABILITIES			
(a) Long-term borrowings	5	10,254.95	16,556.76
(b) Deferred tax Liabilities Net	6	475.05	474.67
(c) Other long-term liabilities		-	-
(d) Long-term Provisions	7	254.03	358.99
		10,984.03	17,390.42
CURRENT LIABILITIES			
(a) Short-term borrowings	8	6,843.61	7,924.26
(b) Trade Payables			
(i) Total Outstanding dues of micro enterprises and small enterprises and	9	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		16.09	36.18
(c) Other current liabilities	10	853.62	731.93
(d) Short term provisions	11	54.95	157.14
		7,768.27	8,849.51
TOTAL		33,574.79	39,894.06
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment & Intangible Assets			
(i) Property, Plant and Equipment	12	749.92	769.37
(ii) Intangible assets		0.15	0.17
(iii) Capital Work in Progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non-current investments	13	24.35	24.79
(c) Deffered Tax Assets (Net)		-	-
(d) Long Term Loans & Advances	14	24,354.95	26,004.11
(e) Other non-current assets	15	306.57	292.52
		25,435.94	27,090.96
CURRENT ASSETS			
(a) Current Investment	16	672.57	315.00
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Cash Equivalents	17	3,144.29	6,159.02
(e) Short Term Loans and Advances	18	3,884.62	5,899.32
(f) Other current assets	19	437.37	429.76
		8,138.85	12,803.10
TOTAL		33,574.79	39,894.06

Summary to Significant Accounting Policies

1 - 2

The Accompanying notes are integral part of the Financial Statements

For Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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

**MENTOR HOME LOANS INDIA LIMITED**

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

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st March 2023

Rs. in Lakh			
Particulars	Notes No.	Year ended 31-03-2023	Year ended 31-03-2022
INCOME			
I. Revenue from operations	20	6,490.38	7,442.57
II. Other income	21	31.20	45.06
III.Total Income(I+II)		6,521.58	7,487.63
IV.EXPENSES			
(a) Finance Cost	22	2,623.19	3,303.79
(b) Employee benefits expense	23	1,083.26	952.94
(c) Depreciation and amortization expenses	24	54.19	57.01
(d) Provisions	25	281.22	196.37
(e) Other expenses	26	959.78	779.52
Total Expenses		5,001.64	5,289.63
V.PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		1,519.94	2,198.00
VI. EXCEPTIONAL ITEMS		-	-
VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		1,519.94	2,198.00
VIII.EXTRAORDINARY ITEMS		-	-
IX.PROFIT BEFORE TAX(VII-VIII)		1,519.94	2,198.00
X.TAX EXPENSE			
1.Current Tax	27	351.19	500.00
2.Deferred Tax	6	0.38	72.46
3.Income Tax of Previous Years		-	-
XI. PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)		1,168.37	1,625.54
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)		1,168.37	1,625.54
Earning per Equity Share of Rs 10 each	28	20.32	28.27
a) Basic & Diluted EPS			

Summary to Significant Accounting Policies

1 - 2

The Accompanying notes are integral part of the Financial Statements

For Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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



MENTOR HOME LOANS INDIA LIMITED
REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

Particulars	Year ended 31-03-2023	Year ended 31-03-2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	1,519.94	2,198.00
Adjustments for:		
Depreciation and amortization expenses	54.19	57.01
Provision for Expenses	8.76	(24.89)
Provision for Non-Performing Assets	281.22	196.37
Contingent provision against standard assets	(41.53)	(89.34)
Dividend income on investments	-	(0.22)
Profit on sale of Fixed Assets	(4.24)	-
Profit on sale of Investments	(26.96)	(44.85)
Operating profit before working capital changes	1,791.38	2,292.08
Movements in working capital:		
Changes in current assets and others	0.25	(9.46)
Changes in short term loans and advances	(7.86)	39.64
Changes in trade payables and other current liabilities	16.73	138.45
Cash generated from operations	1,800.50	2,460.71
Less: Direct Taxes paid	(351.19)	(500.00)
Dividend received	-	0.22
Net cash from Operations	1,449.31	1,960.93
Housing and Other Property Loans Disbursed (Net of repayments)	3,293.10	7,685.30
Net cash flow (used in) operating activities(A)	4,742.41	9,646.23
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(38.96)	(21.16)
Proceeds from other non current assets	34.85	131.03
Proceeds from security deposits	5.38	(2.32)
Proceeds from sale of fixed assets	20.27	-
Proceeds from sale of Investments	926.05	2,936.29
Purchase of Investments	(1,268.00)	(2,879.00)
Net cash used in investing activities(B)	(320.40)	164.84
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	(6,301.81)	(7,060.47)
Proceeds from short term borrowings	(1,080.65)	(1,953.09)
Net cash used in financing activities(C)	(7,382.46)	(9,013.56)
Net Increase/(Decrease) in cash and cash equivalents(A+B+C)	(2,960.45)	797.51
Cash & cash equivalents and Bank balances at the beginning of the period	4,910.46	4,112.95
Cash and cash equivalents and Bank Balances at the end of the period	1,950.01	4,910.46

**MENTOR HOME LOANS INDIA LIMITED****REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004**

	(Rs. in Lakh)	
Note: 1 Components of Cash and Cash Equivalents and Bank Balances	Year ended 31-03-2023	Year ended 31-03-2022
CASH & CASH EQUIVALENTS AND BANK BALANCES AT THE END OF THE YEAR		
i) Cash in hand	97.75	56.70
ii) Cash at bank	437.99	91.16
iii) Imprest cash	0.27	0.27
iv) Fixed Deposit With Bank & Others (Free FDR)	1,414.02	4,762.33
TOTAL CASH AND CASH EQUIVALENTS	1,950.01	4,910.46

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 Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03 2023

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.

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 recognized 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

Reposessed 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 reposessed 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.

Q) Goods and Services Input Tax Credit

Goods and Services tax input credit is recognised for in the books in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.



Note 3: Share Capital	(Rs. in Lakh)	
	31-03-2023	31-03-2022
Authorized Share Capital		
Equity Shares:		
1,00,00,000(P.Y.:1,00,00,000) Equity Shares of Rs.10 each	1,000.00	1,000.00
Issued, Subscribed and Fully paid-up Shares		
Equity Shares:		
5,750,300(P.Y.: 5,750,300) Equity Shares of Rs. 10/- each	575.03	575.03
Total Issued, Subscribed and Fully paid-up Share Capital	575.03	575.03

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	Rs.in lakh	No. of Shares	Rs.in lakh
	31-03-2023	31-03-2023	31-03-2022	31-03-2022
At the beginning of the Period	5,750,300	575.03	5,750,300	575.03
Add :Issued, Subscribed during the year	-	-	-	-
Outstanding at the end of the period	5,750,300	575.03	5,750,300	575.03

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 shareholding holding more than 5% shares in the company:

Equity shares of Rs. 10 each fully paid	31-03-2023		31-03-2022	
	No. of Shares	in %	No. of Shares	in %
i) Shri Pawan Kumar Goyal	782,600	13.61%	782,600	13.61%
ii) Shri Sahil Goyal	961,500	16.72%	961,500	16.72%
iii) Mentor Alliance India Pvt. Ltd.	850,000	14.78%	850,000	14.78%
iv) Mentor Home Basant Kumar Goyal Escrow Account	864,100	15.03%	864,100	15.03%
v) Mentor Home Kanishk Goyal Escrow Account	303,500	5.28%	303,500	5.28%

Details of shareholding of the promoters in the company:

Equity shares of Rs. 10 each fully paid	31-03-2023		31-03-2022		change During the year
	No. of Shares	in %	No. of Shares	in %	
i) Shri Girdhari Lal Goyal	256,500	4.46%	256,500	4.46%	0.00%
ii) Shri Pawan Kumar Goyal	782,600	13.61%	782,600	13.61%	0.00%
iii) Shri Sahil Goyal	961,500	16.72%	961,500	16.72%	0.00%
iv) Mentor Alliance India Pvt. Ltd.	850,000	14.78%	850,000	14.78%	0.00%
v) Mentor Home Basant Kumar Goyal Escrow Account	864,100	15.03%	864,100	15.03%	0.00%
vi) Mentor Home Kanishk Goyal Escrow Account	303,500	5.28%	303,500	5.28%	0.00%
vii) Mentor Home Utkarsh Goyal Escrow Account	233,500	4.06%	233,500	4.06%	0.00%
viii) Neema Goyal	229,000	3.98%	229,000	3.98%	0.00%



ix) Mohani Devi Goyal	218,500	3.80%	218,500	3.80%	0.00%
x) Pawan Kumar Goyal (HUF)	164,000	2.85%	164,000	2.85%	0.00%
xi) Garima Goyal	157,500	2.74%	157,500	2.74%	0.00%
xii) Mentor Home Anju Goyal Escrow Account	153,400	2.67%	153,400	2.67%	0.00%
xii) Mentor Home Basant Kumar Goyal HUF Escrow Account	96,100	1.67%	96,100	1.67%	0.00%

Note 4: Reserves & Surplus		Rs. in lakh	
		31-03-2023	31-03-2022
i) Securities Premium Account:			
Balance as per last financial statements		1,309.56	1,309.56
Add: Current Year		-	-
Closing Balance		1,309.56	1,309.56
ii) Statutory Reserve (as per section 29C of National Housing Bank Act, 1987)			
Balance as per last financial statements		99.19	80.67
Add: Current Year		36.39	18.52
Closing Balance		135.58	99.19

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 2022-23, the company has transferred 233.67 lakh to statutory reserve out of which Rs. 197.29 lakh 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		Rs. in lakh	
Balance as per last financial statements		2,132.86	1,826.27
Add: Current Year		197.29	306.59
Closing Balance		2,330.15	2,132.86
		-	-
iv) General Reserve:			
Balance as per last financial statements		9,537.48	8,237.05
Add: Transfer from Surplus in Statement of Profit & Loss		934.69	1,300.43
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		10,472.17	9,537.48
v) Surplus in Statement of Profit & Loss:			
Balance as per last year		-	-
Add: Current Year		1,168.37	1,625.54
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)		(233.67)	(325.11)
Less: Appropriation of Fixed Assets		-	-
Less: Transfer to General Reserve		(934.69)	(1,300.43)
Closing Balance		-	-
Total Reserves & Surplus (i + ii + iii + iv + v)		14,247.46	13,079.10

**Note:4(a). Details of Statutory Reserves**

Particulars	(Rs. in Lakh)	
	31-03-2023	31-03-2022
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of National Housing Bank, Act 1987	99.19	80.67
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	2,132.86	1,826.27
c) Total	2,232.05	1,906.95
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	36.39	18.52
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	197.29	306.59
Less: a) Amount Appropriated from the Statutory reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1) (viii) of Income Tax Act, 1961 which has been Taken into account for the purpose Of 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	135.58	99.19
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	2,330.15	2,132.86
c) Total	2,465.73	2,232.05

Note 5: Long Term Borrowing	(Rs. in Lakh)	
	31-03-2023	31-03-2022
i) Secured Loan:		
a) From Banks	4,176.65	7,151.33
b) From Financial Institutions/NBFC's/HFC'S.	4,327.82	6,802.80
ii) Unsecured Loan:		
a) From Financial Institutions	-	-
b) From Directors & Relatives	250.48	102.63
iii) Sub-Ordinated Liabilities		
a) Unsecured Subordinated Non Convertible Debentures	-	-
b) Subordinated Unsecured Loan	1,500.00	2,500.00
Total Long Term Borrowings (i + ii+iii)	10,254.95	16,556.76

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 debt taken from IDFC First Bank amounting to Rs. 25 crores of which Rs. 15 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 2023

Rating Agency	Type	FY 2022-23	FY 2021-22
Acuite Ratings and Research Limited	Long term Bank Facilities	Acuite BBB;Stable	Acuite BBB;Stable
Acuite Ratings and Research Limited	Unsecured Subordinated Non Convertible Debentures	Acuite BBB;Stable	Acuite BBB;Stable



Note 6: Deferred Tax Liabilities/Assets		(Rs. in lakh)	
		31-03-2023	31-03-2022
(a) Deferred Tax Assets			
1. On account of Depreciation		3.79	1.06
2. On account of Expenses to be allowed on payment basis		107.65	61.10
3. On account of other Expenses		-	-
TOTAL		111.44	62.17
(b) Deferred Tax Liabilities			
1. On account of deduction u/s 36(i)(viii)		586.50	536.84
2. On account of Depreciation		-	-
3. On account of other Expenses		-	-
TOTAL		586.50	536.84
Deferred Tax Liabilities/ Assets during the year (carried to Profit & Loss statement)		(0.38)	(72.46)
Less: Opening Balance		(474.67)	(402.21)
Net Deferred Tax (Liabilities)/Assets (carried to Balance Sheet)		(475.05)	(474.67)
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		(Rs. in Lakh)	
		31-03-2023	31-03-2022
i) Provision against Standard Assets		84.46	125.99
ii) Provision for Non-Performing Assets		126.19	208.22
iii) Provision for Gratuity		43.38	24.78
Total Long Term Provisions		254.03	358.99

Note 7.1: Provisions for Non Performing Assets		(Rs. in lakh)	
		31-03-2023	31-03-2022
Opening balance of Provision		208.22	154.52
Add: provision created		281.22	196.37
Less: bad debts		363.25	142.67
		-	-
Closing balance of provision for NPA		126.19	208.22

Note 7.2: Detailed Gratuity Liability

Particulars		(Rs. in lakh)	
		2022-23	2021-22
Opening defined benefit obligation at 1st April		24.78	21.31
Current Service Cost		7.63	4.68
Interest Cost		1.42	1.23
Actuarial loss/(gain)		9.99	(2.44)
Benefit paid		-	-
Closing defined benefit obligation at 31st March		43.82	24.78
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	24.78	21.31
Employee Benefit Expenses	19.04	3.47
Closing Provision in the books of accounts	43.82	24.78
Principal Actuarial Assumption		
Discount Rate	7.50%	5.75%
Expected Rate of Return	-	-
Salary Escalation	5.00%	5.00%

	(Rs.in lakh)	
Note: 8. Short Term Borrowings	31-03-2023	31-03-2022
i) Loans Repayable on Demand		
Secured		
Overdraft facilities from Banks	679.66	1,119.91
Unsecured	-	-
ii) Current Maturities of Long Terms Borrowings	6,163.96	6,804.35
Total Short Term Borrowings	6,843.61	7,924.26

Note 8.1 Overdraft Facility from AU Small Finance Bank Ltd and IDFC First Bank Ltd is taken against hypothecation on stock as per sanction terms and personal guarantee including security given by director carrying interest rate between 9% to 12%.

Note 8.2 During the year Company has paid Non Convertible Debenture availed from AK Capital Service limited Amount to Rs. 5.00 Crore and at the end of the year company has no such liability for NCD.

Note 8.3 Overdraft limit of IDFC First Bank as on Mar'23, we would like to clarify that the said increase in the outstanding amount than the sanctioned limits has been because of the non - reconciliation of the bank entries. As on 31st March, 2023, IDFC First Bank balance was Rs. 41.38 Lakh (Dr.), the difference was due to issuance of Payment cheques for disbursements on 31st March, 2023 which were cleared after 31st March, 2023.

9. Trade Payable	(Rs.in lakh)	
	31-03-2023	31-03-2022
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	16.09	36.18
Total	16.09	36.18

9 (a) Trade Payable Ageing Schedule:						
(Rs.in lakh)						
Particulars	Unbilled Due	Outstanding for following periods from due date of payment				
As at March 31, 2023		less than 1 year	1-2 year	2-3 year	More than 3 year	Total
(i) MSME	-	-	-	-	-	-
(i) Others	-	16.09	-	-	-	16.09
(i) Disputed dues- MSME	-	-	-	-	-	-
(i) Disputed dues- Others	-	-	-	-	-	-



9 (a) Trade Payable Ageing Schedule: (Rs.in lakh)						
Particulars	Unbilled Due	Outstanding for following periods from due date of payment				
As at March 31, 2022		less than 1 year	1-2 year	2-3 year	More than 3 year	Total
(i) MSME	-	-	-	-	-	-
(i) Others	-	36.18	-	-	-	36.18
(i) Disputed dues- MSME	-	-	-	-	-	-
(i) Disputed dues- Others	-	-	-	-	-	-

9(b): There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the MSMED) pertaining to micro or small enterprises for the year ended March 31, 2023

Note: 10. Other Current Liabilities		(Rs.in lakh)	
		31-03-2023	31-03-2022
i) Expenses Payable		108.37	88.18
ii) ESI & PF Payables		3.36	3.33
iii) Statutory Dues		26.29	32.03
iv) First Loss Default Guarantee Payments		37.34	44.84
v) Sundry Payables		212.56	207.57
vi) Amount payable under Direct Assignment		465.69	355.98
Total Other Current Liabilities		853.62	731.93

Note 10(a): The company continued to prudently manage its assets and liability management (ALM) with the mix of long term borrowing from banks and financial institutions. Its has comprehensive liquidity management framework and maintains an abundant liquidity buffer to manage liquidity risk.

Note: 11. Short Term Provisions		(Rs.in lakh)	
		31-03-2023	31-03-2022
i) Provision for Income Tax (Net of Advance Tax and TDS Receivables)		16.40	108.76
ii) Provision for Corporate Social Responsibility		-	13.25
iii) Provision for Bonus Payable		38.55	35.14
Total Short Term Provisions		54.95	157.14

Note: 12 Depreciation Chart as on 31st March 2023 (As per Companies Act, 2013) (Rs.in lakh)

Particulars	Gross Block as on 1st Apr Rs. 2022	Addition during the year	Deduction during the year	Total Gross Block on 31st March, 2023	Depreciation			Total Depreciation	Net Block as on 31st March, 2023	Net Block as on 31st March 2022
					Upto 1st Apr, 2022	During the Year	Deduction			
A. Property, Plant & Equipment										
Land	568.64	-	-	568.64	-	-	-	-	568.64	568.64
Vehicles	249.20	25.01	16.03	258.18	129.35	29.66	11.79	147.22	110.96	119.85
Computers	104.60	2.81	-	107.42	79.21	12.93	-	92.14	15.28	25.39
Office Equipments	43.18	3.26	-	46.43	32.03	4.63	-	36.65	9.78	11.15
Furnitures	83.96	7.88	-	91.83	39.63	6.95	-	46.58	45.26	44.33
Total A	1,049.59	38.96	16.03	1,072.51	280.22	54.16	11.79	322.59	749.92	769.37
B. Intangible Assets										
Trademark	0.24	-	-	0.24	0.07	0.02	-	0.09	0.15	0.17
Total B	0.24	-	-	0.24	0.07	0.02	-	0.09	0.15	0.17
Total (A+B)	1,049.83	38.96	16.03	1,072.75	280.29	54.19	11.79	322.68	750.07	769.54



Note 12(a) : there are no immovable properties owned by company whose title deeds are not held in its name.

Note 12(b) : During the year under review the company has not revalued its Property, Plant & Equipements (Including right to use assets).

Note 12(c) : Intangible assets under Development

(i) Intangible assets under Development aging schedule - there is no intangible assets under Development as on 31.03.2023 and 31.03.2022.

(ii) No such case of intangible assets under development in which completion is overdue or has exceeded its cost compared to its original plan in the Company

Note 12 (d): Capital Work-in-Progress (CWIP)

(i) CWIP aging schedule - there is no balance of CWIP available as on 31.03.2023 and 31.03.2022

(ii) No such case of capital work in progress in which completion is overdue or has exceeded its cost compared to its original plan in the Company

		Quantity (No.)	(Rs.in lakh)	Quantity (No.)	(Rs.in lakh)
Note: 13. Non-Current Investments	FaceValue (Rs.per share)	31-03-2023	31-03-2023	31-03-2022	31-03-2022
a) Quoted Investment					
Antarctica limited	1	12000	0.17	12000	0.17
Ansar Properties & Infrastructure Limited	5	500	0.58	500	0.58
Empee Distilleries Limited	10	400	0.63	400	0.63
GTL Infrastructure Limited	10	12000	5.83	12000	5.83
Hotel Leela Venture Limited	2	1000	0.41	1000	0.41
Lyka Labs Limited	10	7700	3.12	7700	3.12
Megasoft Limited	10	5988	6.12	5988	6.12
NHPC limited	10	0	-	1300	0.45
Norben Tea & Exports Limited	10	2800	0.35	2800	0.35
Reliance Power Limited	10	2100	3.61	2100	3.61
Siti Cable Network Limited	1	11000	2.54	11000	2.54
Total Quoted investment			23.35		23.79

b) Mutual Funds			-		-
c) Investment in Mentor Foundation			1.00		1.00
Total Non-Current Investments			24.35		24.79

Note 13(a): The Company has shown investments in shares at Historical Cost and the Market Value of the Investments as on 31st March 2023 is Rs. 10.22 lakh (Previous year Rs. 10.49 Lakh)

Note 13(b): The company made an investment of Rs. 100,000.00 in its Wholly owned Subsidiary company.

Note 13(c) : The Company has accounted for its investments in subsidiary at cost less impairment loss (if any).



Note: 14. Long Term Loans & Advances Under financing Activities	(Rs.in lakh)	
	31-03-2023	31-03-2022
i) Loan & Other Credit Facility:		
a)Housing Finance	17,747.03	19,598.88
b)Mortgage Loans	6,607.92	6,405.23
Total long term Loans & Advances	24,354.95	26,004.11

Break-up of Loans				
Particulars	Non-current Portion		Current Portion	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Housing Loans	17,747.03	19,598.88	2,861.28	4,368.49
Loans Against Property	6,607.92	6,405.23	1,023.34	1,530.83
Total	24,354.95	26,004.11	3,884.62	5,899.32
(Rs.in lakh)				
			31-03-2023	31-03-2022
a)Secured considered good			27,813.61	31,233.46
b)Secured (sub-standard& Doubtful)			425.96	669.97
(NPA as per NHB Guidelines)			-	-
Total Loans & Advances			28,239.57	31,903.43

Note 14(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 31.03.2023.

Note 14(b): The company has not granted any loans against gold jewellery as collateral security.

Note 14(c): The company has Housing loans sanctioned but un-disbursed amount is Rs.9.20 Crores as on 31 March 2023.

Note 14(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.

Particulars	Standard	Sub-standard	Doubtful	Loss	Total
Loan Outstanding					
Housing Loan	20,255.17	301.62	51.52	-	20,608.31
Loans against property	7,558.44	62.92	9.90	-	7,631.26
Project Loan	-	-	-	-	-
Total	27,813.61	364.54	61.42	-	28,239.57
Provisions					
Housing Loan	52.94	81.53	25.45	-	159.92
Loans against property	31.52	15.97	3.24	-	50.73
Project Loan	-	-	-	-	-
Total	84.46	97.50	28.69	-	210.65



Note: 15. Other Non-Current Assets	(Rs.in lakh)	
	31-03-2023	31-03-2022
i) Security Deposits	20.21	25.60
ii) Fixed Deposit With Bank & Financial Institutions (under lien)	131.49	106.40
iii) Other Non-Current Assets	110.34	123.19
iv) Loan to Director	44.52	37.34
Total Other Non-Current Assets	306.57	292.52

Note: 16. Current Investments	(Rs.in lakh)	
	31-03-2023	31-03-2022
a) SBI Mutual Funds (under lien)	215.00	215.00
b) Investment in Mutual Funds (Free)	457.57	100.00
Total Current Investments	672.57	315.00

Note 16(a): The Company has shown investments in shares/mutual funds at Historical Cost and the Market Value of the Investments as on 31st March 2023 is Rs. 6.93 Crore

	(Rs.in lakh)	
Note 17: Cash and Cash Equivalents	31-03-2023	31-03-2022
A) Cash & Bank Balances		
i) Balances With Banks	437.99	91.16
ii) Cash in Hand	97.75	56.70
iii) Imprest Cash Account	0.27	0.27
iv) Fixed Deposit With Bank & Others (Free FDR)	1,414.02	4,762.33
B) Other Bank Balances		
i) Fixed Deposit With Bank & Others (under lien)	1,194.27	1,248.56
Total Cash and Cash Equivalents	3,144.29	6,159.02

	(Rs.in lakh)	
Note 18: Short Term Loans and Advances (Current maturities of Loans & Advances Under Financing Activities)	31-03-2023	31-03-2022
<u>i) Secured & Considered Good:</u>		
a) Housing Finance	2,861.28	4,368.49
b) Loans Against Property	1,023.34	1,530.83
Total Short-Term Loans & Advances	3,884.62	5,899.32

	(Rs.in lakh)	
Note 19: Other Current Assets	31-03-2023	31-03-2022
i) Advance to Staff	36.16	36.41
ii) Income Tax Refund	145.50	145.50
iii) Other Current Assets	255.71	247.85
Total Other Current Assets	437.37	429.76



	(Rs.in lakh)	
Note 20: Revenue From Operations	31-03-2023	31-03-2022
i) Interest on Housing Finance	4,328.82	5,048.59
ii) Interest on Mortgage loan	1,662.39	1,892.37
iii) Other Operating Income	499.17	501.61
Total Revenue From Operations	6,490.38	7,442.57

	(Rs.in lakh)	
Note 21: Other Income	31-03-2023	31-03-2022
i) Dividend on share	-	0.22
ii) Profit on sale of Fixed assets	4.24	-
iii) Profit on sale of Investments	26.96	44.85
Total Other Income	31.20	45.06

	(Rs.in lakh)	
Note 22: Finance Costs	31-03-2023	31-03-2022
i) Bank Interest & Charges	1,421.73	1,697.75
ii) Interest to Financial Institutions/NBFC's/HFC'S.	1,131.57	1,489.24
iii) Other Interest	42.12	57.51
iv) Other Borrowing Costs	27.76	59.28
Total Finance Costs	2,623.19	3,303.79

	(Rs.in lakh)	
Note 23: Employee Benefit Expenses	31-03-2023	31-03-2022
i) Salaries and Bonus	919.36	805.73
ii) Directors Salary	120.00	120.00
iii) Contribution to Provident Funds and Others	43.91	27.22
Total Employee Benefit Expenses	1,083.26	952.95

	(Rs.in lakh)	
Note 24: Depreciation and Amortization Expenses	31-03-2023	31-03-2022
i) Vehicles	29.66	28.65
ii) Computers	12.93	17.19
iii) Office Equipments	4.63	4.75
iv) Furniture & Fixtures	6.95	6.39
v) Trademarks	0.02	0.02
Total Depreciation and Amortization Expenses	54.19	57.01

	(Rs.in lakh)	
Note 25: Provisions	31-03-2023	31-03-2022
i) Provision Against Standard Assets	-	-
ii) Provision for Non-Performing Assets(Net)	281.22	196.37
Total Provisions	281.22	196.37



	(Rs.in lakh)	
Note 26: Other Expenses	31-03-2023	31-03-2022
i) Advertising and business promotion Expenses	22.89	21.00
ii) CIC's Expenses	4.00	19.23
iii) Commission & Brokerage Expenses	33.71	35.08
iv) CSR and Donation Expenses (refer note no. 26.1)	56.62	64.95
v) Electricity & Water Expenses	10.52	8.84
vi) Insurance Charges	6.88	7.27
vii) Legal & Consultancy Expenses	52.24	36.49
viii) Office Expenses	33.42	37.46
ix) Printing, Stationery & Postage	9.80	10.87
x) Professional Fees	72.52	86.96
xi) Rent	109.60	101.36
xii) Auditors Remuneration (refer note no. 26.2)	13.00	12.85
xiii) Repair & Maintenance	8.73	6.19
xiv) SARFAESI and other repo Expenses	190.60	128.21
xv) Software Expenses	76.81	84.43
xvi) Stamping Charges	6.72	43.98
xvii) Telephone Charges	14.64	15.13
xviii) Travelling & Conveyance	52.87	27.69
xix) Income Tax Expenses	9.49	30.72
xx) Bad Debts	154.27	0.00
xxi) Miscellaneous Expenses	20.46	0.84
Total Other Expenses	959.78	779.52

Note 26.1: DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES U/S 135 OF THE COMPANIES ACT, 2013:-

	(Rs.in lakh)	
Particulars	2022-23	2021-22
(a) Total Amount Required to be spent During the Year	56.01	64.40
(b) Total Amount of expenditure incurred during the year for current year obligation	56.19	64.44
(b) Total Amount of expenditure incurred during the year for previous year shortfall	0.00	47.47
(c) Amount Transferred to Unspent account as Section 135(6)	0.00	0.00
(c) shortfall at the end of year	0.00	0.00
(d) Total amount of previous years shortfall	0.00	0.00
(e) reason of shortfall	0.00	0.00

Nature of CSR activities

Promotion of health care, including preventive health care and sanitation, Eradication of hunger, poverty and malnutrition, promoting education, Ensuring environmental sustainability, animal welfare and Disaster management.

Excess spent amount as per companies Act, 2013

Particulars	Year ended March 31,2023	Year ended March 31,2022
Opening Balance - Excess spent	0.15	-
Amount required to be spent during the year	56.02	64.40
Amount spent during the year	56.19	64.55
Closing Balance - Excess spent	0.32	0.15

During the year ended March 31,2023, the company has spent excess amount of CSR amounting to Rs. .32 Lakh. The said pre-spent shall be carried forward in the next financial year in accordance with the provisions of company act Act, 2013



Details of related party transactions, e.g. Contribution to a trust controlled by the company or wholly owned subsidiary company in relation to CSR expenditure as per relevant Accounting Standard:-

Particulars	2022-23	2021-22
Mentor Foundation	14.12	8.54

The details of amounts spent towards CSR are as under:

Particulars	For the year ended March 31, 2023
a) Construction/Acquisition of any asset	
b) On purposes other than (a) above	56.19

Details of Ongoing Projects for FY 2022-23

Particulars	31-03-2023
Opening Balance	13.25
With Company	-
In CSR Unspent bank Account	13.25
Amount spent during the year	13.25
With Company	-
In CSR Unspent bank Account	13.25
Closing Balance	
With Company	-
In CSR Unspent bank Account	-

* The unspent amount of Rs. 13.25 lakhs pertains to FY 2020-21.

Note 26.2: Payment to Auditor	31-03-2023	31-03-2022
i) Statutory Audit Fees	4.30	4.30
ii) Tax Audit Fees	1.50	1.50
iii) Certification Fees	4.20	4.20
iv) Internal Audit Fees	3.00	2.85
	13.00	12.85

	(Rs.in lakh)	
Note 27: Provision for Tax	31-03-2023	31-03-2022
i) Provision for Current Year*	351.19	500.00

	(Rs.in lakh)	
Note 28: Earnings Per Share	31-03-2023	31-03-2022
Profit/ (Loss) after tax(before extraordinary items)	1,168.37	1,625.54
Less: Dividend on convertible preference share & tax there on	-	-
Net profit / (loss) for calculation of Basic EPS	1,168.37	1,625.54
Weighted average number of Equity Shares in calculating Basic EPS	5,750,300	5,750,300
Basic & Diluted Earnings Per Share	20.32	28.27

Note 29: 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 30: 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 Arms 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	Mohini 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	Father of Director
15	Basant kumar Goyal	Non-Executive Director (Brother of Director)
16	Rishabh Agarwal	Son 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
4	Mentor Foundation
5	Tradepool Investmart Pvt. Ltd.
6	G.L Goyal Charitable Trust

	Particulars	Year ended	Loan Taken	Repayment	Interest Accrued	Balance at the end of FY
A.	Key Management Personnel	-	-	-		
i)	Pawan Kumar Goyal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-

B. Relative of Key Management Personnel-

i)	Garima Goyal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-
ii)	Mohani Devi Goyal	31.03.2023	-	0.77	7.68	59.48
		31.03.2022	-	0.68	6.77	52.56
iii)	Neema Goyal	31.03.2023	-	0.01		-
		31.03.2022	41.09	57.04	0.64	0.01
iv)	Pawan Kumar Goyal HUF	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-



v)	Sahil Goyal	31.03.2023	618.78	501.28	24.15	141.84
		31.03.2022	1,039.37	1,326.38	34.85	0.19
vi)	Laxmi devi Agarwal	31.03.2023	-	12.41	1.90	10.31
		31.03.2022	5.00	12.74	3.55	20.82
vii)	Anita Agarwal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-
viii)	Nita Agarwal	31.03.2023	-	2.70	2.21	16.00
		31.03.2022	4.00	1.72	2.21	16.49
			-	-	-	-
ix)	Badri Prasad Agrawal	31.03.2023	-	1.69	1.38	10.00
		31.03.2022	-	1.07	1.38	10.31

x)	Girdhari Lal Goyal	31.03.2023	-	0.03	0.33	2.56
		31.03.2022	-	0.03	0.29	2.26

xi)	Rishab Agarwal	31.03.2023	10.00	0.70	1.01	10.31
		31.03.2022	-	-	-	-

	Particulars	Year ended	Loan Provided	Repayment	Interest Accrued	Balance at the end of FY
i)	Basant Kumar Goyal	31.03.2023	-	-	7.19	44.53
		31.03.2022	-	-	4.19	37.34

Related Party Entity

	Particulars	Year Ended	Relation	CSR Contribution	Investment made
i)	Mentor Foundation	31.03.2023	wholly owned Subsidiary Company	14.12	1.00
		31.03.2022		8.54	1.00

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
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A. Key Management Personnel

i)	Pawan Kumar Goyal	31.03.2023	-	120.00	-	-
		31.03.2022	-	120.00	-	-

B. Relative of Key Management Personnel

i)	Garima Goyal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-
ii)	Sahil Goyal	31.03.2023	-	54.00	-	14.88
		31.03.2022	-	48.00	-	16.09
iii)	Pawan Kumar Goyal (HUF)	31.03.2023	-	-	-	9.16
		31.03.2022	-	-	-	7.92

**Note: 31 ANALYTICAL RATIOS**

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change	Reason of Variance
(a) Current Ratio	Current Aseets	Current Liablites	1.05	1.45	-27.58%	Decrease in Cash & Cash Equivalents, Short term borrowing Increased
(b) Debt Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.15	1.79	-35.66%	Decrease in short term and long term Borrowing
(c) Debt Service Coverage Ratio	PAT+Depreciation+Provison+Finance cost+Principal Received	Total principal Repayments + Interest on Borrowings	1.08	0.97	12.18%	Increase in collection efficiency
(d) Return on Average Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholders Equity	8.21%	12.66%	-35.18%	Decrease in net profit
(e) Inventory turnover ratio	-	-	NA	NA	NA	
(f) Trade Receivables turnover ratio	-	-	NA	NA	NA	
(g) Trade payables turnover ratio	-	-	NA	NA	NA	
(h) Net capital turnover ratio	Total Income	Average Working Capital	NA	NA	NA	
(i) Net profit ratio	Net Profit	Total Income	17.92%	21.71%	-17.48%	Decrease in net profit
(j) Return on Investment	-	-	NA	NA	NA	

Note: The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Master Direction Non - Banking Financial Company Housing Finance Company (Reserve Bank) Directions, 2021 as at 31 March 2023 and 31 March 2022.

Note 32: Contingent liabilities, capital & other commitments

Particulars	Current Year	Previous Year
	2022-23	2021-22
(i) Contingent Liabilities :-		
(a) Claims against the company not acknowledged as debt		
Income Tax Liability*	378.82	280.04
(b) Other money for which the company is contingently liable	21.85	24.79
(ii) Commitments :-		
(a) Undisbursed amount of housing and other loans	1,077.70	478.00
(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, 2023 the Company has an amount of 3.78 crores involved in pending tax litigations.



Notes: 33 The Company has taken borrowings from banks and financial institutions and utilized them for the specific purpose for which they were taken as at the Balance sheet date. Unutilized funds as at March 31, 2023 are held by the Company in the form of short term fund till the time the utilization is made subsequently.

Notes: 34 There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2023 and March 31, 2022, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2023 and March 31, 2022.

Note: 35 No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2023 and March 31, 2022.

Note: 36 The Company has borrowings from Banks and Financial Institutions on the basis of security of current assets and the statements of current assets filed by the Company with Banks and Financial Institutions are in accordance with the books of accounts of the Company.

Note: 37 The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2023 and March 31, 2022.

Note 38: 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 39: 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 40: The Company has not been declared as willful defaulter by any bank or FI or other lender

Note 41: There are no transaction (Including investment in Securities/ share held by struck off company & other outstanding balances) with companies struck off u/s 248 of companies act 2013, or section 560 of companies act 1956.

Note 42: There are no charges or satisfactions of charges which are yet to be registered with registrar of companies beyond the statutory period.

Note 43: The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

Note 44: No Scheme of arrangement has been approved by the competent authority in term of sections 230 to 237 of the companies act 2013.

Note 45: The amount of Rs.13.41 Lakhs is recoverable from Mentor Finmart Pvt.Ltd.

Note 46: There are no such transaction or undisclosed income that need to be disclosed in accordance with the provisions of Income Tax Act, 1961 in current year and previous year

Note 47: company has not traded or invested in crypto currency or virtual currency during the financial year.

Note 48: There are five criminal cases pending related to directors on behalf of company and the amount involved is not more than Rs. 2.00 lakh and there is no financial impact on the company.

Note 49: For the periods ended on 31st March 2023, 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 50: As a part of normal lending business, the company grants loans and advances on the basis of security / guarantee provided by the Borrower/ co-borrower. These transactions are conducted after exercising proper due diligence. Other than the transactions described above, during the year:

- No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries);
- No funds have been received by the Company from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note 51: 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 52: 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 53: 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 1.09 Crores

Note 54: For the periods ended on 31st March 2023, 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 55: There are no amount to be reflected under payable to Investor Protection Fund.

Note 56: Previous Year Balances have been regrouped wherever considered necessary.

For Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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



Annexure I to Note No. 49 to the Standalone Financial statements for the year ended March 31, 2023

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, 2023.

3. Disclosure:

3.1. Capital to risk assets ratio(CRAR)

Sr. No.	Item	Year Ended 31-03-2023	Year Ended 31-03-2022
1)	CRAR %	91.74%	82.96%
2)	CRAR- Tier I Capital %	82.88%	73.17%
3)	CRAR- Tier II Capital %	8.86%	9.79%
4)	Amount of subordinated debt raised as Tier- II Capital	15 Crs	17 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. 15 crores(Rs. 17 crs in FY 2021_22) 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	(Amount in Crores)	
	31-03-2023	31-03-2022
Balance at the beginning of the year		
a)Statutory Reserve u/s 29C of National Housing Bank, Act 1987	0.99	0.81
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	21.33	18.26
c)Total	22.32	19.07
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	0.36	0.19
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	1.97	3.07
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	1.36	0.99
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	23.30	21.33
c)Total	24.66	22.32



3.3. Investment

S.No.	Particulars	(Amount in Crores)	
		Current Year	Previous Year
		(2022-23)	(2021-22)
	1. Value of Investments		
(i)	Gross value of Investments		
	(a) In India	6.96	3.39
	(b) Outside India	-	-
(ii)	Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
(iii)	Net value of Investments		
	(a) In India	6.96	3.39
	(b) Outside India	-	-
	2. Movement of provisions held towards depreciation on investments		
(i)	Opening balance	-	-
(ii)	Add: Provisions made during the year	-	-
(iii)	Less: Write-off / Written-bank of excess provisions during the year	-	-
(iv)	Closing balance	-	-

3.4. Derivatives

3.4.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

	Particulars	(Amount in Crores)	
		Current Year	Previous Year
		(2022-23)	(2021-22)
(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

	Particulars	(Amount in Crores)	
		(2022-23)	(2021-22)
		(2022-23)	(2021-22)
(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 2023(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**

		(Amount in Crores)	
S. No.	Particulars	(2022-23)	(2021-22)
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

		(Amount in Crores)	
	Particulars	Current Year	Previous Year
		(2022-23)	(2021-22)
(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**

		(Amount in Crores)	
	Particulars	Current Year	Previous Year
		(2022-23)	(2021-22)
(i)	No. of accounts	1233	2428
(ii)	Aggregate value (net of provisions) of accounts assigned	35.06	83.22
(iii)	Aggregate consideration	35.06	83.22
(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:**

		(Amount in Crores)	
	Particulars	Current Year	Previous Year
		(2022-23)	(2021-22)
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:

		(Amount in Crores)	
	Particulars	Current Year	Previous Year
		(2022-23)	(2021-22)
1	No. of accounts sold	Nil	Nil
2	Aggregate outstanding	Nil	Nil
3	Aggregate consideration received	Nil	Nil

3.5.5. During the year no Non Performing Financial Assets were purchased/ sold from other HFCs.

3.6. Assets Liability Management

Maturity pattern of certain types of items of Assets & Liabilities as on 31st March 2023

Particulars	Liabilities				Assets		
	<u>Borrowing From Banks</u>	<u>Deposits</u>	<u>Market Borrowings</u>	<u>Foreign Currency Liabilities</u>	<u>Foreign Currency Assets</u>	<u>Advances</u>	<u>Investments</u>
1 day to 7 days	1.08	-	-	-	-	3.19	1.26
8 days to 14 days	0.28	-	-	-	-	0.03	4.37
15 days to 31 days	2.91	-	-	-	-	0.12	5.78
Over 1 Months to 2 Months	4.37	-	-	-	-	0.16	6.34
Over 2 Months to 3 Months	5.44	-	-	-	-	2.88	3.28
Over 3 Months to 6 Months	13.63	-	-	-	-	6.81	6.00
Over 6 Months to 1 Year	40.73	-	-	-	-	25.65	11.86
Over 1 Years to 3 Years	53.88	-	-	-	-	86.37	0.00
Over 3 Years to 5 Years	28.09	-	-	-	-	75.63	0.60
Over 5 Years	20.57	-	-	-	-	81.56	0.24
TOTAL	170.98	-	-	-	-	282.40	39.73



Maturity pattern of certain types of items of Assets & Liabilities as on 31st March 2022.

Particulars	Liabilities				Assets		
	<u>Borrowing From Banks</u>	<u>Deposits</u>	<u>Market Borrowings</u>	<u>Foreign Currency Liabilities</u>	<u>Foreign Currency Assets</u>	<u>Advances</u>	<u>Investments</u>
1 day to 7 days	1.25	-	-	-	-	3.02	5.76
8 days to 14 days	0.27	-	-	-	-	0.04	16.99
15 days to 31 days	4.12	-	-	-	-	2.58	2.82
Over 1 Months to 2 Months	4.54	-	-	-	-	4.72	3.32
Over 2 Months to 3 Months	5.63	-	-	-	-	4.75	5.70
Over 3 Months to 6 Months	15.63	-	-	-	-	14.43	11.72
Over 6 Months to 1 Year	47.80	-	-	-	-	29.45	18.47
Over 1 Years to 3 Years	98.92	-	-	-	-	99.95	1.00
Over 3 Years to 5 Years	32.83	-	-	-	-	68.14	0.06
Over 5 Years	33.81	-	-	-	-	91.95	0.25
TOTAL	244.80	-	-	-	-	319.03	66.09

** Investments includes cash and cash equivalents, investment and fixed deposit.

Note: The Company does not have deposits, foreign currency liabilities, foreign currency assets as at 31 March 2023 and 31 March 2022

3.7. Exposure

3.7.1. Exposure to Real Estate Sector

		(Amount in Crores)	
Category		Current Year	Previous Year
a)	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. Exposure would also include non-fund based (NFB) limits	282.40	318.94
	(ii) Commercial Real Estate -		
	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;	-	0.09
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a) Residential		
	b) Commercial Real Estate		
b)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		
Total Exposure to Real Estate Sector		282.40	319.03

**3.7.2. Exposure to Capital Market**

Particulars		(Amount in Crores)	
		Current Year	Previous Year
		(2022-23)	(2021-22)
(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;	0.23	0.24
(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;	-	-
(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;	-	-
(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;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(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;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
Total Exposure to Capital Market		0.23	0.24

3.7.3. Exposure to Sectorial

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (Rs. in Crores)	Gross NPAs (Rs. in Crores)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (Rs. in Crores)	Gross NPAs (Rs. in Crores)	Percentage of Gross NPAs to total exposure in that sector
1.Agriculture						
2. Industry						
3.Services						
4.Personal Loans						
i. Housing	293.02	3.53	1.20%	329.43	4.29	1.30%
ii. LAP	104.91	0.73	0.70%	106.96	2.42	2.26%
iii. Other Personal Loans						
Total Personal Loans	397.93	4.26	1.07%	436.39	6.70	1.54%



3.7.4. Details of financing of parent company products Nil

3.7.5. Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by HFC Nil

3.7.6. 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

3.7.7. 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

3.7.8. Exposure to Intra group

S.No.	Description	(Amount in Crores)	
		Current Year (2022-23)	Previous Year (2021-22)
(i)	Total amount of Intra-group exposures	Nil	Nil
(ii)	Total amount of top 20 intra group exposures	Nil	Nil
(ii)	Percentage of intra-group exposure to total exposure of the NBFC on borrowers/customers	Nil	Nil

3.7.9. Unhedged foreign currency exposure :- Nil



3.7.10 Related Party Disclosure

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Directors		Key Management Personnel*		Relatives of Directors		Relatives of Key Management Personnel		Others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Items																		
Borrowings																		
Outstanding	-	-	-	-	-	-	-	-	-	-	2.50	1.03	-	-	-	-	2.50	1.03
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	3.76	4.70	-	-	-	-	3.76	4.70
Deposits																		
Outstanding	-	-	-	-	-	-	0.45	0.37	-	-	-	-	-	-	-	-	0.45	0.37
Maximum Outstanding	-	-	-	-	-	-	0.45	0.37	-	-	-	-	-	-	-	-	0.45	0.37
Placement of deposits																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments																		
Outstanding	-	0.01	0.01	0.01	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.01
Maximum Outstanding	-	0.01	0.01	0.01	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.01
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	0.38	0.50	-	-	-	-	0.38	0.50
Interest received	-	-	-	-	-	-	0.07	0.04	-	-	-	-	-	-	-	-	0.07	0.04
Rent	-	-	-	-	-	-	-	-	-	-	0.24	0.24	-	-	-	-	0.24	0.24
Remuneration	-	-	-	-	-	-	1.20	1.20	0.13	0.10	0.54	0.48	-	-	-	-	1.87	1.78

*Note: Disclosures for KMPs and relatives of KMPs does not include the disclosure for directors and relatives of directors as the same is being made separately in separate columns.



4. Miscellaneous

4.1. Registration obtained from other financial sector regulators

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

There are no penalties levied by NHB in FY 2022-23.

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

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

4.4. Remuneration of Directors

Already disclosed in financial statement under Note no. - 30 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

We have Already disclosed in financial statement under Note no. - 30 Related Party Transaction.

4.7. Group Structure

Diagrammatic representation of group structure

Mentor Home Loans India Limited



Mentor Foundation

Note: Apart from above the company has following Promoters group companies: Mentor Alliance India Private Limited and Tradepool Investmart Private Limited

4.8. Consolidated Financial Statements

Applicable

4.9. Revenue Recognition

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

4.10. Management

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

4.11. Breach of covenant

The company has complied with all the material covenants of borrowing facilities throughout the year ended 31.03.2023

4.12. There has been no divergence in assets classification and provisioning requirements as assessed by NHB during the year ended 31.03.2023 & 31.03.2022

5. Additional Disclosures

5.1. Provision and Contingencies



S. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Current Year	Previous Year
		(2022-23)	(2021-22)
1	Provisions for depreciation on Investment	-	-
2	Provision made towards Income tax(Gross)	3.51	5.00
	Less : Income Tax paid	(3.35)	(3.91)
	Provision made towards Income tax(Net)	0.16	1.09
3	Provision towards NPA	2.81	1.96
4	Provision/(Reversal of Provision) for Standard Assets (with details like teaser loan, CRE, CRE-RH, etc.)*	(0.42)	(0.89)
5	Other Provision and Contingencies (Provision for Expenses)	0.28	0.33

*Provision/(Reversal) for Standard Assets includes CRE of Rs. 0.10 Lakh (P.Y Rs. 1.36 Lakh) , CRE-RH of Rs. 0.08 Lakh (P.Y. Rs. 0.27 Lakh) and Non CRE of Rs. 41.35 Lakh (P.Y Rs. 87.71 Lakh).

S. No.	Break up of Loan & Advances and Provisions thereon	(Amount in Crores)			
		Housing		Non-Housing	
		(2022-23)	(2021-22)	(2022-23)	(2021-22)
1	Standard Assets				
	a) Total Outstanding Amount	202.55	235.39	75.58	76.94
	b) Provisions made	0.53	0.86	0.32	0.40
2	Sub-Standard Assets				
	a) Total Outstanding Amount	3.02	0.90	0.63	0.73
	b) Provisions made	0.82	0.13	0.16	0.11
3	Doubtful Assets Category-I				
	a) Total Outstanding Amount	0.12	0.98	0.09	0.31
	b) Provisions made	0.04	0.24	0.03	0.08
4	Doubtful Assets Category-II				
	a) Total Outstanding Amount	0.40	2.41	0.01	1.38
	b) Provisions made	0.21	0.96	0.00	0.55
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	206.08	239.68	76.32	79.36
	b) Provisions made	1.60	2.20	0.51	1.14

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**

		(Amount 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 Loans & Advances		
	Total Loans & Advances to twenty largest borrowers	12.15	9.44
	Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	4.30%	2.96%
5.3.3	Concentration of all Exposures (including off-balance sheet exposure)		
	Total Exposure to twenty largest borrowers / customers	12.15	9.44
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	3.05%	2.16%

5.3.4. Concentration of NPAs

	Total Exposure to top ten NPA accounts	1.09	1.14
--	--	------	------

5.3.5. Sector-wise NPAs

		Percentage of NPAs to Total Advances in that Sector	
	Sector	Current Year	Previous Year
A.	Housing Loans:		
1	Individuals	1.71%	1.79%
2	Builders/Project Loans	-	-
3	Corporates	-	-
4	Other (Specify)	-	-
B.	Non-Housing Loans:		
1	Individuals	0.97%	3.04%
2	Builders/Project Loans	-	-
3	Corporates	-	-
4	Other (Specify)	-	-

5.4. Movement of NPAs

		(Amount in Crores)	
S.No.	Particulars	Current Year	Previous Year
(I)	Net NPAs to Net Advances (%)	1.07%	1.48%
(II)	Movement of NPAs (Gross)		
	a) Opening balance	6.70	6.68
	b) Additions during the year	3.60	2.98
	c) Reductions during the year	6.04	2.96
	d) Closing balance	4.26	6.70
(III)	Movement of Net NPAs		
	a) Opening balance	4.62	5.14
	b) Additions during the year	3.06	1.33
	c) Reductions during the year	4.68	1.85
	d) Closing balance	3.00	4.62
(IV)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	2.08	1.55
	b) Provisions made during the year	-	0.53
	c) write-off/write back of excess provision	(0.82)	
	d) Closing balance	1.26	2.08

**5.5. Overseas Assets**

S.No.	Particulars	Current Year	Previous Year
		(2022-23)	(2021-22)
(i)	No Overseas Assets	Nil	Nil

5.6. Off_balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored	
Domestic	Overseas
Nil	Nil

6. Disclosure of Complaints**6.1. Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

S.No.	Particulars	Current Year	Previous Year
		(2022-23)	(2021-22)
1	No. of complaints pending at the beginning of the year	3	4
2	No. of complaints received during the year	105	103
3	Number of complaints disposed during the year	106	104
	3.1 Of which, number of complaints rejected by the NBFC		
4	No. of complaints pending at the end of the year	2	3

Maintainable complaints received by the NBFC from Office of Ombudsman

5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	NA	NA
	5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NA	
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
6*	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* The Reserve Bank - Integrated Ombudsman Scheme, 2021 it is not applicable to the company.

6.2. Top five grounds of complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended 31 March 2023					
1. PMAY	-	3	-25.00%	-	
2. Transaction	-	6	20.00%	-	
3. Documents	1	37	37.00%	-	
4. Loan Closure Related	2	35	-13.00%	-	
Others	-	24	-11.00%	2	
Total	3	105	2.00%	2	



Year Ended 31 March 2022					
1. PMAY	-	4	-20.00%	-	
2. Transaction	-	5	-78.00%	-	
3. Documents	1	27	-23.00%	1	
4. Loan Closure Related	1	40	-2.00%	-	
Others	2	27	-50.00%	-	
Total	4	103	-16.00%	1	

7. Liquidity Risk Management Framework

			(Amount in Crores)
(i)			Funding Concentration based on significant counterparty (both deposits and borrowings)
Particulars			As at March 31, 2023
a)	Number of significant counter parties**		15
b)	Amount		163.02
c)	Percentage of funding concentration to total deposits		NA
d)	Percentage of funding concentration to total liabilities*		86.93%
	* 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, 2023
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, 2023
a	Total amount of top 10 borrowings	114.32
b	Percentage of amount of top 10 borrowings to total borrowings	66.86%

(iv) Funding Concentration based on significant instrument/product

Particulars		As at March 31, 2023	Percentage of total liabilities
a)	Borrowings from Banks/ Financial Institution	143.49	53.81%
b)	Borrowings from National Housing Bank (NHB)	-	0.00%
c)	Debt securities	-	0.00%
d)	Subordinated liabilities	25.00	9.38%

(v) Stock ratio

Particulars		As at March 31, 2023
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	41.43%
i	Other short term liabilities as a percentage of total assets	23.14%



(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

Particulars	(Amount in Crores)	
	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	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits)		-
(b) Deferred Credits	-	-
(c) Term Loans	136.68	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans (Cash credit, Securitization and Subordinated Liabilities)	34.30	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(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
(c) Other Public Deposits	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		282.40
(b) Unsecured		-
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(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		6.73	
(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		0.23	
(b) Preference		-	
(ii) Debentures and Bonds		-	
(iii) Units of mutual funds		-	
(iv) Government Securities		-	
(v) Others		-	
2. Unquoted			
(i) Shares			
(a) Equity		0.01	
(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	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	



2. Other than related parties	280.29	-	280.29
Total	280.29	-	280.29

(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	0.01	0.01
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	7.03	6.96
Total	7.04	6.97

(8) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	4.26
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	3.00
(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, 2023
Total Assets	335.75
Less: Intangible assets	0.00
Net total Assets	335.75
Housing Finance	206.08
Individual Housing Finance	206.08
Percentage of housing finance to total assets (netted off intangible assets)	61.38%
Percentage of individual housing finance to total assets (netted off intangible assets)	61.38%
Percentage of individual housing finance to housing finance	100.00%

13. Disclosures pursuant to RBI Notification-RBI/DOR/2021-22/86

DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

(a) Details of transfer through assignment in respect of loans not in default during the year.	(Amount in Lakhs)	
<u>PARTICULARS</u>	Current Year	Previous Year
	2022-23	2021-22
Entity	Housing Finance Company	Housing Finance Company
Count of loan accounts assigned	1,233	2,428
Amount of loan accounts assigned	Rs. 3,506.80	Rs. 8,322.46



	Lakhs	Lakhs
Weighted Average Maturity	38 Months	45 Months
Weighted Average Holding Period	61 Months	47 Months
Retention of beneficial economic interest (MRR)	10%	10%
Coverage of tangible security coverage	100%	100%
Rating wise distribution of rated loans	Unrated	Unrated

(b) The company has not transferred or acquired any stressed loans during the year.

(c) The company has not acquired, any loans not in default during the year.

14. Loan to Directors, Senior Officers and relatives of Directors

	(in Rs. Crores)	
Particulars	Current Year	Previous Year
	2022-23	2021-22
Directors and their relatives	0.45	0.37
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

As per our report of even date

For Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-

Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-

Sanjay Agarwal
Chairman
DIN :- 02403354

Sd/-

Pawan Kumar Goyal
Managing Director
DIN :- 00020153

Place : Jaipur

Date : 31-08-2023

Sd/-

Rohit Jain
Company Secretary
Membership No.: A47662



INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF
MENTOR HOME LOANS INDIA LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of **Mentor Home Loans India Limited** which includes joint operations (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31 March, 2023 and its profits and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Consolidated financial statements in accordance with the Standard on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the auditor's Responsibility for the audit of the Consolidated 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Emphasis of matters

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

- a) As draw the attention to the Note No.45 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.
- b) Closing balance of Direct Assignment parties is subject to

balance confirmation.

- c) Updation of CKYC and allotting Unique Customer Identification code for already sanctioned loans are doing by the company and also confirmed by the company to NHB for completing the same by 31st Mar 2024.

Our opinion is not modified in respect of these matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report, Business Responsibility Report and Corporate Governance Report, but does not include the Consolidated financial statements, consolidated financial statements and our auditor's reports 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.

As confirmed by the Management, Inspection was done by the National Housing Bank (NHB) during the Financial Year. In this regards, NHB has sent a supervisory letter to the Company and the Company has duly submitted its detailed reply to the NHB. Company is also comply with the NHB direction is in the process in the system.

- Our opinion on the Consolidated 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 Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



RESPONSIBILITIES OF MANAGEMENT'S FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows consolidated of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Consolidated 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 Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated 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 auditors' report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction,



supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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 Consolidated Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe the matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Consolidated Financial Statements comply with the Accounting Standards (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

Basant Kumar Goyal - Declaration and undertaking from in terms of Annex-VIII was not submitted by one of the Non-Executive Directors of the Company, Shri. Basant Kumar Goyal for financial year 2022-23.

- f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure -B'.
- g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. **The Company does not have any pending litigations which would impact its financial position.**
 - ii. **The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.**
 - iii. **There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.**
 - iv. **No dividend has been declared or paid during the year by the company.**

For Agrawal Jain and Gupta
Chartered Accountants
Firm Registration No.: 013538C

Sd/-
(CA Nitesh Agarwal)
Partner
M.NO: 406155
UDIN: 23406155BGYBXQ8011
Place: Jaipur
Date: 31st Aug 2023



Annexure 'A'

The Independent Auditor's report on the consolidated financial statements of Mentor Home Loans India Limited for the year ended 31 March 2023.

The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements” section of our report of even date.

(xxi) According to the information and explanations given to us, in respect of the following companies incorporated in India and included in the consolidated financial statements, Since, Mentor Foundation is a Section 8 Company and CARO report is not Applicable to them:

Name of the Entities	CIN	Subsidiary
Mentor Foundation	U85300RJ2021NPL076917	Wholly Owned Subsidiary Company

For Agrawal Jain and Gupta
Chartered Accountants
Firm Registration No.: 013538C

Sd/-
(CA Nitesh Agarwal)
Partner
M. NO : 406155
UDIN : 23406155BGYBXQ8011
Place : Jaipur
Date : 31st August 2023



Annexure - B to the Independent Auditors' Report

[Referred to in paragraph 6 (ii) (f) of our report of even date]

Report on the Internal Financial Controls Over Financials Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Mentor Home Loans India Limited

We have audited the internal financial controls over financial reporting of **MENTOR HOME LOANS INDIA LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended and as at on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Agrawal Jain and Gupta
Chartered Accountants
Firm Registration No.: 013538C

Sd/-
(CA Nitesh Agarwal)
Partner
M. NO : 406155
UDIN : 23406155BGYBXQ8011
Place : Jaipur
Date : 31st August 2023



MENTOR HOME LOANS INDIA LIMITED

REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2023

		(Rs. in Lakhs)	
Particulars	Notes No.	As at 31-03-2023	As at 31-03-2022
EQUITY AND LIABILITIES			
SHARE HOLDER'S FUND			
(a) Share capital	3	575.03	575.03
(b) Reserves and surplus	4	14,247.11	13,078.73
(c) Money received against share warrants		-	-
		14,822.14	13,653.76
NON-CURRENT LIABILITIES			
(a) Long-term borrowings	5	10,254.95	16,556.76
(b) Deferred tax Liabilities Net	6	475.05	474.65
(c) Other long-term liabilities		-	-
(d) Long-term Provisions	7	254.03	358.99
		10,984.03	17,390.41
CURRENT LIABILITIES			
(a) Short-term borrowings	8	6,843.61	7,924.26
(b) Trade Payables			
(i) Total Outstanding dues of micro enterprises and small enterprises and	9	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		16.35	36.22
(c) Other current liabilities	10	853.62	731.93
(d) Short term provisions	11	54.95	157.04
		7,768.53	8,849.45
TOTAL		33,574.71	39,893.62
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment & Intangible Assets			
(i) Property, Plant and Equipment	12	749.92	769.37
(ii) Intangible assets		0.15	0.17
(iii) Capital Work in Progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non-current investments	13	23.35	23.79
(c) Deffered Tax Assets (Net)		-	-
(d) Long Term Loans & Advances	14	24,354.95	26,004.11
(e) Other non-current assets	15	306.57	292.52
		25,434.95	27,089.96
CURRENT ASSETS			
(a) Current Investment	16	672.57	315.00
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Cash Equivalents	17	3,145.20	6,159.58
(e) Short Term Loans and Advances	18	3,884.62	5,899.32
(f) Other current assets	19	437.37	429.76
		8,139.76	12,803.66
TOTAL		33,574.71	39,893.62

Summary to Significant Accounting Policies

1 - 2

The Accompanying notes are integral part of the Financial Statements

For Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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

**MENTOR HOME LOANS INDIA LIMITED****REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004****CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st March 2023**

(Rs. in Lakhs)			
Particulars	Notes No.	Year ended 31-03-2023	Year ended 31-03-2022
INCOME			
I. Revenue from operations	20	6,490.38	7,442.57
II. Other income	21	31.20	45.06
III.Total Income(I+II)		6,521.58	7,487.63
IV.EXPENSES			
(a) Finance Cost	22	2,623.19	3,303.78
(b) Employee benefits expense	23	1,083.26	952.95
(c) Depreciation and amortization expenses	24	54.19	57.01
(d) Provisions	25	281.22	196.37
(e) Other expenses	26	959.64	780.01
Total Expenses		5,001.50	5,290.12
V.PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		1,520.08	2,197.51
VI. EXCEPTIONAL ITEMS		-	-
VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		1,520.08	2,197.51
VIII.EXTRAORDINARY ITEMS		-	-
IX.PROFIT BEFORE TAX(VII-VIII)		1,520.08	2,197.51
X.TAX EXPENSE			
1.Current Tax	27	351.19	499.90
2.Deferred Tax	6	0.38	72.44
3.Income Tax of Previous Years		-	-
XI. PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)		1,168.51	1,625.17
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)		1,168.51	1,625.17
Earning per Equity Share of Rs 10 each	28	20.32	28.26
a) Basic & Diluted EPS			

Summary to Significant Accounting Policies**1 - 2****The Accompanying notes are integral part of the Financial Statements**

For Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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

**MENTOR HOME LOANS INDIA LIMITED****REGISTERED OFFICE: MENTOR HOUSE, GOVIND MARG, SETHI COLONY, JAIPUR-302004****CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023**

(Rs. in Lakhs)		
Particulars	Year ended 31-03-2023	Year ended 31-03-2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	1,520.08	2,197.51
Adjustments for:		
Depreciation and amortization expenses	54.19	57.01
Provision for Expenses	8.76	(24.89)
Provision for Non-Performing Assets	281.22	196.37
Contingent provision against standard assets	(41.53)	(89.34)
Dividend income on investments	-	(0.22)
Profit on sale of Fixed Assets	(4.24)	-
	(26.96)	(44.85)
Profit on sale of Investments		
Operating profit before working capital changes	1,791.52	2,291.59
Movements in working capital:		
Changes in current assets and others	0.25	(9.46)
Changes in short term loans and advances	(7.86)	39.64
Changes in trade payables and other current liabilities	16.96	138.40
Cash generated from operations	1,800.87	2,460.17
Less: Direct Taxes paid	(351.19)	(499.90)
Dividend received	-	0.22
Net cash from Operations	1,449.68	1,960.49
Housing and Other Property Loans Disbursed (Net of repayments)	3,293.10	7,685.29
Net cash flow (used in) operating activities(A)	4,742.78	9,645.78
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(38.96)	(21.16)
Proceeds from other non current assets	34.85	131.03
Proceeds from security deposits	5.38	(2.32)
Proceeds from sale of fixed assets	20.27	-
Proceeds from sale of Investments	926.05	2,936.29
Purchase of Investments	(1,268.00)	(2,878.00)
Net cash used in investing activities(B)	(320.40)	165.84
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	(6,301.81)	(7,060.47)
Proceeds from short term borrowings	(1,080.65)	(1,953.09)
Net cash used in financing activities(C)	(7,382.46)	(9,013.56)
Net Increase/(Decrease) in cash and cash equivalents(A+B+C)	(2,960.08)	798.06
Cash & cash equivalents and Bank balances at the beginning of the period	4,911.01	4,112.95
Cash and cash equivalents and Bank Balances at the end of the period	1,950.93	4,911.01

**MENTOR HOME LOANS INDIA LIMITED**

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

	(Rs. in Lakhs)	
Note: 1 Components of Cash and Cash Equivalents and Bank Balances	Year ended 31-03-2023	Year ended 31-03-2022
CASH & CASH EQUIVALENTS AND BANK BALANCES AT THE END OF THE YEAR		
i) Cash in hand	97.75	56.70
ii) Cash at bank	438.90	91.72
iii) Imprest cash	0.27	0.27
iv) Fixed Deposit With Bank & Others (Free FDR)	1,414.02	4,762.33
TOTAL CASH AND CASH EQUIVALENTS	1,950.93	4,911.01

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 Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

1.1 Basis of preparation of financial statements: :

These consolidated financial statements have been prepared to comply with the Accounting Standards notified and the relevant provisions of the Companies Act, 2013.

1.2 Principle of Consolidation

"The consolidated financial statements relate to Mentor Home loans India Ltd ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"

b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.

c) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.

d) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

e) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

f) Investment in Associated companies has been accounted under the equity method per Accounting Standard (AS)-23-"Accounting for Investments in Associates in Consolidation Financial Statements".

g) The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its consolidated Profit and Loss Statement and through its reserves for the balance based on available information.

h) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements."

1.3 **Investments** other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

2. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements



Note 3: Share Capital	(Rs. in Lakhs)	
	31-03-2023	31-03-2022
	-	
Authorized Share Capital		
Equity Shares:		
1,00,00,000(P.Y.:1,00,00,000) Equity Shares of Rs.10 each	1,000.00	1,000.00
Issued, Subscribed and Fully paid-up Shares		
Equity Shares:		
5,750,300(P.Y.: 5,750,300) Equity Shares of Rs. 10/- each	575.03	575.03
Total Issued, Subscribed and Fully paid-up Share Capital	575.03	575.03

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	(Rs. in Lakhs)	No. of Shares	(Rs. in Lakhs)
	31-03-2023	31-03-2023	31-03-2022	31-03-2022
At the beginning of the Period	5,750,300	575.03	5,750,300	575.03
Add :Issued, Subscribed during the year	-	-	-	-
Outstanding at the end of the period	5,750,300	575.03	5,750,300	575.03

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 shareholding holding more than 5% shares in the company:

Equity shares of Rs. 10 each fully paid	31-03-2023		31-03-2022	
	No. of Shares	in %	No. of Shares	in %
i) Shri Pawan Kumar Goyal	782,600	13.61%	782,600	13.61%
ii) Shri Sahil Goyal	961,500	16.72%	961,500	16.72%
iii) Mentor Alliance India Pvt. Ltd.	850,000	14.78%	850,000	14.78%
iv) Mentor Home Basant Kumar Goyal Escrow Account	864,100	15.03%	864,100	15.03%
v) Mentor Home Kanishk Goyal Escrow Account	303,500	5.28%	303,500	5.28%

Details of shareholding of the promoters in the company:

Equity shares of Rs. 10 each fully paid	31-03-2023		31-03-2022		change During the year
	No. of Shares	in %	No. of Shares	in %	
i) Shri Girdhari Lal Goyal	256,500	4.46%	256,500	4.46%	0.00%
ii) Shri Pawan Kumar Goyal	782,600	13.61%	782,600	13.61%	0.00%
iii) Shri Sahil Goyal	961,500	16.72%	961,500	16.72%	0.00%
iv) Mentor Alliance India Pvt. Ltd.	850,000	14.78%	850,000	14.78%	0.00%
v) Mentor Home Basant Kumar Goyal Escrow Account	864,100	15.03%	864,100	15.03%	0.00%
vi) Mentor Home Kanishk Goyal Escrow Account	303,500	5.28%	303,500	5.28%	0.00%
vii) Mentor Home Utkarsh Goyal Escrow Account	233,500	4.06%	233,500	4.06%	0.00%



viii) Neema Goyal	229,000	3.98%	229,000	3.98%	0.00%
ix) Mohani Devi Goyal	218,500	3.80%	218,500	3.80%	0.00%
x) Pawan Kumar Goyal (HUF)	164,000	2.85%	164,000	2.85%	0.00%
xi) Garima Goyal	157,500	2.74%	157,500	2.74%	0.00%
xi) Mentor Home Anju Goyal Escrow Account	153,400	2.67%	153,400	2.67%	0.00%
xii) Mentor Home Basant Kumar Goyal HUF Escrow Account	96,100	1.67%	96,100	1.67%	0.00%

Note 4 : Reserves & Surplus	(Rs. in Lakhs)	
	31-03-2023	31-03-2022
i) Securities Premium Account:		
Balance as per last financial statements	1,309.56	1,309.56
Add: Current Year	-	-
Closing Balance	1,309.56	1,309.56
ii) Statutory Reserve (as per section 29C of National housing Bank Act, 1987)		
Balance as per last financial statements	99.19	80.67
Add: Current Year	36.39	18.51
Closing Balance	135.58	99.18

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 2022-23, the company has transferred 233.67 lakh to statutory reserve out which Rs. 197.29 lakh 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	(Rs. in Lakhs)	
Balance as per last financial statements	2,132.86	1,826.27
Add: Current Year	197.29	306.52
Closing Balance	2,330.15	2,132.80
	-	-
iv) General Reserve:		
Balance as per last financial statements	9,536.99	8,237.05
Add: Transfer from Surplus in Statement of Profit & Loss	934.83	1,300.14
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	10,471.83	9,537.19
v) Surplus in Statement of Profit & Loss:		
Balance as per last year	-	-
Add: Current Year	1,168.51	1,625.17
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)	(233.67)	(325.03)
Less: Appropriation of Fixed Assets	-	-
Less: Transfer to General Reserve	(934.83)	1,300.14
Closing Balance	-	-
Total Reserves & Surplus (i + ii + iii + iv + v)	14,247.11	13,078.73

**Note: 4 (a). Details of Statutory Reserves**

	(Rs. in Lakhs)	
Particulars	31-03-2023	31-03-2022
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of National Housing Bank, Act 1987	99.19	80.67
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	2,132.86	1,826.27
c) Total	2,232.05	1,906.95
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	36.39	18.51
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	197.29	306.52
Less: a) Amount Appropriated from the Statutory reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1) (viii) of Income Tax Act, 1961 which has been Taken into account for the purpose of 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	135.58	99.18
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	2,330.15	2,132.80
c) Total	2,465.74	2,231.98

Note 5: Long Term Borrowing	(Rs. in Lakhs)	
	31-03-2023	31-03-2022
i) Secured Loan:		
a) From Banks	4,176.65	7,151.33
b) From Financial Institutions/NBFC's/HFC'S.	4,327.82	6,802.80
ii) Unsecured Loan:		
a) From Financial Institutions	-	-
b) From Directors & Relatives	250.48	102.63
iii) Sub-Ordinated Liabilities		
a) Unsecured Subordinated Non Convertible Debentures	-	-
b) Subordinated Unsecured Loan	1,500.00	2,500.00
Total Long Term Borrowings (i + ii+iii)	10,254.9	16,556.76

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 debt taken from IDFC First Bank amounting to Rs. 25 crores of which Rs. 15 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 2023

Rating Agency	Type	FY 2022-23	FY 20222
Acuite Ratings and Research Limited	Long term Bank Facilities	Acuite BBB;Stable	Acuite BBB;Stable
Acuite Ratings and Research Limited	Unsecured Subordinated Non Convertible Debentures	Acuite BBB;Stable	Acuite BBB;Stable

Note 6: Deferred Tax Liabilities/Assets		(Rs. in Lakhs)	
		31-03-2023	31-03-2022
(a) Deferred Tax Assets			
1. On account of Depreciation		3.79	1.06
2. On account of Expenses to be allowed on payment basis		107.65	61.11
3. On account of other Expenses		-	-
TOTAL		111.44	62.17
(b) Deferred Tax Liabilities			
1. On account of deduction u/s 36(i)(viii)		586.50	536.82
2. On account of Depreciation		-	-
3. On account of other Expenses		-	-
TOTAL		586.50	536.82
Deferred Tax Liabilities/ Assets during the year (carried to Profit & Loss statement)		(0.38)	(72.44)
Less: Opening Balance		(474.67)	(402.21)
Net Deferred Tax (Liabilities)/Assets (carried to Balance Sheet)		(475.05)	(474.65)
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		(Rs. in Lakhs)	
		31-03-2023	31-03-2022
i) Provision against Standard Assets		84.46	125.99
ii) Provision for Non-Performing Assets		126.19	208.22
iii) Provision for Gratuity		43.38	24.78
Total Long Term Provisions		254.03	358.99

Note 7.1: Provisions for Non Performing Assets		
Opening balance of Provision	208.22	154.52
Add: provision created	281.22	196.37
Less: bad debts	363.25	142.67
	-	-
Closing balance of provision for NPA	126.19	208.22
Note 7.2: Detailed Gratuity Liability		
Particulars		
	(Rs. in Lakhs)	
	2022-23	2021-22
Opening defined benefit obligation at 1st April	24.78	21.31
Current Service Cost	7.63	4.68
Interest Cost	1.42	1.23
Actuarial loss/(gain)	9.99	(2.44)
Benefit paid	-	-



Closing defined benefit obligation at 31st March	43.82	24.78
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	24.78	21.31
Employee Benefit Expenses	19.04	3.47
Closing Provision in the books of accounts	43.82	24.78
Principal Actuarial Assumption		
Discount Rate	7.50%	5.75%
Expected Rate of Return	-	-
Salary Escalation	5.00%	5.00%

	(Rs. in Lakh)	
Note: 8. Short Term Borrowings	31-03-2023	03-31-2022
i) Loans Repayable on Demand		
Secured		
Overdraft facilities from Banks	679.66	1,119.91
Unsecured	-	-
ii) Current Maturities of Long Terms Borrowings	6,163.96	6,804.35
Total Short Term Borrowings	6,843.61	7,924.26

Note 8.1 Overdraft Facility from AU Small Finance Bank Ltd and IDFC First Bank Ltd is taken against hypothecation on stock as per sanction terms and personal guarantee including security given by director carrying interest rate between 9% to 12%.

Note 8.2 During the year Company has paid Non Convertible Debenture availed from AK Capital Service limited Amount to Rs. 5.00 Crore and at the end of the year company has no such liability for NCD.

9. Trade Payable	(Rs. in Lakhs)	
	31-03-2023	31-03-2022
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	16.35	36.22
Total	16.35	36.22

9 (a) Trade Payable Ageing Schedule:

		(Rs. in Lakhs)				
Particulars	Unbilled Due	Outstanding for following periods from due date of payment				Total
As at March 31, 2023		less than 1 year	1-2 year	2-3 year	More than 3 year	
(i) MSME	-	-	-	-	-	-
(i) Others	-	16.35	-	-	-	16.35
(i) Disputed dues- MSME	-	-	-	-	-	-
(i) Disputed dues- Others	-	-	-	-	-	-



9 (a) Trade Payable Ageing Schedule:

(Rs. in Lakhs)						
Particulars	Unbilled Due	Outstanding for following periods from due date of payment				Total
As at March 31, 2022		less than 1 year	1-2 year	2-3 year	More than 3 year	
(i) MSME	-	-	-	-	-	-
(i) Others	-	36.22	-	-	-	36.22
(i) Disputed dues- MSME	-	-	-	-	-	-
(i) Disputed dues- Others	-	-	-	-	-	-

9(b): There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the MSMED) pertaining to micro or small enterprises for the year ended March 31, 2023

Note: 10. Other Current Liabilities	(Rs. in Lakhs)	
	31-03-2023	31-03-2022
i) Expenses Payable	108.37	88.18
ii) ESI & PF Payables	3.36	3.33
iii) Statutory Dues	26.29	32.03
iv) First Loss Default Guarantee Payments	37.34	44.84
v) Sundry Payables	212.56	207.57
vi) Amount payable under Direct Assignment	465.69	355.98
Total Other Current Liabilities	853.62	731.93

Note 10(a): The company continued to prudently manage its assets and liability management (ALM) with the mix of long term borrowing from banks and financial institutions. Its has comprehensive liquidity management framework and maintains an abundant liquidity buffer to manage liquidity risk.

Note: 11. Short Term Provisions	(Rs. in Lakhs)	
	31-03-2023	31-03-2022
i) Provision for Income Tax (Net of Advance Tax and TDS Receivables)	16.40	108.66
ii) Provision for Corporate Social Responsibility	-	13.25
iii) Provision for Bonus Payable	38.55	35.14
Total Short Term Provisions	54.95	157.04

Note: 12 Depreciation Chart as on 31st March 2023 (As per Companies Act, 2013)

(Rs. in Lakhs)										
Particulars	Gross Block as on 1st April 2022	Addition during the year	Deduction during the year	Total Gross Block on 31st March, 2023	Depreciation			Total Depreciation	Net Block as on 31st March, 2023	Net Block as on 31st March, 2022
					Upto 1st April, 2022	During the Year	Deduction			
A. Property, Plant & Equipment										
Land	568.64	-	-	568.64	-	-	-	-	568.64	568.64
Vehicles	249.20	25.01	16.03	258.18	129.35	29.66	11.79	147.22	110.96	119.85
Computers	104.60	2.81	-	107.42	79.21	12.93	-	92.14	15.28	25.39
Office Equipments	43.18	3.26	-	46.43	32.03	4.63	-	36.65	9.78	11.15
Furnitures	83.96	7.88	-	91.83	39.63	6.95	-	46.58	45.26	44.33
Total A	1,049.59	38.96	16.03	1,072.51	280.22	54.16	11.79	322.59	749.92	769.37
B. Intangible Assets										
Trademark	0.24	-	-	0.24	0.07	0.02	-	0.09	0.15	0.17
Total B	0.24	-	-	0.24	0.07	0.02	-	0.09	0.15	0.17
Total (A+B)	1,049.83	38.96	16.03	1,072.75	280.29	54.19	11.79	322.68	750.07	769.54



B. Intangible Assets										
Trademark	0.24	-	-	0.24	0.07	0.02	-	0.09	0.15	0.17
Total B	0.24	-	-	0.24	0.07	0.02	-	0.09	0.15	0.17
Total (A+B)	1,049.83	38.96	16.03	1,072.75	280.29	54.19	11.79	322.68	750.07	769.54

Note 12 (a) : there are no immovable properties owned by company whose title deeds are not held in its name.

Note 12 (b) : During the year under review the company has not revalued its Property, Plant & Equipments (Including right to use assets).

Note 12 (c) : Intangible assets under Development

(i) Intangible assets under Development aging schedule - there is no intangible assets under Development as on 31.03.2023 and 31.03.2022.

(ii) No such case of intangible assets under development in which completion is overdue or has exceeded its cost compared to its original plan in the Company

Note 12 (d): Capital Work-in-Progress (CWIP)

(i) CWIP aging schedule - there is no balance of CWIP available as on 31.03.2023 and 31.03.2022

(ii) No such case of capital work in progress in which completion is overdue or has exceeded its cost compared to its original plan in the Company

		Quantity (No.)	(Rs. in Lakhs)	Quantity (No.)	(Rs. in Lakhs)
Note: 13. Non-Current Investments	FaceValue (Rs.per share)	31-03-2023	31-03-2023	31-03-2022	31-03-2022
a) Quoted Investment					
Antarctica limited	1	12000	0.17	12000	0.17
Ansal Properties & Infrastructure Limited	5	500	0.58	500	0.58
Empee Distilleries Limited	10	400	0.63	400	0.63
GTL Infrastructure Limited	10	12000	5.83	12000	5.83
Hotel Leela Venture Limited	2	1000	0.41	1000	0.41
Lyka Labs Limited	10	7700	3.12	7700	3.12
Megasoft Limited	10	5988	6.12	5988	6.12
NHPC limited	10	0	-	1300	0.45
Norben Tea & Exports Limited	10	2800	0.35	2800	0.35
Reliance Power Limited	10	2100	3.61	2100	3.61
Siti Cable Network Limited	1	11000	2.54	11000	2.54
Total Quoted investment			23.35		23.79
b) Mutual Funds			-		-
Total Non-Current Investments			23.35		23.79

Note: 14. Long Term Loans & Advances Under financing Activities	(Rs. in Lakhs)	
	31-03-2023	31-03-2022
<u>i) Loan & Other Credit Facility:</u>		
a)Housing Finance	17,747.03	19,598.88
b)Mortgage Loans	6,607.92	6,405.23
Total long term Loans & Advances	24,354.95	26,004.11



Break-up of Loans				
Particulars	Non-current Portion		Current Portion	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Housing Loans	17,747.03	19,598.88	2,861.28	4,368.49
Loans Against Property	6,607.92	6,405.23	1,023.34	1,530.83
Total	24,354.95	26,004.11	3,884.62	5,899.32

	31-03-2023	31-03-2022
a)Secured considered good	27,813.61	31,233.46
b)Secured (sub-standard& Doubtful)	425.96	669.97
(NPA as per NHB Guidelines)	-	-
Total Loans & Advances	28,239.57	31,903.43

Note 14(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 31.03.2023.

Note 14(b): The company has not granted any loans against gold jewellery as collateral security.

Note 14(c): The company has Housing loans sanctioned but un-disbursed amount is Rs.9.20 Crores as on 31 March 2023.

Note 14(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.

Particulars	Standard	Sub-standard	Doubtful	Loss	Total
Loan Outstanding					
Housing Loan	20,255.17	301.62	51.52	-	20,608.31
Loans against property	7,558.44	62.92	9.90	-	7,631.26
Project Loan	-	-	-	-	-
Total	27,813.61	364.54	61.42	-	28,239.57
Provisions					
Housing Loan	52.94	81.53	25.45	-	159.92
Loans against property	31.52	15.97	3.24	-	50.73
Project Loan	-	-	-	-	-
Total	84.46	97.50	28.69	-	210.65

Note: 15. Other Non-Current Assets		(Rs. in Lakhs)	
		31-03-2023	31-03-2022
i)Security Deposits		20.21	25.60
ii)Fixed Deposit With Bank & Financial Institutions (under lien)		131.49	106.40
iii) Other Non-Current Assets		110.34	123.19
iv)Loan to Director		44.52	37.34
Total Other Non-Current Assets		306.57	292.52



Note: 16. Current Investments		(Rs. in Lakhs)	
		31-03-2023	31-03-2022
a) SBI Mutual Funds (under lien)		215.00	215.00
b) Investment in Mutual Funds (Free)		457.57	100.00
Total Current Investments		672.57	315.00

Note 16(a): The Company has shown investments in shares/mutual funds at Historical Cost and the Market Value of the Investments as on 31st March 2023 is Rs. 6.93 Crore

		(Rs. in Lakhs)	
Note 17: Cash and Cash Equivalents		31-03-2023	31-03-2022
A) Cash & Bank Balances			
i) Balances With Banks		438.90	91.72
ii) Cash in Hand		97.75	56.70
iii) Imprest Cash Account		0.27	0.27
iv) Fixed Deposit With Bank & Others (Free FDR)		1,414.02	4,762.33
B) Other Bank Balances			
i) Fixed Deposit With Bank & Others (under lien)		1,194.27	1,248.56
Total Cash and Cash Equivalents		3,145.20	6,159.58

		(Rs. in Lakhs)	
Note 18: Short Term Loans and Advances (Current maturities of Loans & Advances Under Financing Activities)		31-03-2023	31-03-2022
<u>i) Secured & Considered Good:</u>			
a) Housing Finance		2,861.28	4,368.49
b) Loans Against Property		1,023.34	1,530.83
Total Short-Term Loans & Advances		3,884.62	5,899.32

		(Rs. in Lakhs)	
Note 19: Other Current Assets		31-03-2023	31-03-2022
i) Advance to Staff		36.16	36.41
ii) Income Tax Refund		145.50	145.50
iii) Other Current Assets		255.71	247.85
Total Other Current Assets		437.37	429.76

		(Rs. in Lakhs)	
Note 20: Revenue From Operations		31-03-2023	31-03-2022
i) Interest on Housing Finance		4,328.82	5,048.59
ii) Interest on Mortgage loan		1,662.39	1,892.37
iii) Other Operating Income		499.17	501.61
Total Revenue From Operations		6,490.38	7,442.57

		(Rs. in Lakhs)	
Note 21: Other Income		31-03-2023	31-03-2022
i) Dividend on share		-	0.22
ii) Profit on sale of Fixed assets		4.24	-
iii) Profit on sale of Investments		26.96	44.85
Total Other Income		31.20	45.06



(Rs. in Lakhs)			
Note 22: Finance Costs		31-03-2023	31-03-2022
i) Bank Interest & Charges		1,421.73	1,697.75
ii) Interest to Financial Institutions/NBFC's/HFC'S.		1,131.57	1,489.24
iii) Other Interest		42.12	57.51
iv) Other Borrowing Costs		27.76	59.28
Total Finance Costs		2,623.19	3,303.79

(Rs. in Lakhs)			
Note 23: Employee Benefit Expenses		31-03-2023	31-03-2022
i) Salaries and Bonus		919.36	805.73
ii) Directors Salary		120.00	120.00
iii) Contribution to Provident Funds and Others		43.91	27.22
Total Employee Benefit Expenses		1,083.26	952.95

(Rs. in Lakhs)			
Note 24: Depreciation and Amortization Expenses		31-03-2023	31-03-2022
i) Vehicles		29.66	28.65
ii) Computers		12.93	17.19
iii) Office Equipments		4.63	4.75
iv) Furniture & Fixtures		6.95	6.39
v) Trademarks		0.02	0.02
Total Depreciation and Amortization Expenses		54.19	57.01

(Rs. in Lakhs)			
Note 25: Provisions		31-03-2023	31-03-2022
i) Provision Against Standard Assets		-	-
ii) Provision for Non-Performing Assets(Net)		281.22	196.37
Total Provisions		281.22	196.37

(Rs. in Lakhs)			
Note 26: Other Expenses		31-03-2023	31-03-2022
i) Advertising and business promotion Expenses		22.89	21.00
ii) CIC's Expenses		4.00	19.23
iii) Commission & Brokerage Expenses		33.71	35.08
iv) CSR and Donation Expenses (refer note no. 26.1)		56.27	64.95
v) Electricity & Water Expenses		10.52	8.84
vi) Insurance Charges		6.88	7.27
vii) Legal & Consultancy Expenses		52.24	36.49
viii) Office Expenses		33.42	37.46
ix) Printing, Stationery & Postage		9.80	10.87
x) Professional Fees		72.66	87.40
xi) Rent		109.60	101.36
xii) Auditors Remuneration (refer note no. 26.2)		13.07	12.90
xiii) Repair & Maintenance		8.73	6.19



xiv) SARFAESI and other repo Expenses	190.60	128.21
xv) Software Expenses	76.81	84.43
xvi) Stamping Charges	6.72	43.98
xvii) Telephone Charges	14.64	15.13
xviii) Travelling & Conveyance	52.87	27.69
xix) Income Tax Expenses	9.49	30.72
xx) Bad Debts	154.27	-
xxi) Miscellaneous Expenses	20.46	0.84
Total Other Expenses	959.64	780.01

Note 26.1: DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES U/S 135 OF THE COMPANIES ACT, 2013:-
(Rs. in Lakhs)

Particulars	2022-23	2021-22
(a) Total Amount Required to be spent During the Year	56.01	64.40
(b) Total Amount of expenditure incurred during the year for current year obligation	56.19	64.44
(b) Total Amount of expenditure incurred during the year for previous year shortfall	-	47.47
(c) Amount Transferred to Unspent account as Section 135(6)	-	-
(c) shortfall at the end of year	-	-
(d) Total amount of previous years shortfall	-	-
(e) reason of shortfall	-	-

Nature of CSR activities

Promotion of health care, including preventive health care and sanitation, Eradication of hunger, poverty and malnutrition, promoting education, Ensuring environmental sustainability, animal welfare and Disaster management.

Excess spent amount as per companies Act, 2013

Particulars	Year ended March 31,2023	Year ended March 31,2022
Opening Balance - Excess spent	0.15	-
Amount required to be spent during the year	56.02	64.40
Amount spent during the year	56.19	64.55
Closing Balance - Excess spent	0.32	0.15

During the year ended March 31,2023, the company has spent excess amount of CSR amounting to Rs. 18 Lakh. The said pre-spent shall be carried forward in the next financial year in accordance with the provisions of company act Act, 2013

Details of related party transactions, e.g. Contribution to a trust controlled by the company or wholly owned subsidiary company in relation to CSR expenditure as per relevant Accounting Standard:-

Particulars	2022-23	2021-22
Mentor Foundation	14.12	8.54

The details of amounts spent towards CSR are as under:

Particulars	For the year ended March 31, 2023
a) Construction/Acquisition of any asset	
b) On purposes other than (a) above	56.19

Details of Ongoing Projects for FY 2022-23

Particulars	31-03-2023
Opening Balance	13.25
With Company	-
In CSR Unspent bank Account	13.25



Amount spent during the year		13.25
With Company	-	
In CSR Unspent bank Account	13.25	
Closing Balance		
With Company	-	-
In CSR Unspent bank Account	-	-

* The unspent amount of Rs. 13.25 lakhs pertains to FY 2020-21.

Note 26.2: Payment to Auditor	31-03-2023	31-03-2022
i) Statutory Audit Fees	4.30	4.30
ii) Tax Audit Fees	1.50	1.50
iii) Certification Fees	4.20	4.20
iv) Internal Audit Fees	3.00	2.85
	13.00	12.85

	(Rs. in Lakhs)	
Note 27: Provision for Tax	31-03-2023	31-03-2022
i) Provision for Current Year*	351.19	499.90

	(Rs. in Lakhs)	
Note 28: Earnings Per Share	31-03-2023	31-03-2022
Profit/ (Loss) after tax(before extraordinary items)	1,168.51	1,625.17
Less: Dividend on convertible preference share & tax there on	-	-
Net profit / (loss) for calculation of Basic EPS	1,168.51	1,625.17
Weighted average number of Equity Shares in calculating Basic EPS (in Actual)	5,750,300	5,750,300
Basic & Diluted Earnings Per Share (in Actual)	20.32	28.26
Note 29: 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 30: 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 Arms 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 | Mohini 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 | 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 |
| 4 | Mentor Foundation |
| 5 | Tradepool Investmart Pvt. Ltd. |
| 6 | G.L Goyal Charitable Trust |

	Particulars	Year ended	Loan Taken	Repayment	Interest Accrued	Balance at the end of FY
A.	<u>Key Management Personnel</u>					
i)	Pawan Kumar Goyal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-

**B. Relative of Key Management Personnel-**

i)	Garima Goyal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-
ii)	Mohani Devi Goyal	31.03.2023	-	0.77	7.68	59.48
		31.03.2022	-	0.68	6.77	52.56
iii)	Neema Goyal	31.03.2023	-	0.01	-	-
		31.03.2022	41.09	57.04	0.64	0.01
iv)	Pawan Kumar Goyal HUF	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-
v)	Sahil Goyal	31.03.2023	618.78	501.28	24.15	141.84
		31.03.2022	1,039.37	1,326.38	34.85	0.19
vi)	Laxmi devi Agarwal	31.03.2023	-	12.41	1.90	10.31
		31.03.2022	5.00	12.74	3.55	20.82
vii)	Anita Agarwal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-
viii)	Nita Agarwal	31.03.2023	-	2.70	2.21	16.00
		31.03.2022	4.00	1.72	2.21	16.49
ix)	Badri Prasad Agrawal	31.03.2023	-	1.69	1.38	10.00
		31.03.2022	-	1.07	1.38	10.31
x)	Girdhari Lal Goyal	31.03.2023	-	0.03	0.33	2.56
		31.03.2022	-	0.03	0.29	2.26
xi)	Rishab Agarwal	31.03.2023	10.00	0.70	1.01	10.31
		31.03.2022	-	-	-	-
		31.03.2022	-	-	4.19	37.34

	Particulars	Year ended	Loan Provided	Repayment	Interest Accrued	Balance at the end of FY
i)	Basant Kumar Goyal	31.03.2023	-	-	7.19	44.53

Related Party Entity

	Particulars	Year Ended	Relation	CSR Contribution	Investment made
i)	Mentor Foundation	31-03-2023	wholly owned Subsidiary Company	14.12	1.00
		31-03-2022		8.54	1.00

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	31.03.2023	-	120.00	-
		31.03.2022	-	120.00	-

B.Relative of Key Management Personnel

i)	Garima Goyal	31.03.2023	-	-	-	-
		31.03.2022	-	-	-	-
ii)	Sahil Goyal	31.03.2023	-	54.00	-	14.88
		31.03.2022	-	48.00	-	16.09
iii)	Pawan Kumar Goyal (HUF)	31.03.2023	-	-	-	9.16
		31.03.2022	-	-	-	7.92


Note: 31 ANALYTICAL RATIOS

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change	Reason of Variance
(a) Current Ratio	Current Aseets	Current Liablites	1.05	1.45	-27.58%	Decrease in Cash & Cash Equivalents, Short term borrowing Increased
(b) Debt Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.15	1.79	-35.66%	Decrease in short term and long term Borrowing
(c) Debt Service Coverage Ratio	PAT+Depreciation+ Provison+Finance cost+Principal Received	Total principal Repayments + Interest on Borrowings	1.08	0.97	12.18%	Increase in collection efficiency
(d) Return on Average Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholders Equity	8.21%	12.66%	-35.15%	Decrease in net profit
(e) Inventory turnover ratio	-	-	NA	NA	NA	
(f) Trade Receivables turnover ratio	-	-	NA	NA	NA	
(g) Trade payables turnover ratio	-	-	NA	NA	NA	
(h) Net capital turnover ratio	Total Income	Average Working Capital	NA	NA	NA	
(i) Net profit ratio	Net Profit	Total Income	17.92%	21.70%	-17.45%	Decrease in net profit
(j) Return on Investment	-	-	NA	NA	NA	

Note: The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Master Direction Non-Banking Financial Company Housing Finance Company (Reserve Bank) Directions, 2021 as at 31 March 2023 and 31 March 2022.

Note: 32 Statutory Company Information

Name of Group entity in the group	(Rs. in Lakhs)			
	As at 31st march 2023		As at 31st march 2023	
	Net Assets, i.e., total assets minus total liabilities		Share in Profit and Loss	
	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount
Parent				
Mentor Home Loans Ltd		14,822.49		1,168.37
Less: Inter Company elimination		(1)		-
Net of Elimination	100.00%	14,821.49	99.99%	1,168.37
Subsidiary				
Indian				
Mentor Foundation		0.65		0.14
Net of Elimination	0.004%	0.65	0.01%	0.14
Total	100%	14,822.14	100%	1,168.51

**Note 33: Contingent liabilities, capital & other commitments**

Particulars	(Rs. in Lakhs)	
	Current Year	Previous Year
	2022-23	2021-22
(i) Contingent Liabilities :-		
(a) Claims against the company not acknowledged as debt		
Income Tax Liability*	378.82	280.04
(b) Other money for which the company is contingently liable	21.85	24.79
(ii) Commitments :-		
(a) Undisbursed amount of housing and other loans	1,077.70	478.00
(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, 2023 the Company has an amount of 3.78 crores involved in pending tax litigations.

*The litigation amounting to 0.15 Crores out of Rs. 3.78 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.

*In against of Contingent liability in respect of Income tax demand we have deposited Rs. 0.70 crores to department, and it will be receive as refund when the matters will be decided in favour of the Company.

The company expects the favourable outcome of these proceedings.

Notes: 34 The Company has taken borrowings from banks and financial institutions and utilized them for the specific purpose for which they were taken as at the Balance sheet date. Unutilized funds as at March 31, 2023 are held by the Company in the form of short term fund till the time the utilization is made subsequently.

Notes: 35 There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2023 and March 31, 2022, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2023 and March 31, 2022.

Note: 36 No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2023 and March 31, 2022.

Note: 37 The Company has borrowings from Banks and Financial Institutions on the basis of security of current assets and the statements of current assets filed by the Company with Banks and Financial Institutions are in accordance with the books of accounts of the Company.

Note: 38 The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2023 and March 31, 2022.

Note 39: 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 40: 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 41: The Company has not been declared as willful defaulter by any bank or FI or other lender

Note 42: There are no transaction (Including investment in Securities/ share held by struck off company & other outstanding balances) with companies struck off u/s 248 of companies act 2013, or section 560 of companies act 1956.

Note 43: There are no charges or satisfactions of charges which are yet to be registered with registrar of companies beyond the statutory period.

Note 44: The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

Note 45: The amount of Rs.13.41 Lakhs is recoverable from Mentor Finmart Pvt.Ltd.



Note 46: As a part of normal lending business, the company grants loans and advances on the basis of security / guarantee provided by the Borrower/ co-borrower. These transactions are conducted after exercising proper due diligence. Other than the transactions described above

a. No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries);

b. No funds have been received by the Company from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note 47: There are no such transaction or undisclosed income that need to be disclosed in accordance with the provisions of Income Tax Act, 1961 in current year and previous year

Note 48: company has not traded or invested in crypto currency or virtual currency during the financial year.

Note 49: There are five criminal cases pending related to directors on behalf of company and the amount involved is not more than Rs. 2.00 lakh and there is no financial impact on the company.

Note 50: No Scheme of arrangement has been approved by the competent authority in term of sections 230 to 237 of the companies act 2013.

Note 51: 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 52: 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 53: 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 1.09 Crores

Note 54: For the periods ended on 31st March 2023, 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 55: There are no amount to be reflected under payable to Investor Protection Fund.

Note 56: Previous Year Balances have been regrouped wherever considered necessary.

As per our report of Even Date

For Agrawal Jain & Gupta
Chartered Accountant
FRN: 013538C

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

Sd/-
Nitesh Agarwal
Partner
Membership No. : 406155

Sd/-
Sanjay Agarwal
Chairman
DIN :- 02403354

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

Place : Jaipur
Date : 31-08-2023

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





CORPORATE SOCIAL RESPONSIBILITY





OUR MOMENTS AT MENTOR, FY 22-23





OUR MOMENTS AT MENTOR, FY 22-23





OUR MOMENTS AT MENTOR, FY 22-23



**Weblinks:**

The web link of the policies and framework placed on the Company's website as required under various regulations as applicable to the Company are provided below:

Sr. No.	Policy Name	Purpose	Weblink
1.	Nomination & Remuneration Policy	This policy provide the mechanism for evaluation of performance and deciding remuneration of Board and KMP.	https://mentorloans.co.in/policies-codes/
2.	KYC and AML Policy	This policy provides the process and mechanism for KYC and Anti Money Laundering guidelines issued by RBI.	https://mentorloans.co.in/policies-codes/
3.	Policy on Asset classification and Income Recognition	This provides the moratorium scheme on account of COVID-19 – Regulatory Package.	https://mentorloans.co.in/policies-codes/
4.	Corporate Social Responsibility (CSR)	This Policy provides an overall CSR frame work	https://mentorloans.co.in/policies-codes/
5.	Whistle Blower Policy	The Policy outlines the whistle blower mechanism of the Corporation	https://mentorloans.co.in/policies-codes/
6.	Resolution Framework for COVID-19 Related Stress	This provides the framework for implementation of viable resolution plans for eligible borrowers on account of COVID-19.	https://mentorloans.co.in/policies-codes/
7.	Information Booklet (MITC)	This document provides basic informations and Terms and conditions to the customers.	https://mentorloans.co.in/policies-codes/
8.	Fair Practice Code	This policy provide the transparency in business practices.	https://mentorloans.co.in/policies-codes/
9.	Grievance Redressal Policy	This Policy provides purpose and process of redressal of grievance of customers.	https://mentorloans.co.in/policies-codes/
10.	Related Party Transaction Policy	The Policy outlines the mechanism for dealing with related party transactions.	https://mentorloans.co.in/policies-codes/
11.	Internal Guidelines on Corporate Governance	This document provides for internal guideposts to maintain highest standards of Corporate Governance within the Company	https://mentorloans.co.in/policies-codes/
12.	Policy for Co-Lending of Loans	This policy provide the process about Co-Lending of Loans	https://mentorloans.co.in/policies-codes/

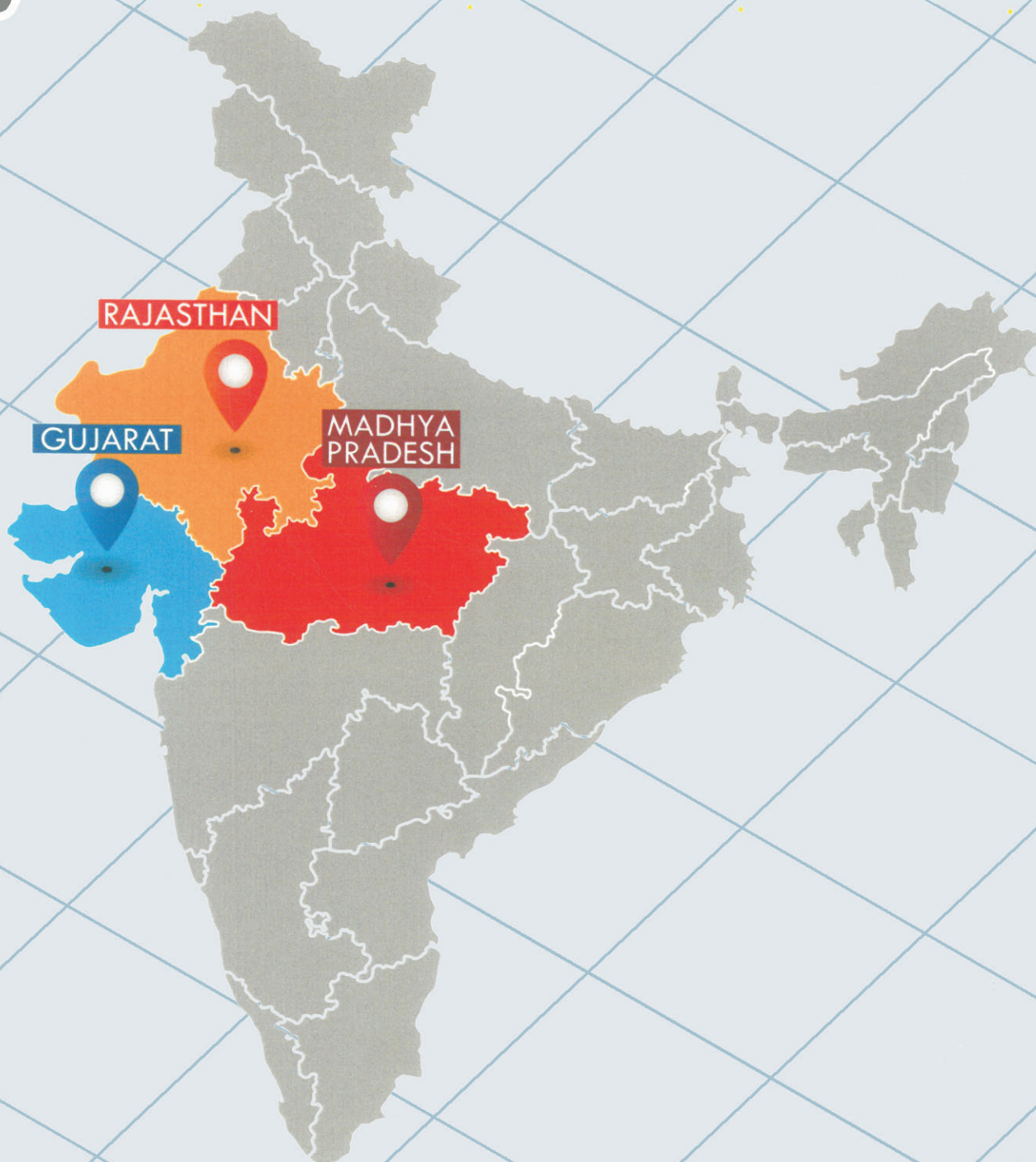




OUR PRESENCE



खुशियां आपकी साथ हमारा



Registered & Corporate Office :
Mentor House, Govind Marg,
Sethi Colony, Jaipur - 302004
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Web: www.mentorloans.co.in