

VIVA HOME FINANCE

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VIVA HOME FINANCE LIMITED

12th Annual Report 2022-2023

Management Discussion and Analysis

GLOBAL ECONOMIC OVERVIEW

On the surface, the global economy appears poised for a gradual recovery from the powerful blows of the pandemic and of Russia's unprovoked war on Ukraine. China is rebounding strongly following the reopening of its economy. Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding. Simultaneously, the massive and synchronous tightening of monetary policy by most central banks should start to bear fruit, with inflation moving back toward its targets.

In the latest forecast of IMF, global growth will bottom out at 2.8 percent this year before rising modestly to 3.0 percent in 2024. Global inflation will decrease, although more slowly than initially anticipated, from 8.7 percent in 2022 to 7.0 percent this year and 4.9 percent in 2024. Notably, emerging market and developing economies are already powering ahead in many cases, with growth rates (fourth quarter over fourth quarter) jumping from 2.8 percent in 2022 to 4.5 percent this year. The slowdown is concentrated in advanced economies, especially the euro area and the United Kingdom, where growth (also fourth quarter over fourth quarter) is expected to fall to 0.7 percent and -0.4 percent, respectively, this year before rebounding to 1.8 and 2.0 percent in 2024. Tentative signs in early 2023 that the world economy could achieve a soft landing—with inflation coming down and growth steady—have receded amid stubbornly high inflation and recent financial sector turmoil. Although inflation has declined as central banks have raised interest rates and food and energy prices have come down, underlying price pressures are proving sticky, with labour markets tight in a number of economies.

Overview of the Indian Economy

F Y 2023 began on a recovery mode leaving behind the under currents of the post pandemic era. While the recovery turned broad-based and domestic demand returned fast, especially for contract-based services. However, there were fresh headwinds with respect to inflation and slowdown of global growth.

Globally, central banks have been hiking interest rates sharply in response to inflation and economic slowdown. From February 2022 to March 2023, the US Federal Reserve raised interest rates by 450 basis points, while the European Central Bank raised rates by 300 basis points during the same period. The Reserve Bank of India (RBI) has also been increasing rates since May 2022 with a cumulative increase of 250 basis points to curb inflationary trends.

In comparison, to the US 10-year Treasury yield the India 10- year G-Sec yield increased by around 70 basis points from 6.77% in February 2022 to 7.46% in March 2023. However, it is worth noting that the level of yield is still lower than the levels seen in October 2018, which were around 7.85%. Moreover, the US has experienced a sharper increase in interest rates over the last 12 months, while in comparison, interest rates in India have risen at a lower rate and continue to remain lower than the rates prevailing during 2018. Indian banks have an adequate cushion to absorb interest rate change



Therefore, Indian banks have better resilience towards interest rate risk driven by these market shocks.

Housing Finance Industry

In FY23, the overall economy has recovered at a fast pace and the housing finance industry has witnessed a robust demand within the lending business. Size of real estate market is expected to reach 50 lac crore by FY 2025 and with more and more people accessing credit, the size of home loans is expected to reach ~20 lakh crore.

Our country consists of a young population, which is capable and more eager to invest in the real estate market than ever. Demand for bigger homes to support the improved standard of living and lifestyle of individual has boosted the demand for housing space. Increasing population and the work from home culture have pumped up the demand for bigger homes. Thus we have seen a surge in need for housing finance.

The growing importance of home loans can also be gauged from the fact that the ratio of outstanding individual home loans by Banks and HFCs in India's GDP has grown substantially in the last ten years.

India has seen a substantial growth in new business in the post pandemic era, due to increased access to credit and rising urbanization with wide reach to the unserved and underserved consumers.

Challenges faced by HFCs

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

- **Compressed NIMs:** During FY23, RBI has hiked its policy repo rate by 250 bps cumulatively. However, the transmission to end borrowers has been to the tune of 150-170 bps across the financial services segment. This has led to compression of NIMs of lending institutions.
- **High costs:** Delays in completion of housing projects, cost overruns due to the unavailability of labour and delayed investments by buyers in the affordable housing sector are affecting the housing market relatively.
- **High Customer Attrition:** HFCs are facing more and more difficulty in retaining customers. Borrowers with good track record are easy targets of banks who have the ability to lend at much more competitive rates as compared to HFCs.
- **Increased Competition:** New regional housing finance companies are giving stiff competition to the established players and at the same time, banks have stepped up efforts in increasing their presence in housing finance space. This would put additional pressure on the productivity and margins of housing finance companies.

Positives for HFCs in the near future:

- **Growth Remains Steady:** Growth for HFCs has remained strong during the pandemic with adequate regulatory and government support. Incrementally, growth has been seen across mid to large players, driven by parentage aiding their funding cost thereby driving overall competitiveness. The affordable category has seen strongest growth in the housing finance industry. The government thrust through Credit Linked Subsidy Scheme and Pradhan Mantri Awas Yojana schemes has 66 Annual Report 2022-23 been instrumental in driving the demand. Affordable players are expected to grow 16% yoy in FY24.



almost at similar rate as FY 23. The demand from home ownership aspirations in tier 2 and 3 cities will drive the growth.

- **Improving Funding Environment, NHB Pool to Have Wider Reach with Large Player Merging:** While the borrowing avenues differ across large and affordable players, funding for HFCs has remained largely stable. Mid-to-large players borrow through multiple channels, although the rising interest rates has increased the dependence on banks. Capital market borrowings have remained muted across players as pricing has remained high due to liquidity tightness in the system along with a moderation of funding appetite from mutual funds. A large incumbent merging with a bank would free-up fund availability from NHB side to existing incumbents, thus aiding funding cost. Also, affordable players have significant share of their funding coming from NHB, as it is lower in cost and this drives customer retention by withstanding competition from banks and SFBs.

- **Home Investment Plans:** Covid-19 made people rethink about their home buying and investments plans. The concept is to invest in a home, either to live or to leverage it as an asset that could generate an extra source of income, mainly to be used in a crisis period. More potential home owners are switching to the periphery areas for larger homes and a healthier lifestyle at more competitive rates with a viable work-from-home alternative.

VHFL'S PERFORMANCE REVIEW, FY 2022-23.

Income & Profits:-

The Financial Results for the year ended on 31st March, 2023 are briefly given below:-

PARTICULARS	2022-2023	2021-2022
	(Rs. In Hundred)	(Rs. In Hundred)
Total Income	2,31,950.33	2,38,230.31
Total Expenditure	2,16,947.34	2,25,281.11
Profit before exceptional and extraordinary items and tax	15,002.99	12,949.21
Exceptional items	-	-
Extraordinary items	-	-
Profit / Loss before Tax	15,002.99	12,949.21
Provision for Taxation	4,169.68	3,295.22
Profit after Tax	10,833.31	9,653.93
EPS (Basic & Diluted)	0.08	0.07



Operational Performance

Viva Home Finance Limited is a retail affordable housing finance company serving the low- and middle-income self-employed & Salaried customers in the semi-urban and rural areas of India. The Company offers its customers home loans for the purchase or construction of residential properties and the extension and repair of existing housing units. In addition to home loans, the Company offered customers other mortgage backed loans including loans against property.

Non-performing assets: The Company maintained its gross NPAs at Rs.95.49 Lakhs (6.70% of the loan assets) as on March 31, 2023. The Company reviewed its delinquency and loan portfolio on a regular basis. The Company confirmed to a defined policy with procedures to address delinquencies and collections. As a result, Gross NPA and Net NPA as at March 31, 2023 were 6.70% and 1.81 % respectively (compared to 5.78% and 3.20% respectively as at March 31, 2021).

Capital Adequacy Ratio: The Company is required to maintain a Capital adequacy ratio of 15% from March 31, 2023. The Company's capital adequacy ratio as of March 31, 2023 stood at 156.51 % as against 183.58% in the previous financial year, which was far above the minimum required level of 15%.

Particulars	Current Year	Previous Year
(i) CRAR (%)	156.51%	183.58%
(ii) CRAR - Tier I Capital (%)	155.99%	182.97%
(iii) CRAR - Tier II Capital (%)	0.52%	0.61%
(iv) Amount of subordinated debt raised as Tier- II Capital	NIL	NIL
(v) Amount raised by issue of Perpetual Debt Instruments	NIL	NIL

Internal Control System and their adequacy

The internal financial control of VHFL over financial reporting is a process that is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of Financial Statements for external purposes in accordance with the generally accepted accounting principles. The Company's internal financial control over financial reporting consists of the policies and procedures:

- 1) Pertaining to maintenance of the records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company
- 2) Providing reasonable assurance that transactions are being recorded as mandatory to permit the preparation of Financial Statements according to the generally accepted accounting principles and that the receipts and expenditures of the Company are prepared only in accordance with authorisations of management and Directors of the Company, and
- 3) Providing reasonable assurance to prevent or timely detect unauthorised acquisition, use or disposition of the Company's assets which may have a material effect on the financial statements. The Company has a robust internal audit programme, where the internal auditors, an independent firm of Chartered Accountants, conduct a riskbased audit to not only test the adherence to policies and procedures but to also suggest improvements in the processes and systems. The audit program is agreed upon by the Audit Committee. Internal audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of such recommendations.



CAUTIONARY STATEMENT

This statement describes the objectives, projections, expectation and estimations of the Company, which may be 'forward- looking statements' within the meaning of applicable securities laws and regulations. Forward- looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. The actual result may differ materially from those expressed in the statement or implied due to the influence of the external factors, which are beyond the Company's control. The Company assumes no responsibility to publicly amend, modify or revise any forward- looking statements on the basis of any subsequent developments.

By Order of the Board of Directors,

For Viva Home Finance Limited



Om Parkash Dua

Managing Director

[DIN-03645948]

Place: Virar

Date: 20th July 2023



DIRECTOR'S REPORT

To,
The Members,
Viva Home Finance Limited

The Board of Directors of your Company have pleasure in presenting before you the 12th Annual Report on the operational and business performance, along with Audited financial statements for the financial year ended March 31, 2023.

FINANCIAL RESULTS

The Financial Results for the year ended on 31st March, 2023 are briefly given below:-

PARTICULARS	2022-2023 (Rs. In Hundred)	2021-2022 (Rs. In Hundred)
Total Income	2,331,950.33	2,38,230.31
Total Expenditure	216,947.34	2,25,281.11
Profit before exceptional and extraordinary items and tax	15,002.99	12,949.21
Exceptional items	-	-
Extraordinary items	-	-
Profit / Loss before Tax	15,002.99	12,949.21
Provision for Taxation	4,169.68	3,295.22
Profit after Tax	10,833.31	9,653.93
EPS (Basic & Diluted)	0.08	0.07

WORKING OF THE COMPANY

The Company is a Housing Finance Company registered with the National Housing Bank (NHB) and now regulated by the Reserve Bank of India (RBI). Your Company is engaged in the primary business of providing a range of Home Loans and Home Improvement Loans, Loan Against Property to customers.

DIVIDEND

To conserve resources which would assist in future growth of the company, no dividend is recommended by the Board for the Financial Year ended 31st March, 2023.

PUBLIC DEPOSITS

During the year under review, your Company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits)



Rules, 2014. During the year, no amounts were outstanding which were classified as 'Deposits' under the applicable provisions of Companies Act, 1956 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

TRANSFER TO RESERVES

During the year under review, your Company has not transferred any amount to General Reserve and Rs. 216,666/- is transferred to the Statutory Reserve as per Section 29 C of NHB Act, 1987 out of the amount available in the Statement of Profit and Loss during FY 2022-2023.

SHARE CAPITAL

The Authorised Share Capital of the company is Rs. Rs.20,00,00,000/- and the paid up share capital of the company is Rs. 13,70,00,000 /-.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2022-2023.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is to maintain its objectivity and independence. Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

SUSTAINABLE DEVELOPMENT

Sustainability has been deeply embedded into the Company's business and has become an integral part of its decision making process while considering social, economic and environmental dimensions.

NON-PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY

Your Company Ensured Compliance with RBI Master Circular on Assets Classification and Provisioning pertaining to advances –Classifications dated 12 November 2021, in relation to identification, up-gradation and provisioning of non-performing assets (NPA).



Your Company has made adequate provision for the assets on which instalments are overdue for more than 90 days and on other assets, as required.

RECOVERY & COLLECTIONS

The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 (SARFAESI Act) has proved to be a useful recovery tool and the Company has been able to successfully initiate recovery action under the provisions of this Act, against the defaulting Borrowers. The Company has taken steps for recovery through sending demand notices to the defaulters and the same are being under process of recovery as per the process laid down under the SARFAESI Act and the rules framed thereunder. In order to prevent frauds in loan cases by mortgaging the same property with multiple lenders, the Government of India has set up Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) under Section 20 of the SARFAESI Act. Your Company has been filing requisite particulars of Mortgaged Properties with CERSAI as per the prevailing guidelines issued by CERSAI. Company in eligible NPA Accounts is also filing legal cases under section 138 of the Indian Negotiable Instrument Act, 1881.

RISK MANAGEMENT FRAMEWORK

Your Company is in the business of lending to individuals clients on secured basis. The Company faces various risks in its scale of operations. The Company has in place a Risk Management framework so that risks that the Company faces are identified, controlled and priced in a manner that the Company can continue its operations in a profitable and sustainable manner. The Company places significant emphasis on the adequacy of management of risk and the risk management framework is set to outline the approach towards risk and the process of oversight and management of the risks. Sound risk management systems would enable the Company to take risks knowingly, reduce risks where appropriate and strive to prepare for a future, which by its nature cannot be predicted with absolute certainty. Risk Management is a discipline at the core of our operations and encompasses all activities that affect its risk profile. The Risk management framework seeks to lay down the broad contours under which risks would be managed and controlled. Your Company follows the best practice for management of credit risk, market risk and operational risk and has put in place a comprehensive Risk Management Policy envisaging a robust risk management programme.

Your Company has in place a Risk Management Policy for identification, assessment, measurement and reporting of business risks faced by the Company. The Risk Management Committee oversees the Risk Management framework on a periodic basis. Risk Control and Mitigation mechanisms are tested for their effectiveness on regular intervals.

EXTRACT OF ANNUAL RETURN - [CLAUSE (A) OF SECTION 134 (3)]

The Details forming part of the extract of the Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with Company (Management and Administration) Rules, 2014, are set out herewith as Annexure I to this report and the same is available on website of the company i.e www.vhfl.in.



NUMBER OF MEETINGS OF THE BOARD: [CLAUSE (B) OF SECTION 134(3)]

During the financial year 2022-2023 Twelve (12) Board Meetings were convened and held. 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 and table showing details of Board Meetings is attached by way of Annexure II to this Report.

COMMITTEES OF THE BOARD

(a) AUDIT COMMITTEE

Your Company has an adequately qualified and experienced Audit Committee. As on 31st March, 2023, the Audit Committee comprised of Two Non-Executive Directors of which one is Independent Director. The Committee comprises of Mr. Dinesh Kumar Govil (Chairman and Independent Director), Mr. Omprakash Dua (Managing Director), Mr. Rohil Thakur Non-Executive Non-Independent Director.

The terms of reference of the Audit Committee are as follows:

- a) To recommend appointment, remuneration and terms of appointment of auditors and Internal Auditors of the Company;
- b) To review and monitor the Auditor's independence and performance, and effectiveness of audit process;
- c) To examine the quarterly and annual financial statements and the Auditor's Report thereon;
- d) To approve or subsequently modify transactions of the Company with Related Parties;
- e) To scrutinize inter-corporate loans and investments;
- f) To undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- g) To evaluate Internal Financial Controls and Risk Management Systems;
- h) To monitor the end use of funds raised through public offers and related matters;
- i) To formulate the scope, functioning, periodicity, and methodology for conducting the Internal Audit, in consultation with the Internal Auditor;
- j) To discharge from time to time such other acts, duties, and functions as may be assigned by the Board of Directors or prescribed under the Companies Act, 2013 or any other applicable law and Rules made thereunder.

The Audit Committee met 4 times during the year under consideration on 05/04/2022, 04/08/2022, 08/11/2022 & 09/01/2023.

The Board has accepted all the recommendations made by the Audit Committee during the year under consideration. The Chairman of the Board, Managing Director, Chief Financial Officer, Internal Auditor, and Statutory Auditors are regularly invited to attend the Audit Committee Meetings.



(b) RISK MANAGEMENT COMMITTEE

As on 31st March, 2023, the Risk Management Committee of the Board of Directors comprised of Three Members comprises of Mr. Dinesh Kumar Govil (Chairman and Independent Director), Mr. Omprakash Dua (Managing Director), Mr. Rohil Thakur, Non-Executive Non-Independent Director. The Committee met Four times during the year under consideration on 05/04/2022, 04/08/2022, 08/11/2022 & 02/01/2023.

(c) ALCO COMMITTEE

As on 31st March, 2023, the ALCO Committee of the Board of Directors comprised of Three Members comprises of Mr. Om Prakash Dua (Chairman and Managing Director), Mr. Dinesh Kumar Govil (Independent Director) & Mr. Rohil Thakur , Non-Executive Non-Independent Director. The Committee met Four times during the year under consideration on 05/04/2022, 04/08/2022, 08/11/2022 & 02/01/2023.



DIRECTORS' RESPONSIBILITY STATEMENT [CLAUSE (C) OF SECTION 134(3)]

Directors' Responsibility Statement prepared pursuant to the provisions of Section 134(5) of the Companies Act, 2013, is furnished below as required under Section 134(3)(c).

Directors state that:-

- a) That while preparing the Annual Accounts for the year ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) That 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 31st March, 2023 and of the Profit of the Company for that year.
- c) That 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.
- d) That the Directors had prepared the annual accounts on a going concern basis.
- e) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

HUMAN RESOURCES

Your Company today is a valued employer brand with a compelling employee value proposition. Your Company consistently focuses on talent acquisition and retention to ensure sustainable growth. Your Company's initiatives are aligned with its overall mission and strategy. It has adopted new technologies and has implemented employee-centric policies and practices to strike a balance between business needs and individual aspirations. Your Company's Human Resources initiatives and L&D system are designed to ensure an active employee engagement process, leading to better organizational capability and vitality for maintaining a competitive edge and in pursuing its ambitious growth plans.

REGULATORY & STATUTORY COMPLIANCES

During the year under review, the NHB/RBI has issued various guidelines to Housing Finance Companies. The updates on the guidelines are placed before the Board of Directors at regular intervals. The Company has put in place adequate systems and processes in place to ensure compliance with the applicable guidelines issued by NHB/RBI/other regulators. RBI issued Master Direction - Non-Banking Financial Company - Housing Finance Companies Directions, 2021 on February 17, 2021 & updated till 14th June 2022. The Company is implemented the aforesaid\ Master Directions.

During the year, no penalty was imposed on the Company by any of the Regulators.



ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

The Asset Liability Management Committee (ALCO) lays down policies and quantitative limits that involve assessment of various types of risks and shifts in assets and liabilities to manage such risks. ALCO ensures that the liquidity and interest-rate risks are contained within the limits laid down by the Board. The Company has duly implemented the NHB's Asset Liability Management Guidelines.

FAIR PRACTICE CODE

Your Company has in place a Fair Practice Code (FPC), which includes guidelines on appropriate staff conduct when dealing with the customers and on the organization's policies vis-à-vis client protection. The FPC captures the spirit of the National Housing Bank guidelines on fair practices for Housing Finance Companies. Your Company and its employees duly comply with the provisions of FPC.

CODES AND POLICIES & COMPLIANCES

Your Company has formulated various Policies and Codes in compliance with provisions of Directions and Guidelines issued by the National Housing Bank (NHB), Companies Act, 2013, other applicable laws to ensure high ethical standards in the overall functioning of the organization. The Policies and Codes are periodically reviewed by the Board of Directors.

ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Act and the Guidelines issued by National Housing Bank.

VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities and has established a Vigil Mechanism for Directors and Employees to report their genuine concerns.

As per the Whistle Blower Policy of the Company, Employees are free to report illegal or unethical behaviour, actual or suspected fraud or violation of the Company's Codes of Conduct or any improper activity, to the Chairman of the Audit Committee of the Board of Directors or Chairman of the Company.

Under the Whistle Blower Policy, confidentiality of those reporting violation(s) is protected and they are not subjected to any discriminatory practices. No personnel have been denied access to the Audit Committee.



COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

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.

DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

The Company has received declarations from all Independent Directors confirming that they fulfil the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013.

EXPLANATION / COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER, IF ANY, MADE BY THE AUDITOR OR COST AUDITOR OR SECRETARIAL AUDITOR [CLAUSE (F) OF SECTION 134(3)]

Statutory Auditors have not put any qualification or adverse remark in their Report. The appointment of Cost Auditor and Secretarial Auditor and obtaining their Report is not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186. [CLAUSE (G) OF SECTION 134(3)]

The Details of Loan, Guarantee and Investment under Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:

1. Loans Provided: Company has provided Loan of Rs.22.00 Lac to Managing Director.
2. Guarantees Given: Company has not given any Guarantee.
3. Details of investment in Equity Shares made by the Company as on 31st March, 2022 (including investment made in the previous years) in Quoted and Unquoted Securities is mentioned in Notes to Accounts.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) IN FORM AOC-2 [CLAUSE (H) OF SECTION 134(3)]

Pursuant to the provisions of Companies Act, 2013, the particulars of contracts or arrangements entered into by the Company with Related parties have been done at Arm's length basis and are in ordinary course of business. The further Disclosures relating to Related Parties are set out herewith as Annexure III to this Report.

FINANCIAL RESULTS AND THE STATE OF COMPANY'S AFFAIRS [CLAUSE (I) OF SECTION 134(3)]

The Company has earned the Profit before Tax of Rs. 15,00,299/- as against the Profit before Tax of Rs. 12,94,921/- of the previous year.



MATERIAL CHANGES & COMMITMENTS, IF ANY [CLAUSE (L) OF SECTION 134 (3)]

No material changes took place, nor were any commitments made by the Board affecting the financial position of the Company between the closures of this Financial Year under Report till the date of this Report.

INFORMATION UNDER SECTION 134 (3) (M):

A. Conservation of Energy:

Rs. Nil/-

B. Technology absorption:

Rs. Nil/-

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings: Rs. Nil/-

Foreign Exchange Outgo: Rs. Nil/-

STATEMENT ON RISK MANAGEMENT POLICY OF THE COMPANY [CLAUSE (N) OF SECTION 134(3)]

Your Company is committed to manage its risk in a proactive manner and has adopted a structured and disciplined approach to risk management by developing and implementing risk management framework. With a view to manage its risk effectively your Company has in place a Comprehensive Risk Management Policy which covers a formalized Risk Management Structure, alongwith other aspects of Risk Management i.e. Credit Risk Management, Operational Risk Management, Market Risk Management and Enterprise Risk Management. During the financial year under review, the risk management policy of the Company was revised to align the same with the changing business environment.

DETAILS OF CSR (CORPORATE SOCIAL RESPONSIBILITY) POLICY DEVELOPED BY THE COMPANY AND INITIATIVES TAKEN DURING THE YEAR [CLAUSE (O) OF SECTION 134(3)]

The provisions of Section 135 of the Companies Act, 2013 in respect of CSR activities are not applicable to the Company. The Company voluntarily also has not undertaken any CSR activity.

STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS: [CLAUSE (P) OF SECTION 134(3)]

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors has carried out an annual evaluation of its own performance and that of its Committees as well as performance of Directors individually.

Well-defined and structured questionnaires were used in the evaluation process, covering various aspects of the Board's functioning such as adequacy of composition of the Board and its Committees, Board culture, areas of responsibility, execution and performance of specific



duties, obligations, governance and compliance perspective. Evaluation was carried out based on feedback received from Directors.

A separate exercise was carried out by the Nomination and Remuneration Committee to evaluate performance of individual Directors. Performance evaluation of Independent Directors was carried out by the entire Board excluding the Director being evaluated. Performance evaluation of Non-Independent Directors and the Board, as a whole, was carried out by Independent Directors. Performance evaluation of the Chairman was carried out by Independent Directors. Directors have expressed satisfaction with the evaluation process.

THE MATTERS PRESCRIBED UNDER RULE 8 (5) OF COMPANIES (ACCOUNTS) RULES, 2014:

(i) The financial summary or highlights:

During the year under review the Net Revenue from Operations of the Company was Rs. 2,31,95,033/- as against Rs. 2,38,23,031/- of the previous year. The other details are enumerated in Para No 1 above.

(ii) The changes in the nature of business, if any;

There is no such change in the Nature of the Business of the Company.

(iii) The changes among the Directors or Key Managerial Personnel during the year:

Directors:

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mr. Om Prakash Dua (DIN 03645948) Managing Director of the Company retires by rotation at the forthcoming Annual General Meeting, and being eligible, has offered them self for re-appointment.

Key Managerial Personnel:

During the year under report, there was no change in Key Managerial Personnel.

(iv) The names of the companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associates during the year;

The Company does not have any subsidiaries, Joint Venture or associate companies.

(v) The details relating to deposits, covered under Chapter V of the Act in following form:

(a) Accepted during the year :- Rs. Nil

(b) Remained unclaimed or unpaid as at the end of the year :- Rs. Nil

(c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved



(i) At the beginning of	Rs. Nil
(ii) Maximum during the year	Rs. Nil
(iii) At the end of the year	Rs. Nil

(vi) The details of Deposits which are not in compliance with the requirements of Chapter V of the Act:

Rs. Nil

(vii) The details of significant and material orders passed by the regulators or Courts or tribunals impacting the going concern status and Company's operations in future:

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

(viii) The details in respect of adequacy of internal financial controls with reference to Financial Statements:

The Company has in place adequate internal financial control with reference to Financial Statements. The Management periodically reviews the financial performance of the Company against the approved plans.

PARTICULARS OF EMPLOYEES: (RULE 5(2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014.

None of employee in the Company who is in receipt of remuneration aggregating to Rs. 102/- Lacs or more per year or Rs.8.50 Lacs or more per month when employed for a part of the year and the particulars as required under (Rule 5(2) Of Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014.

OTHER MATTERS:

(a) Annexure: - Annexure I to III attached to this Report form an integral part of this Report. Also attached are the Reports from Statutory Auditors.

(b) Registers, Records and Books of Accounts in Electronic Format: -

The Board has passed a resolution approving maintenance of all statutory registers, records and books of accounts, as necessary and required under the Companies Act, 2013 and Rules made there under in electronic format with effect from 01.04.2014 Accordingly the Board has updated these Registers as per the provisions of Companies Act, 2013

(c) Disclosure of Interest by Directors: -



All Directors have disclosed their concern or interests in other company/ies, body, firms, association of individuals including shareholding and necessary forms have been taken on record by the Board of Directors.

(d) Statutory Auditors:-

M/s. Devpura Navlakha & Co. Chartered Accountants (Firm Registration No. 121975W), Statutory Auditors of the Company were appointed at the 11th Annual General Meeting of the Company held on 15th September 2022 for a period of one year till the conclusion of 12th Annual General Meeting of the Company to be held for the financial year ending 31st March 2023.

Audit Report issued by M/s. Devpura Navlakha & Co., Statutory Auditors of the Company does not contain any qualifications or observations or remarks in their Report. As per Section 134(3)(f) of the Companies Act, 2013, the Board states that during the year under review, there are no adverse comments or disqualifications made by the Statutory Auditors of the Company, during the course of their audit.

On the basis of recommendations from The Audit Committee, The Board of Directors at their Meeting held on 29/03/2023 recommended the reappointment of Ms/ Devpura Navlakha & Co. Mumbai, (Firm Registration No.121975W), Chartered Accountants, as the statutory auditors of the company, for the term of 1 year from the conclusion of 12th Annual General Meeting of the Company till the conclusion of the 13th Annual General Meeting of the Company to be held for the financial year ending 31st March, 2024, subject to the approval of the Members at the ensuing Annual General Meeting and subject to regulatory guidelines issued by the Reserve Bank of India, National Housing Bank and Ministry of Corporate Affairs.

M/s. Ms/ Devpura Navlakha & Co. Mumbai, (Firm Registration No.121975W), 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.

APPRECIATION

Your Directors wish to express their gratitude to the Bankers of the Company, for the timely financial assistance extended by them. Directors also Place on record their sincere appreciation for the contribution made by the employees of the Company at all levels.

Place: Virar
Date: 20th July 2023



By Order of the Board of Directors,
For Viva Home Finance Limited



Om Parkash Dua
Managing Director
[DIN-03645948]

ANNEXURE-I

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on Financial Year ended on 31st March, 2023

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. Registration & Other Details

1.	CIN	U65923MH2011PLC224883
2.	Registration Date	14th December,2011
3.	Name of the Company	Viva Home Finance Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	Thakur Arcade, 2nd Floor, Opp. Railway Station, Virar (West), Palghar - 401303 E-mail ID :- vhfl@vhfl.in Phone No: +91 7719085333/ + 91 250 2510013
6.	Whether listed company	No
7.	Name, address and contact details of Registrar and Transfer Agent, if any	N. A.

II. Principal Business Activities of the Company (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Financial Service (Home Loan and Mortgage Loan i.e Loan against Property)	9971	100

III. Particulars of Holding, Subsidiary and Associate Companies

The Company is not having any Holding, Subsidiary and Associate Company. Thus this Clause is not applicable.



IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-Wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April-2022]				No. of Shares held at the end of the year [As on 31st March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF		50,000	50,000	0.36		50,000	50,000	0.36	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Partnership Firm through its partners)	-	1,36,50,000	1,36,50,000	99.64	-	1,36,50,000	1,36,50,000	99.64	-
Total shareholding of Promoter (A)		1,37,00,000	1,37,00,000	100.00		1,37,00,000	1,37,00,000	100.00	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									



ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (HUF)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		1,37,00,000	1,37,00,000	100.00		1,37,00,000	1,37,00,000	100.00	-



B) Shareholding of Promoters-

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the End of the year			% change in Shareholding during the year
		No. of shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	M/s Viva Holdings	1,36,50,000	99.64	-	1,36,50,000	99.64	-	-
2	Mr. Mehul Deepak Thakur	11,250	0.08	-	11,250	0.08	-	-
3	Mr. Rohil Jayendra Thakur	7,500	0.05	-	7,500	0.05	-	-
4	Mr. Siddhartha Deepak Thakur	11,250	0.08	-	11,250	0.08	-	-
5	Mr. Rohan Jayendra Thakur	7,500	0.05	-	7,500	0.05	-	-
6	Ms. Priyanka Jayendra Thakur	7,500	0.05	-	7,500	0.05	-	-
	TOTAL	1,36,95,000	99.96	-	1,36,95,000	99.96	-	-

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

During the Financial Year 2022-2023, there is no Changes in the Promoter's Shareholding.

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1	At the beginning of the year	-	-	-	-
2	Date wise Increase/ decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus/ sweat equity etc)	-	-	-	-
3	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-



E) Shareholding of Directors and Key Managerial Personnel:

SN	Name of Director and Key Managerial Personnel	Shareholding as at the beginning of the year		Shareholding as at the End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Rohil Jayendra Thakur	7,500	0.05	7,500	0.05

V) Indebtedness -Indebtedness of the Company including interest outstanding/accrued but not due for payment.
(Amount in Rs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL



VI. Remuneration of Directors and Key Managerial Personnel-

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

(Amount in Rs)

Sr. No	Particulars of Remuneration	Name of MD	Total Amount
		Mr. Omprakash Dua (Managing Director)	
1	Gross salary	41,00,000/-	41,00,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	- -	- -
5	Others, please specify	-	-
	Total:	41,00,000/-	41,00,000/-

B. Remuneration to other directors:

1. Independent Director

Sr. No	Particulars of Remuneration	Mr. Dinesh Kumar Govil	Total Amount
	Fee for attending board / committee meetings		
	Commission		
	- Others, please specify	17,00,000/-	17,00,000/-
	Total (B)(1)	17,00,000/-	17,00,000/-
	Ceiling as per the Act	1,00,000 per meeting	



2. Other Director

Sl. No	Particulars of Remuneration			Total Amount
	Fee for attending board / committee meetings			
	Commission			
	- Others, please specify			
	Total (B)(2)			
	Total (B)= (B)(1)+ (B)(2)			17,00,000/-
	Ceiling as per the Act		1,00,000 per meeting	


VII. Penalties / Punishment/ Compounding of Offences:

During the Financial Year, there is no instant of any Penalty/ Punishment / Compounding of Offences under Companies Act, 2013, National Housing Bank Act and against any Director, Key Managerial Personnel and other Officer in Default.

By Order of the Board of Directors,
For Viva Home Finance Limited

Place: Virar
Date: 20th July 2023




Om Parkash Dua
Managing Director
[DIN-03645948]

Annexure II

Table showing Board Meetings during F.Y. 2021-2022 and its attendance

Sr. No.	Date of Board Meeting	Number of Directors on the date of Board Meeting	Number of directors who attended the Board Meeting	% of attendance
1	05-04-2022	3	2	66.67
2	10-05-2022	3	2	66.67
3	08-07-2022	3	2	66.67
4	04-08-2022	3	2	66.67
5	15-09-2022	3	2	66.67
6	08-11-2022	3	2	66.67
7	01-12-2022	3	2	66.67
8	22-12-2022	3	2	66.67
9	02-01-2023	3	2	66.67
10	06-02-2023	3	2	66.67
11	28-02-2023	3	3	100.00
12	29-03-2023	3	3	100.00



Annexure III

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto

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

SL No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
NIL								

2. Details of contracts or arrangements or transactions at Arm's length basis

SL No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
NIL						



DEVPURA NAVLAKHA & CO

Chartered Accountants

13, Timothy Building, 75, S.S. Gaikwad Marg, Opp. Metro Cinema, Mumbai- 400002
Mobile No. 9821155930, Email:- pkdevpura@rediffmail.com, pkdevpura@gmail.com

To,
The Board of Directors of
Viva Home Finance Limited
Virar, Dist. Palghar. 401303

Pursuant to the Housing Finance Companies (NHB) Directions 2016 in respect of Housing Finance Companies registered with National Housing Bank, as required by Chapter IV thereto, in addition to matters reported by us in our report under Section 143 of the Companies Act 2013, we hereby report that:-

- i. The Company has obtained a registration certificate from National Housing Bank, under Section 29A of NHB Act, 1987 vide registration number 09.0108.13 dated 4th September 2013.
- ii. The Company is engaged in the business of Housing Finance as defined in Section 2(d) of the NHB Act. We have examined the Principal Business Criteria of the Company as specified vide NHB Circular DOR.NBFC(HFC)No. 118/03.10136/2020-21 dtd. 22.10.2020 and confirm that out of total assets. The Company's percentage of Housing Finance to Total Assets is 58.86% which is more than minimum requirement of 55%. The Company meets the aforesaid principal business criteria.
- iii. The Company has received extension time till 30th September 2023 from RBI to meets the required Net Owned Fund (NOF) requirement as prescribed under section 29A of the National Housing Bank Act, 1987 & Master Direction-Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

The Company is not accepting public deposits and accordingly:-

- iv. The Company has complied with the provisions of section 29C of the NHB Act, 1987.
- v. The Board of Directors has passed a resolution for not accepting public deposit.
- vi. The Company has not accepted any public deposit during the year ended March 31, 2023.
- vii. The total borrowings of the Housing Finance Company are within the limits prescribed under paragraph 27.2 of the Master Direction Non- Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.
- viii. The company has complied with the Prudential Norms relating to Income Recognition, Accounting Standards, Assets 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, 2010 & Master Direction Non- Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

- ix. The Capital Adequacy Ratio has been disclosed in the Schedule II (Half Yearly) return submitted to the NHB in terms of the Housing Finance Companies (NHB) Directions, 2010 has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio (CRAR) Prescribed therein.
- x. The Company has furnished to the Bank within the stipulated period the Schedule –II (Half Yearly) return as specified in the Housing Finance Companies (NHB) Directions, 2010.
- xi. The Company is not accepting public deposits and accordingly submission of Schedule –III return on Statutory Liquid Assets as specified in the Housing Finance Companies (NHB) Direction, 2010 is not applicable.
- xii. The Company has complied with the requirements for opening of new Branches / Offices or in the case of closure of existing Branches / Offices as contained in the Housing Finance Companies (NHB) Directions, 2010;
- xiii. The provisions contained in paragraph 3.1.3 & Paragraph 3.1.4 & Paragraph 18 of the Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 are not applicable to the Company.
- xiv. This report is issued conjoint our report under Section 143 of the Companies Act, 2013 of the same date.

For Devpura Navlakha & Co
Chartered Accountants
Firm Reg. No.121975W



Pramod Kumar Devpura
Partner
Membership No. 033342



UDIN. 23033342B6VLYY2936

Place: Mumbai
Date: 20th July 2023

DEVPURA NAVLAKHA & CO

Chartered Accountants

13, Timothy Building, 75, S.S. Gaikwad Marg, Opp. Metro Cinema, Mumbai- 400002
Mobile No. 9821155930, Email:- pkdevpura@rediffmail.com, pkdevpura@gmail.com

INDEPENDENT AUDITORS' REPORT

To
The Members,
VIVA HOME FINANCE LIMITED
VIRAR, Dist. Palghar

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying Financial Statements of **VIVA HOME FINANCE LIMITED** which comprise the Balance Sheet as on 31st March 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("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 31st March 2023, its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.



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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements, that give a true and fair view of the state of affairs, financial performance and cash flows of the company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' responsibility

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 Act, we are



also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of Directors.
- 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.
- Obtain sufficient appropriate audit evidence regarding the Financial Statements of the Company to express an opinion on the Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its Directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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 statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:

1. 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.



2. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
3. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report is in agreement with the books of accounts maintained by the Company.
4. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement complies with the Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) rules, 2014 (as amended);
5. On the basis of written representations received from the Directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164(2) of the Companies Act;
6. We have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as of 31st March 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date and our report dated 20th July 2023 as per Annexure II expressed unmodified opinion;
7. 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, as detailed in Note 23 to the Financial Statements, has made provision, as required under the Housing Finance Companies (NHB) Directions, 2010, on the Housing and Non-housing loans; and did not have any other 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.
8.
 - 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 securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 (the ultimate Beneficiaries) or provide any guarantee, security or the like on behalf 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 ('the 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 performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the Management representations under sub- clauses (a) and (b) above contain any material misstatement.



9. The Company has not declared or paid any dividend during the year ended 31st March 2023.

With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, 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.

For Devpura Navlakha & Co.
Chartered Accountants
Firm Reg. No. 121975W

Pramod Kumar Devpura

Pramod Kumar Devpura
Partner
Membership No. 033342



UDIN: 23033342-BGVLYY2936

Place: Mumbai
Date: 20th July 2023

Annexure I to Independent Auditors' Report (Referred to in para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to

VIVA HOME FINANCE LIMITED

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- 1) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Property, Plant and Equipment and Right of use assets have been physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations furnished to us, the company does not have any immovable property, Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- e) 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 thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- 2) a) The Company is engaged in financing activities which does not involve maintenance of any inventory. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.
b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- 3) (a) The Company is a Housing Finance Company and its Principal Business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
(b) The Company has not provided any guarantee or given any security or granted any advances in the nature of loans during the year. However, the Company has granted loans and made certain investments and in our opinion, and according to the information and explanations given to us, the loans and investments made are, prima facie, not prejudicial to the interest of the Company.
(c) The Company is a Housing Finance Company ('HFC'), registered under provisions of the National Housing Bank Act, 1987 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular except for certain instances as below:

Particulars – Days past due	Total amount due(Rs. in Lakhs)	No. of Cases
1-29 days	1.07	10
30-59 days	2.71	10
60-89 days	3.89	8
90 or more days	95.49	23
Total	103.16	51



(d) According to the information and explanations given to us, the total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in course of the business operations of the Company aggregates to Rs.95.49 Lakhs as at 31 March 2023 in respect of 18 number of loans. Further, reasonable steps as per the Policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.

(e) The Company is a Housing Finance Company and its Principal Business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) In addition to loans granted as part of its principal business having repayment schedule, the Company has granted loan which is repayable on demand, as per details below (Rs. in lakhs):

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan	24.47	NA	22.00
- Repayable on demand (A)	--	NA	NA
- Agreement does not specify any terms or period of repayment (B)	24.47	NA	22.00
Total (A+B)	24.47	NA	22.00
Percentage of loans/advances in nature of loan to the total loans	1.71%	NA	1.54%

- 4) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of Loans, Investments, Guarantees and Security, as applicable.
- 5) The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a Housing Finance Company registered with the National Housing Bank, and also the Company has not accepted any deposits from public or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- 6) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- 7) (a) In our opinion, and according to the information and explanations given to us, 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 other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 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 are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- 8) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- 9) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.



- (b) According to the information and explanations given to us including confirmations received from Banks/ Financial Institution and representation received from the Management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any Bank or Financial Institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the Financial Statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year of pledge of Securities.
10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has made private placement of 34,50,000 Equity shares of Rs.10 each issued at par & same are fully paid-up.
11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the Management of the Company, there are no whistle-blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
15. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
16. (a) The Company is a Housing Finance Company having a valid Certificate of Registration under Section 29A of the NHB Act, 1987 and is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 in terms of exemption granted under Master Direction - Exemptions from the provisions of RBI Act, 1934 dated 25 August 2016 (as amended). Accordingly, reporting under clause 3(xvi) (a) and (b) of the Order is not applicable to the Company.



17. According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
18. Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of the Group.
19. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
20. There has been Cessation of the Statutory Auditors during the year and based on the information and explanations given to us by the Management and the response to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
21. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
22. (a) According to the information and explanations given to us, there is no unspent amount pertaining to any ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) The Company has not any ongoing project, hence transferred the remaining unspent amount under sub-section (5) of section 135 of the Act, in respect of any ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act not applicable. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.
23. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Thus, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **Devpura Navlakha & Co.**
Chartered Accountants
Firm Reg. No. 121975W



Pramod Kumar Devpura
Partner
Membership No. 033342



UDIN: 23033342BGVLYY2936

Place: Mumbai
Date: 20th July 2023

Annexure II to Independent Auditors' Report (Referred to in para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to

VIVA HOME FINANCE LIMITED

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 **VIVA HOME FINANCE 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.

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 (the "Guidance Note") 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 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 authorisations of Management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, 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 31st, 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 **Devpura Navlakha & Co.**
Chartered Accountants
Firm Reg. No. 121975W

Pramod Kumar Devpura

Pramod Kumar Devpura
Partner
Membership No. 033342



UDIN: 23033342BQVLYY2936

Place: Mumbai
Date: 20th July 2023

Viva Home Finance Limited
Balance Sheet as at 31st March, 2023

Particulars	Note	As At 31 st March 2023 Rs. In Hundred	As At 31 st March 2022 Rs. In Hundred
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	13,70,000.00	13,70,000.00
Reserves and Surplus	4	1,90,252.75	1,79,419.45
Long term Borrowings	5	--	--
Long term Provision	6	1,26,723.40	1,59,518.94
Contingent Provision against Std. Assets	7	5,210.05	5,210.05
Current Liabilities			
Trade Payables	8	1,760.26	1,204.29
Other Current Liabilities	9	3,112.58	1614.44
Short-Term Provisions	10	20654.39	10,692.93
Total		17,17,713.43	17,27,660.10
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	19,730.32	3,010.81
Long Term Loans & Advances- Housing Loans	12	10,10,811.84	10,41,198.58
Long Term Loans & Advances- Others	13	4,38,869.16	2,78,037.26
Deferred Tax Assets (Net)	14	420.66	689.56
Current Assets			
Cash and Bank Balances	15	2,14,216.33	3,75,405.23
Other Short Term Loans & Advances	16	19,500.00	19,500.00
Other Current Assets	17	14,165.12	9,818.66
Total		17,17,713.43	17,27,660.10
Significant Accounting Policies	2		
Notes on Financial Statements	1		

As per our Report of even date
For Devpura Navlakha & Co
Chartered Accountants
Firm Reg. No.: 121975W

Pramod Kumar Devpura

Pramod Kumar Devpura
Partner
Mem. No. 033342

UDIN: 23033342BQVLYY 2936



For Viva Home Finance Ltd.

Om Prakash Dua

Om Prakash Dua
Managing Director
DIN.:03645948

Rohil J. Thakur

Rohil J. Thakur
Director
DIN.:03556990




Place: Virar

Date: 20th July 2023

Viva Home Finance Limited
Statement of Profit & Loss for the year ended 31st March, 2023

Particulars	Note	Year ended 31 st March 2023 Rs. In Hundred	Year ended 31 st March 2022 Rs. In Hundred
<u>Income:</u>			
Income from Operations	18	2,21,769.01	2,27,358.57
Other Income	19	10,181.32	10,871.74
Total		2,31,950.33	2,38,230.31
<u>Expenses:</u>			
Employee Benefit Expenses	20	1,21,816.18	55,210.22
Other Administrative Expenses	21	36,895.77	60,271.63
Finance Cost	22	—	3,333.54
Contingent Provision against Sub-Standard Assets	23	55,136.11	1,05,607.55
Depreciation and Amortization Expense	24	3,099.28	858.16
Total		2,16,947.34	2,25,281.10
Profit Before Tax		15,002.99	12,949.21
Tax Expenses			
Current tax		3,900.78	3,366.78
Deferred tax		268.90	(71.56)
Profit/(Loss) for the year		10,833.31	9,653.93
Earning per equity share of face value of Rs.10 each Basic & Diluted (in Rs.)		0.08	0.07
Significant Accounting Policies	2		
Notes on Financial Statements	1		

As per our Report of even date
For Devpura Navlakha & Co
Chartered Accountants
Firm Reg. No.: 121975W


Pramod Kumar Devpura
Partner
Mem. No. 033342
UDIN: 23033342-BGVLVY2936



For Viva Home Finance Ltd.


Om Prakash Dua
Managing Director
DIN.:03645948


Rohil J. Thakur
Director
DIN.:03556990



Place: Virar

Date: 20th July 2023

Viva Home Finance Limited
Cash Flow Statement for the year ended 31st March, 2023

Particulars	Current Year (Rs. In Hundred)		Previous Year (Rs. In Hundred)	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		15,002.98		12,949.21
<u>Adjustments for:</u>				
Finance Cost	--		3,333.54	
Depreciation and amortization	3,099.28	3,099.28	858.16	4,191.70
Operating profit / (loss) before working capital changes		18,102.26		17,140.91
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories				
Trade receivables				
Short-term loans and advances	(1,30,445.17)		2,11,524.95	
Other current assets	(4,346.45)		3,376.52	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Proceeds from short term borrowings	-		-	
Other current liabilities	2,054.09		(2,658.47)	
Long Term Provisions	(32,795.54)		86,600.70	
Short- Term Provisions	9,961.47		(2,282.46)	
		(1,55,571.60)		2,96,561.25
Cash flow from extraordinary items		(1,37,469.34)		3,13,702.16
Cash generated from operations		--		--
Net income tax (paid) / refunds		4,169.67		3,295.24
Net cash flow from / (used in) operating activities (A)		(1,41,639.01)		3,14,036.93
B. Cash flow from investing activities				
Purchase of Fixed Assets	(19,818.79)		(41.80)	
Other Non Current Assets	268.90		(71.56)	
Investment in Fixed Deposit	1,60,794.30)	1,41,244.41	(3,67,000.00)	(3,67,113.36)
Net cash flow from / (used in) investing activities (B)		394.60		(53,076.43)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	--		3,45,000.00	
Proceeds from shares application Money	--		--	
Proceeds from long-term borrowings	--		(3,02,978.66)	
Finance cost	--		(3,333.54)	38,687.80
Cash flow from extraordinary items	--			-
Net cash flow from / (used in) financing activities (C)		--		38,687.80
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(394.60)		(18,018.62)
Cash and cash equivalents at the beginning of the year		8,405.23		26,423.86
Cash and cash equivalents at the end of the year		8,010.63		8,405.23

As per our Report of even date

For Devpura Navlakha & Co

Chartered Accountants

Firm Reg. No.: 121975W



Pramod Kumar Devpura

Partner

Mem. No. 033342


UDIN: 23033342BGVLYY2936


Place: Virar

Date: 20th July 2023



For Viva Home Finance Ltd.


Om Prakash Dua
Managing Director
DIN.:03645948


Rohit J. Thakur
Director
DIN.:03556990



NOTES TO THE FINANCIAL STATEMENTS

Notes to the financial statement for the year ended 31st March 2023.

1) Corporate Information

VIVA HOME FINANCE LIMITED was incorporated on 14th December, 2011 as a closely held public limited company under the provisions of the Indian Companies Act, 1956 with the objective to provide home loans, particularly lower income group. The company has received certificate of registration to commence the business of housing finance institution from National Housing Bank on 4th September 2013.

2) SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY:

Basis of Preparation of Financial Statements:

The Financial Statements have been prepared and presented under the historical cost convention in accordance with GAAP and the provisions of the Companies Act, 2013 ('the Act') and comply to all material aspects with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). All income and expenditure having a material bearing on the Financial Statements are recognized on accrual basis. The company also follows the directions pronounced by the National Housing Bank (NHB) for housing finance company. The accounting policies have been consistently applied by the Company.

Summary of Significant accounting policies

a) Use of Estimates

The preparation of the Financial Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of Financial Statements and the reported amounts of revenues and expenses during the reporting period. Key estimates include estimates of useful life of assets, provision for expenses, retirement benefits, provision on standard assets and income taxes. Actual results could differ from those estimates. Any revision to accounting estimates will be recognized prospectively in the current and future periods.

b) Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation of the assets upto the point the asset is ready for its intended use. No fixed assets have been revalued during the year.

c) Depreciation Accounting:

The Company has reviewed its policy of providing for depreciation on its fixed assets and has also reassessed their useful lives as per Part C of Schedule II of the Companies Act 2013. On and from April 1, 2014, the SLM method is being used to depreciate all classes of fixed assets based on the useful life as per the Companies Act 2013. The revised useful lives, as assessed by Management, match those specified in Part C of Schedule II to the Companies Act, 2013, for all classes of assets. Individual assets costing up to Rs.5,000 are fully depreciated in the year of purchase.



d) Impairment of Assets:-

There are no indications which reflects that any of the assets of VHFL 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).

Moratorium is granted to borrower in accordance with extant guidance of regulator, assets classification is also in accordance with the guidance.

The contractual terms of the loans are renegotiated/modified, other than those where contractual terms of the loans re renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020 or identified as credit impaired.

e) Cash and cash equivalents

Cash and cash equivalent comprises cash in hand and time deposits with original maturity of less than three months held with bank & balance in current account with Banks.

f) Foreign currency

The Company's Financial Statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

During the Financial Year Transactions in foreign currencies are NIL.

g) Revenue Recognition:

i) Interest on Loans:-

Interest income is recognized on accrual basis except in case of non-performing assets, where it is recognized on receipt basis. In the case of individual housing loans, the repayment is received by way of Equated Monthly Installments ("EMIs") comprising principal and interest. Interest is calculated on daily rest basis. Unless specifically approved, EMIs generally commence once the entire loan is disbursed. Pending disbursement of the full loan amount, Pre-EMI interest is charged every month.

ii) Fee income and other charges:-

All fee income and all other charges recoverable from customers are recognised on receipt basis.

iii) Interest on Fixed Deposits:-

Interest income on fixed deposits is accounted on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

h) Write-offs

Financial assets are written off either partially or in their entirety only when there are very remote chances of recovery in the Account. If the amount to be written off is greater than the accumulated loss



allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of profit and loss account.

i) Investment

In accordance with Accounting Standard (AS 13) on "Accounting for Investments" and the guidelines issued by the National Housing Bank, Investments are either classified as current or long term based on the management's intention at the time of purchase. On initial recognition, all investments are measured at cost. The cost comprises of purchase price and directly attributable acquisition charges such as brokerage, fees and stamp duty.

Long term investments are carried at cost less provision for diminution, other than temporary, in the value of investments.

Current investments are stated at lower of cost and fair value.

j) Intangible Assets:

Intangible assets, representing Preliminary Expenses not w/written off., are recognized consistent with the criteria specified in Accounting Standard- 26 "Intangible Assets" as prescribed by Companies (Accounting Standards) Rules, 2006.

k) Borrowing cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the Statement of profit and loss.

l) Earnings per share:

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

m) Statutory / Special Reserve:

The Company creates Statutory / Special Reserve every year out of its profits in terms of Sec 36(I) (viii) of the Income Tax Act, 1961 read with Sec 29C of the National Housing Bank Act, 1987.

n) Taxation:

Current taxation

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.



o) Deferred taxation

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the Financial Statements carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized in future. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in the future. Such assets are reviewed at each balance sheet date to reassess realization.

p) Provisions and Contingent Liabilities

Provision are recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on Management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Provisions on housing loans will be made in accordance with the guidelines and directions issued by NHB from time to time.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

q) Housing loans:-

Housing loans represents outstanding amount of housing loans disbursed to individuals and others for purchase or construction of residential property. These loans are bifurcated into Standard, Sub-standard, Doubtful and Loss category based on the guidelines and directions issued by the National Housing Bank ("NHB").

r) Employee Benefits:-

Gratuity:

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit /obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefits / obligations are calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the Profit and Loss Account in the year to which gains or losses relate.



Actuarial Valuation of Gratuity benefits as per AS 15 (Revised 2005)

Funded Status of the Plan

Particulars	31-Mar-2023 Rs. In Hundred	31-Mar-2022 Rs. In Hundred
Present value of unfunded obligations	8,043.86	5,829.79
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Net Liability (Asset)	8,043.86	5,829.79

Effect in Profit & Loss Account for the current Period

Particulars	31-Mar-2023 Rs. In Hundred	31-Mar-2022 Rs. In Hundred
Current service cost	959.70	933.33
Interest on obligation	300.56	230.07
Expected return on plan assets	-	-
Net actuarial loss/(gain)	953.81	(203.94)
Past Service Cost-Vested	-	-
Past Service Cost-Unvested	-	-
Loss / (gain) on Curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	2,214.07	959.46
Expenses deducted from the fund	-	-
Prior year charge	-	-
Total Charge to P&L	2,214.07	959.46
Loss/(gain) on obligation	953.81	(203.94)
Loss/(gain) on assets	-	-
Net actuarial loss/(gain)	953.81	(203.94)



Viva Home Finance Limited

Notes on Financial Statements for the Year ended 31st March, 2023

The previous year figures have been regrouped/ reclassified, wherever necessary to confirm to the current year presentation.

Note : 3 Share Capital

The company at present is only having one class of share capital i.e. equity share capital. The requisite disclosure in respect of share capital is as under:

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
<u>AUTHORIZED CAPITAL</u> 20,000,000 Equity Shares of Rs. 10.00 each.	20,00,000.00	15,00,000.00
	20,00,000.00	15,00,000.00
<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u> 1,37,00,000 Equity Shares of Rs.10.00 each fully paid up	13,70,000.00	13,70,000.00
TOTAL	13,70,000.00	13,70,000.00

Reconciliation of number of share outstanding at the beginning and at the end of reporting period:

Particulars	As at 31 st March, 2023	As at 31 st March 2022
No. of Equity Shares outstanding at the beginning of the year	1,37,00,000	1,02,50,000
Add: Equity Shares issued during the Period (Private Placement)	--	34,50,000
No. of Equity Shares outstanding at the close of the period	1,37,00,000	1,37,00,000

Terms /rights attached to Equity Shares

The Company is having one class of Equity Shares having a par value of Rs.10.00 each. Each Shareholder is eligible for one vote per share held.

Details of each Shareholder holding more than 5 percent shares

Name of the shareholder	Number of shares held as at 31 st March, 2023	Number of shares held as at 31 st March, 2022
M/s Viva Holdings (Through its partners) As % to Total Number of Equity Shares	1,36,50,000 99.63%	1,36,50,000 99.63%



Note: 4 Reserve & Surplus

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
A) Special Reserve		
Balance at the Beginning of the year		
a. Statutory Reserve u/s 29C of the NHB Act, 1987	31,588.17	29,657.37
b. Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	NIL	NIL
Total (a)	<u>31,588.17</u>	<u>29,657.37</u>
Addition/ Appropriation / Withdrawal during the year		
Add:-		
a) Amount transferred u/s 29C of the NHB Act, 1987	2,166.66	1,930.79
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	NIL	NIL
Less:-		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	NIL	NIL
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 purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	NIL	NIL
Total (b)	<u>2,166.66</u>	<u>1,930.79</u>
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987		
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	33,754.83	31,588.17
A) Total (a+b)	<u>33,754.83</u>	<u>31,588.17</u>



B) Profit and Loss Account		
Balance at the beginning of the year	1,47,831.27	1,40,108.10
Add:- Profit during the Year	10,833.31	9,653.93
Add:- Excess Provision of Income Tax Last Year	--	--
Less:- Transfer to Special Statutory Reserve u/s 29C of NHB Act	(2,166.66)	(1,930.79)
B) Total	1,56,497.92	1,47,831.27
Total (A+B)	1,90,252.75	1,79,419.45

Note: - As per Section 29C(i) of National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer.

Note: 5 Long Term Borrowing

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Secured Term Loan from Bank	--	--
TOTAL	--	--

Note: 6 Long Term Provisions

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Long Term Provision on Loan Assets		
Provision for Doubtful Assets	13,064.92	31,814.24
Provision for Sub-Standard Assets	56,686.93	1,702.38
Provision for Restructured Loan Assets	22,788.62	41,623.36
Provision for Restructured Loan Assets (Additional)	34,182.93	84,378.96
TOTAL	1,26,723.40	1,59,518.94



Note: 7 Contingent Provision against Standard Assets

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Contingent Provision against Standard Assets	5,210.05	5,210.05
TOTAL	5,210.05	5,210.05

(NHB vide notification No. NHB.HFC.DIR.18/MD&CEO/2017 dated August 2, 2017 reduced the provisioning requirement on Standard Individual Home Loans from 0.40% to 0.25%. In terms of the said notification, as of March 31, 2023, VHFL carries provision of ₹ 5.21 Lacs towards Standard Housing Assets which is higher than the revised regulatory requirement of minimum 0.25 %.

Note: 8 Trade Payables

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
a) Total outstanding dues of Micro Enterprises and Small Enterprises	--	--
b) Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,760.26	1,204.29
c) Others	--	--
TOTAL	1,760.26	1,204.29

8. (a) Trade Payables Ageing Schedule:

(Rs. In Hundred)

Particulars As at 31 st March 2023	Unbilled		Outstanding for following period from due date of Payment				Total
	Dues	Not Due	Less than 1 Yr.	1-2 Yrs	2-3 Yrs.	More than 3 yrs.	
1) MSME	--	--	--	--	--	--	--
2) Others	--	--	1,760.26	--	--	--	1,760.26
3) Disputed Dues- MSME	--	--	--	--	--	--	--
4) Disputed Dues- Others	--	--	--	--	--	--	--

(Rs. In Hundred)

Particulars As at 31 st March 2022	Unbilled		Outstanding for following period from due date of Payment				Total
	Dues	Not Due	Less than 1 Yr.	1-2 Yrs	2-3 Yrs.	More than 3 yrs.	
1) MSME	--	--	--	--	--	--	--
2) Others	--	--	1,204.29	--	--	--	1,204.29
3) Disputed Dues- MSME	--	--	--	--	--	--	--
4) Disputed Dues- Others	--	--	--	--	--	--	--



8. (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: 9 Other Current Liabilities

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Audit Fees Payable (Statutory & Concurrent / Internal)	787.50	1,012.50
Duties & Taxes	2,325.08	601.94
TOTAL	3,112.58	1,614.44

Note: 10 Short Term Provisions

Particulars	31 st March 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Expenses Payable (Salary & Directors Remuneration)	10,957.10	3,294.76
Provision for Gratuity	8,043.86	5,829.79
Provision for Leave Encashment	1,653.43	1,568.37
TOTAL	20,654.39	10,692.92

Note : 11 Fixed Assets

(Rs. In Hundred)

Description	Gross Block				Depreciation				Net Block	
	As at 1-4-2022	Addition	Deduction	As at 31-03-2023	Upto 31-03-2022	For the Period	Deduction	Upto 31-03-2023	As at 31-03-2023	As at 31-03-2022
Tangibles										
Computer	6,918.65	3,954.72	--	10,873.37	6,601.22	716.76	-	7,317.98	3,555.39	317.43
Furniture & Fixture	7,106.33	702.20	--	7,808.53	4,412.95	705.37	-	5118.32	2,690.21	2693.38
Motor Car	--	15,161.87	--	15,161.87	--	1,677.15		1,677.15	13,484.72	
TOTAL	14,024.98	19,818.79	--	33,843.77	11,014.17	3,099.28	-	14,113.45	19,730.32	3,010.81

Note : 12 Loans and Advances - Housing Loans

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Long Term Housing Loans Individuals (Secured) Builder cases & Self Construction Resale (Home Loan)	7,39,166.23 2,71,645.61	10,41,198.58
TOTAL	10,10,811.84	10,41,198.58



Loans granted by VHFL are secured or partly secured by one or combination of following securities :

- a) Registered / Equitable mortgage of property and / or
b) Personal guarantees

Note: 13 Loans and Advances - Others

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Long Term Non- Housing Loans Individuals (Secured) Mortgage Loans	3,53,615.89	1,98,675.50
Loans towards Insurance (Property & Life Insurance)	60,780.66	56,542.64
Loan to Employees & Director	24,472.61	22,819.12
TOTAL	4,38,869.16	2,78,037.26

Note: 14 Deferred Tax Assets

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Opening Balance Deferred Tax Asset (Net)	689.56	618.00
Add/ Less :- During the Year	(268.90)	71.56
TOTAL	420.66	689.56

Note : 15 Cash & Bank Balances

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Cash & Cash equivalents:		
Cash on hand	432.52	153.69
Balance with Banks In Current account	7578.11	8,251.54
Fixed Deposits with Bank	2,06,205.70	3,67,000.00
TOTAL	2,14,216.33	3,75,405.23

Note: 16 Other Short Term Loans & Advances

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Advance for Software	15000.00	15,000.00
Deposit towards Rented Office	4500.00	4,500.00
TOTAL	19,500.00	19,500.00



Note : 17 Other Current Assets

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Advances to Creditors for Exp.	715.74	691.89
Accrued Interest on Fixed Deposits	273.03	282.92
Advance Tax (Net of Provision)	3,732.42	1,431.70
TDS Receivable (Net of Provision)	1,599.81	577.98
Prepaid Expenses	559.31	26.00
GST Input	7,284.81	6,808.17
TOTAL	14,165.12	9,818.66

Note: 18 Income from Operation

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Processing Fees	9,750.66	1,694.28
Interest on Home & Mortgage Loans	1,83,571.93	1,83,645.93
Interest on Other Loans (Staff Loan)	148.77	77.74
Other Miscellaneous incomes	4,895.56	4,425.00
Recovery in Prudential W/off Accounts	23,402.09	37,515.61
TOTAL	2,21,769.01	2,27,358.57

Note: 19 Other Income

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Interest on Fixed Deposits with Bank	10,124.36	5,542.15
Interest on IT Refund	56.96	380.90
Sundry Balance Payable Written back	--	4,948.70
TOTAL	10,181.32	10,871.75

Note: 20 Employee Benefit Expenses

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Salaries & Allowances	60,451.67	43,639.83
Gratuity	2,214.07	959.46
Leave Encashment	85.06	(39.27)
Directors Remuneration	58,000.00	9,750.00
Staff Welfare Exp.	1,065.38	900.28
TOTAL	1,21,816.18	55,210.22



Note: 21 Other Administrative Expenses

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Advertising Exp.	327.64	146.00
Membership & Subscription	198.95	439.17
Audit Fees & Professional Fees	1,400.00	1,400.00
Bank Charges	172.50	134.26
Repairs & Maintenance	1,900.10	2,071.18
Service Charge & Storage Charges	3,058.66	3,283.43
Computer Exp, Software Exp	116.75	914.47
Conveyance Expenses	2,042.73	1,062.87
Professional Fees	9,415.01	6,367.37
Rent Exp.	1,200.00	1,200.00
ROC Fees	4,937.86	4,162.57
Electricity Exp	1,015.20	837.27
Printing & Stationery Exp	609.90	606.02
Insurance Exp.	480.98	56.64
Postage & Courier	59.55	32.21
Office Exp	665.31	779.88
Commission Expenses	1795.45	193.80
Interest on Late Payment	8.35	0.83
Late filing Fees	106.00	--
Sundry Balances W/off	6602.55	35,753.26
Court Fees & Stamp Papers	35.00	42.95
Recruitment Exp.	100.00	--
Training Exp.	25.00	--
Travelling Exp.	537.36	--
Short Income Tax Provision for earlier years	84.92	787.45
TOTAL	36,895.77	60,271.64

Note: 22 Finance Cost

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Bank Interest on Term Loan	--	3,333.54
TOTAL	--	3,333.54

Note: 23 a) Details of Provision for Loan Assets during the year as under:

Particulars	31 st March 2023 Rs. In Hundred	31 st March 2022 Rs. In Hundred
Provision for Sub-standard Loan A/cs	36,309.31	(4,953.83)
Provision for Doubtful Loan A/cs	(18,749.32)	22,499.06
Provision for Restructured Sub-std. A/cs	53,487.19	---
Provision for Std. Structured A/cs	(15,911.07)	88,062.32
TOTAL	55,136.11	1,05,607.55



Note: 23 b) Contingent Provisions against Standard / Sub standard, doubtful and loss assets
For the year ended 31st March 2023
(Rs. In Hundred)

Particulars	Standard	Sub-standard	Doubtful	Loss	Total
Loans					
Housing Loan					
Individuals (Including Insurance Loan)	9,68,094.47	73,315.96	14,509.13	--	10,55,919.56
Corporate	-	-	-	-	-
Non Housing Loans (Mortgage Loan)					
Individuals	3,61,619.52	7,665.32	4.00	-	3,69,288.84
Corporate	-	-	-	-	-
TOTAL LOANS	13,29,713.99	80,981.28	14,513.13	-	14,25,208.40
Provision					
Housing Loan					
Individuals	3,763.57	51,321.20	13,060.92	-	68,145.69
Corporate	-	-	-	-	-
Non Housing Loans (Mortgage Loan)					
Individuals	1,446.48	5,365.73	4.00	-	6,816.21
Corporate	-	-	-	-	-
Provision Restructured Loans	56,971.55	-	-	-	56,971.55
Total Provision	62,181.60	56,686.93	13,064.92	-	1,31,933.45



Note : 23 c) Details of movement in provisions for Standard and NPA Assets during the year ended as under:

(Rs. In Hundred)

Particulars	As at 31 st March 2022	Addition/(Deduction)	As at 31 st March 2023
Loans			
Housing Loan (Including Insurance Loan)			
Standard Assets			
Individual	4,384.55	(620.98)	3,763.57
Corporate	--	--	--
Non -Housing Loan (Mortgage Loans) (Including Insurance Loan)			
Standard Asset			
Individual	825.50	620.98	1,446.48
Corporate	--	--	--
	5,210.05	--	5,210.05
Restructure Loan Assets			
Housing Loan (Including Insurance Loan)			
Individual @10%	36,275.78	(21,151.07)	15,124.71
Individual @25%	79,926.96	(42,102.20)	37,824.76
Corporate	--	--	--
Non -Housing Loan (Mortgage Loans) (Including Insurance Loan)			
Individual @10%	5,347.58	(4,198.41)	1,149.17
Individual @25%	4,452.00	(1,579.09)	2,872.91
Corporate	--	--	--
	1,26,002.32	(69,030.77)	56,971.55
Sub-standard & Doubtful Loan Assets			
Housing Loan (Including Insurance Loan)			
Individual	33,512.62	30,869.50	64,382.12
Corporate	--	--	--
Non -Housing Loan (Mortgage Loans) (Including Insurance Loan)			
	4.00	5,365.73	5,369.73



Individual Corporate	--	--	--
	33,516.62	36,235.23	69,751.85
Provision utilized for prudential W/off Loans	--	32,795.54	--
	--	32,795.54	--
Total	1,64,728.99	(32,795.54)	1,31,933.45

Note : 24 Depreciation & Amortised Cost

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Depreciation	3,099.28	858.16
TOTAL	3,099.28	858.16

25. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2023.

26. The main business of the Company is to provide loans for the purchase or construction of residential houses and as such there are no separate reportable segments as specified in Accounting Standard (AS 17) on "Segment Reporting", and under paragraph 29 (2) of the Housing Finance Companies (NHFB) Directions, 2010, which needs to be reported.

27. Expenditure in Foreign Currency:-

(Rs. In Hundred)

Particulars	2022-23	2021-22
Foreign Exchange Earning	Nil	Nil
Foreign Exchange Outgo (Recruitment Charges)	Nil	Nil

28. Payment to Auditors:-

(Rs. In Hundred)

Particulars	2022-23	2021-22
Audit Fees (Statutory)	500.00	500.00
Other Professional Fees	150.00	--
Concurrent & Internal Audit Fees	900.00	900.00
Total	1,550.00	1,400.00



29. Earnings per share (EPS)

(Rs. In Hundred)

Particulars	2022-2023	2021-2022
a. Profit/ (Loss) after Tax	10,833.31	9,653.93
b. Weighted Average number of equity shares for Basic EPS (in Numbers)	1,37,00,000	1,37,00,000
c. Weighted Average number of equity shares for diluted EPS (in Numbers)	1,37,00,000	1,37,00,000
d. Nominal value of equity shares	10	10
e. Basic EPS	0.08	0.07
f. Diluted EPS	0.08	0.07

30. Disclosure as required by National Housing Bank: The following disclosures have been given in terms of National Housing Bank's notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 and in terms of the circular no. NHB/ND/DRS/Pol-No.35/2010-11 dated October 11, 2010:

i) Additional Information (as certified and confirmed by the management)

Particulars	As at 31.03.2023	As at 31.03.2022
a. Capital to Risk Assets Ratio (CRAR)	156.51%	183.58%
b. Exposure to real estate sector, both direct and indirect	Rs.1,425.21 Lac	Rs.1,296.42 Lac
c. Assets, Liability Management (Refer Note No. 6 & 29(I) (C)		

Assets Liability Management: Assets and liabilities are classified in the maturity buckets as per the guidelines issued by the National Housing Bank.

Maturity pattern of certain items of Assets and Liabilities As At March 31, 2023.

(Rs. In Hundred)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowings from banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Assets												
Advances	0.00	5,00.00	5,00.00	1,000.00	1,000.00	3,000.00	40,472.61	65,000.00	85,000.00	1,253,210.00	1,449,681.01	
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Maturity pattern of certain items of Assets and Liabilities As At March 31, 2022.

(Rs. In Hundred)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowings from banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets											
Advances	0.00	500.00	500.00	1,000.00	1,000.00	3,000.00	38,819.12	63,000.00	64,500.00	1,146,920.00	1,319,235.84
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

ii) Reserve Fund u/s 29C of National Housing Bank Act, 1987

Particulars	31 st March, 2023 Rs. In Hundred	31 st March, 2022 Rs. In Hundred
Balance at the beginning of the year		
Add:- Transfer During the Year	31,588.17	29,657.38
Less:- Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 198	2,166.66	1,930.79
	Nil	Nil
Balance at the end of the year TOTAL	33,754.83	31,588.17



iii) VHFL has not exceeded limit prescribed by National Housing Bank for Single Borrower Limit (SBL) and Group Borrower Limit (GBL).

iv) VHFL has not obtained registration from any other financial sector regulator.

v) During the year, (a) no prior period items occurred which has impact on profit and loss account, (b) no change in any accounting policy, (c) there were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties and (d) there is no withdrawal from Reserve fund.

vi) VHFL has no subsidiary company. Hence, requirement of consolidated Financial Statements is not applicable to VHFL.

vii) Provisions and Contingencies charged during the year under the head expenditure in Statement of Profit and Loss

(Rs. In Hundred)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Depreciation on Investment	Nil	Nil
2	Provision made towards Income Tax	3,900.78	3,366.78
3	Provision towards NPAs	55,136.11	105,607.55
4	Provision towards Standard Assets	(69,030.77)	88,062.32
5	Other Provision and Contingencies	Nil	Nil

xi) Movement of Non-Performing Assets:

(Rs. In Hundred)

Sr. No.	Particulars	Current Year	Previous Year
1	Net NPAs to Net Advances (%)	1.81	3.20
	Movement of NPAs (Gross)		
	a) Opening balance	74,950.00	12,960.00
	b) Additions during the year	349,310.00	NIL
	c) Reductions during the year	328,770.00	(54,650.00)
	d) Closing balance	95,490.00	74,950.00
2	Movement of Net NPAs		
	a) Opening balance	41,440.00	94,620.00



	b) Additions during the year	241,180.00	Nil
	c) Reductions during the year	256,870.00	53,180.00
	d) Closing balance	25,740.00	41,440.00
	Movement of provisions for NPAs and Contingencies (excluding provisions on standard assets & Restructure Loan Assets)		
	a) Opening balance	33,520.00	34,980.00
	b) Additions during the year	124,160.00	17,550.00
	c) Write-back of provisions	87,930.00	19,010.00
	d) Closing balance	69,750.00	33,520.00

31. Disclosures:

31. Disclosures required by the Reserve Bank of India / National Housing Bank as per Notification 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.

31.1 Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as note 1 of Accounting policy to the Financial Statement for the year ended March 31, 2023.

31.2 Capital

Particulars	Current Year	Previous Year
(i) CRAR (%)	156.51%	183.58%
(ii) CRAR - Tier I Capital (%)	155.99%	182.97%
(iii) CRAR - Tier II Capital (%)	0.52%	0.61%
(iv) Amount of subordinated debt raised as Tier- II Capital	NIL	NIL
(v) Amount raised by issue of Perpetual Debt Instruments	NIL	NIL

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

Particulars	[Rs. in Hundred]	
	Current Year	Previous Year
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	31,588.17	29,657.38



b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	NIL	NIL
c) Total	31,588.17	29,657.38
Addition/ Appropriation/ Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	2,166.66	1930.79
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	NIL	NIL
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	NIL	NIL
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	NIL	NIL
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	33,754.83	31,588.17
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	NIL	NIL
c) Total	33,754.83	31,588.17



31.4 Investments:-**[Rs. In Hundred]**

Particulars	Current Year	Previous Year
1. Value of Investments		
(i) Gross value of investments	NIL	NIL
(a) In India	NIL	NIL
(b) Outside India	NIL	NIL
(ii) Provisions for Depreciation	NIL	NIL
(a) In India	NIL	NIL
(b) Outside India	NIL	NIL
(iii) Net value of investments	NIL	NIL
(a) In India	NIL	NIL
(b) Outside India	NIL	NIL
2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	NIL	NIL
(ii) Add: Provisions made during the year	NIL	
(iii) Less: Write-off / Written-back of excess provisions during the year	NIL	NIL
(iv) Closing balance	NIL	NIL

31.5 Derivatives

- 1) The Company has no transactions/exposure in derivatives in the current and previous year.
- 2) The Company has no unhedged foreign currency exposure on March 31, 2023 (P.Y. Nil)

31.5.1 Forward Rate Agreement (FRA)/Interest Rate Swap**[Rs.in Hundred]**

Particulars	Current Year	Previous Year
(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



31.5.2 Exchange Traded Interest Rate (IR) Derivative

[Rs. In Hundred]

Particulars	Amount
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	NIL
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31 st March 2023. (instrument wise)	NIL
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	NIL
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	NIL

31.5.3 Disclosures on Risk Exposure in Derivatives**A. Qualitative Disclosure**

The Company has no transactions/exposure in derivatives in the current and previous year.

B. Quantitative Disclosure

[Rs. In Hundred]

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

31.6**Securitisation**

- a) Disclosure as per NHB guidelines for assignment/securitisation transactions as an originator:-NIL.
- b) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction:- NIL.
- c) Details of Assignment transactions undertaken by company:- NIL.
- d) Details of non-performing financial assets purchased/sold
 - 1) Details of non-performing financial assets purchased:
The Company has not purchased non-performing financial assets in the current and previous year.
 - 2) Details of non-performing financial assets sold:
The Company has not sold non-performing financial assets in the current and previous year.



31.7 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

Maturity pattern of certain items of Assets and Liabilities As At March 31, 2023.

(Rs. In Hundred)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowings from banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets											
Advances	0.00	5,00.00	5,00.00	1,000.00	1,000.00	3,000.00	40,472.61	65,000.00	85,000.00	1,253,210.00	1,449,681.01
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Maturity pattern of certain items of Assets and Liabilities As At March 31, 2022.

(Rs. In Hundred)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowings from banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets											
Advances	0.00	500.00	500.00	1,000.00	1,000.00	3,000.00	38,819.12	63,000.00	64,500.00	1,146,920.00	1,319,235.84
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



31.8 Exposure

31.8.1 Exposure to Real Estate Sector

[Rs. in Hundred]

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	1,425,208.40	1,296,416.72
(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 shall also include non-fund based limits	NIL	NIL
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a.	Residential	NIL	NIL
b.	Commercial Real Estate	NIL	NIL
b)	Indirect Exposure	NIL	NIL
	Fund based and non-fund based exposure on NHB and HFCs		
	Total Exposure to Real Estate Sector	1,425,208.40	1,296,416.72

31.8.2 Exposure to Capital Market

The Company has no exposure to capital market directly or indirectly in the current and previous year.

[Rs. In Hundred]

Particulars		Current Year	Previous Year
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	NIL	NIL
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	NIL	NIL
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	NIL	NIL
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances	NIL	NIL



(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	NIL	NIL
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	NIL	NIL
(vii)	Bridge loans to companies against expected equity flows / issues	NIL	NIL
(viii)	All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market		NIL	NIL

31.8.3 Details of financing of parent company products

There is no financing of parent Company products.

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

The Company has not exceeded the Single Borrower Limit and Group Borrower Limit as prescribed by NHB during the financial year.

31.8.5 Unsecured Advances

The Company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc as collateral security.

31.8.6 Exposure to group companies engaged in Real estate business

The Company has no exposures to group companies engaged in the real estate business in the current and previous year.

S.No.	Description	Amount (₹ in Lakh)	% 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

31.9 Miscellaneous

- Registration obtained from other Financial sector regulators :- No.
- Disclosure of penalties imposed by NHB or RBI and any other regulator/ supervisor/ enforcement authority
During FY 2022-23, there were no penalties imposed by NHB or RBI and any other regulator/ supervisor/ enforcement authority.
- Related Party Transactions**
Details of all material transactions with related parties are disclosed in Note 32.5
- Ratings assigned by credit rating agencies and migration of ratings during the year:**
Company has fully repaid the Term Loan hence Rating not applicable.
- Remuneration of Directors**
Details of Remuneration of Directors are disclosed in Note 20 Related party.



f) **Management**

Refer to the Management Discussion and Analysis report for the relevant disclosures.

g) **Net Profit or Loss for the period, prior period items and changes in accounting policies**

There are no prior period items that have impact on the current year's profit and loss.

h) **Revenue Recognition**

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

31.10 **Additional Disclosures**

a. **Provisions and Contingencies**

[Rs. In Hundred]

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Current Year	Previous Year
Provisions for depreciation on Investment	NIL	NIL
Provision towards NPA	55,136.11	105,607.55
Provision made towards Income tax	3,900.78	3,366.78
Other Provision and Contingencies (Gratuity & Leave Encashment)	2,299.13	920.19
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.) (Provision for Standard Assets including Loans Restructured)	-	131,210.00

Note:- Provision for Standard Assets including Loans Restructured, additional Provision taken due to COVID-19 Regulatory package announce by RBI.

[Rs. in Hundred]

Break up of Loans & Advances & Provisions thereon	Housing		Non-Housing	
	Current year	Previous year	Current year	Previous year
Standard Assets				
a) Total Outstanding Amount	968,090.00	1015,090.00	361,620.00	206,370.00
b) Provisions made	3,760.00	4,380.00	1,450.00	830.00
Sub- Standard Assets				
a) Total Outstanding Amount	73,320.00	11,350.00	7,670.00	0.00
b) Provisions made	51,320.00	1,700.00	5,370.00	0.00
Doubtful Assets - Category I				
a) Total Outstanding Amount	0.00	0.00	0.00	0.00
b) Provisions made	0.00	0.00	0.00	0.00
Doubtful Assets - Category II				
a) Total Outstanding Amount	14,480.00	63,580.00	0.00	0.00
b) Provisions made	13,030.00	31,790.00	0.00	0.00
Doubtful Assets - Category III				
a) Total Outstanding Amount	27.00	18.00	4.00	4.00
b) Provisions made	27.00	18.00	4.00	4.00



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	95,490.00	74,950.00	4.00	4.00
b) Provisions made	69,750.00	33,510.00	4.00	4.00

Note: a. The category of Doubtful Assets will be as under:

Period for which the assets has been considered Doubtful	Category
Upto one year:	Category - I
One to three years:	Category - II
More than three years :	Category - III

a. Draw Down from Reserves

There has been no draw down from reserves during the year ended March 31, 2023 (P.Y. Nil)

b. Concentration of Public Deposits (for Public Deposit taking/ holding HFCs)
[Rs. in Hundred]

Particulars	Current Year	Previous Year
Total deposits of twenty largest depositors	N.A.	N.A.
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	N.A.	N.A.

c. Concentration of Loans & Advances

[Rs. in Hundred]

Particulars	Current Year	Previous Year
Total loans & advances to twenty largest borrowers	456,610.00	466,330.00
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	31.50%	35.35%

d. Concentration of all Exposure (including off-balance sheet exposure)

[Rs. In Hundred]

Particulars	Current Year	Previous Year
Total exposure to twenty largest borrowers/ customers	456,610.00	466,330.00
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/ customers	31.50%	35.35%

e. Concentration of NPAs

[Rs. in Hundred]

Particulars	Current Year	Previous Year
Total exposure to top ten NPA accounts	95,460.00	74,940.00



f. Sector-wise NPAs

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector
A.	Housing Loans	
1.	Individuals	2.32 % (Net)
2.	Builders/Project loans	Nil
3.	Corporates	Nil
4.	Others (specify)	Nil
B.	Non- Housing Loans	
1.	Individuals	0.55% (Net)
2.	Builders/Project loans	Nil
3.	Corporates	Nil
4.	Others (specify)	Nil

g. Movement of NPAs

[Rs. in Hundred]

Particulars	Current Year	Previous Year
(i) Net NPAs to Net Advances (%)	1.81	3.20
(ii) Movement of NPAs (Gross)		
(a) Opening balance	74,950.00	129,960.00
(b) Additions during the year	349,310.00	Nil
(c) Reductions during the year	328,770.00	54,650.00
(d) Closing balance	95,490.00	74,950.00
(iii) Movement of Net NPAs		
(a) Opening balance	41,440.00	94,620.00
(b) Additions during the year	241,180.00	Nil
(c) Reductions during the year	256,870.00	53,180.00
(d) Closing balance	25,740.00	41,440.00
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	33,520.00	34,980.00
(b) Provisions made during the year	69,040.00	17,550.00
(c) Write-off / write-back of excess provisions	32,810.00	19,010.00
(d) Closing balance	69,750.00	33,520.00

h. Overseas Assets

The Company does not have any overseas assets.

i. Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

The Company does not have any off balance sheet Special Purpose Vehicle (SPV) which are required to be consolidated as per accounting norms.

31.11 Customer Complaints

Particulars	Current Year	Previous Year
(a) No. of complaints pending at the beginning of the year	NIL	NIL
(b) No. of complaints received during the year	NIL	NIL
(c) No. of complaints redressed during the year	NIL	NIL
(d) No. of complaints pending at the end of the year	NIL	NIL



31.12 **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.

RBI vide its circular number RBI/2020-21/60/DOR.NBFC (HFC) CC.NO 118/03.10.136/2020-21 dated October 22, 2020 defined the principal business criteria for HFCs. The Company meets the aforesaid principal business criteria for HFCs.

(Rs. In Hundred)

Particulars	As on 31st March 2023
Total Assets	17,17,713.43
Less: Intangible assets	420.66
Net Total Assets	1717292.77
Housing Finance	10,10,811.84
Individual Housing Finance	10,10,811.84
Percentage of housing finance to total assets (netted off intangible assets)	58.86%
Percentage of individual housing finance to total assets (netted off intangible assets)	58.86%
Percentage of individual housing finance to housing finance	100%



31.13 Schedules to the Balance Sheet of an HFC

			(Rs. in Hundred)	
Particulars				
Liabilities side			Amount outstanding	Amount overdue
Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:			NIL	NIL
(a)	Debentures : Secured		NIL	NIL
	: Unsecured		NIL	NIL
	(other than falling within the meaning of public deposits*)		NIL	NIL
(b)	Deferred Credits		NIL	NIL
(c)	Term Loans		NIL	NIL
(d)	Inter-corporate loans and borrowing		NIL	NIL
(e)	Commercial Paper		NIL	NIL
(f)	Public Deposits*		NIL	NIL
(g)	Other Loans (specify nature)		NIL	NIL
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		NIL	NIL
(a)	In the form of Unsecured debentures		NIL	NIL
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		NIL	NIL
(c)	Other public deposits		NIL	NIL
Assets side			Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
(a)	Secured		14,25,208.40	
(b)	Unsecured		24,472.61	
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		NIL	
(i)	Lease assets including lease rentals under sundry debtors		NIL	
(a)	Financial lease		NIL	
(b)	Operating lease		NIL	
(ii)	Stock on hire including hire charges under sundry debtors		NIL	



	(a)	Assets on hire	NIL
	(b)	Repossessed Assets	NIL
(iii)		Other loans counting towards asset financing activities	NIL
	(a)	Loans where assets have been repossessed	NIL
	(b)	Loans other than (a) above	NIL
(5)		Break-up of Investments	
		Current Investments	
1.		Quoted	NIL
	(i)	Shares	NIL
		(a) Equity	NIL
		(b) Preference	NIL
	(ii)	Debentures and Bonds	NIL
	(iii)	Units of mutual funds	NIL
	(iv)	Government Securities	NIL
	(v)	Others (please specify)	NIL
2.		Unquoted	NIL
	(i)	Shares	NIL
		(a) Equity	NIL
		(b) Preference	NIL
	(ii)	Debentures and Bonds	NIL
	(iii)	Units of mutual funds	NIL
	(iv)	Government Securities	NIL
	(v)	Others (please specify)	NIL
		Long Term investments	
1.		Quoted	NIL
	(i)	Share	NIL
		(a) Equity	NIL
		(b) Preference	NIL
	(ii)	Debentures and Bonds	NIL
	(iii)	Units of mutual funds	NIL
	(iv)	Government Securities	NIL
	(v)	Others (please specify)	NIL
2.		Unquoted	NIL
	(i)	Shares	NIL
		(a) Equity	NIL
		(b) Preference	NIL
	(ii)	Debentures and Bonds	NIL
	(iii)	Units of mutual funds	NIL



	(iv)	Government Securities		NIL	
	(v)	Others (please specify)		NIL	
(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	NIL	NIL	NIL
	(b)	Companies in the same group	NIL	NIL	NIL
	(c)	Other related parties	NIL	22,000.00	22,000.00
2.	Other than related parties		14,25,208.40	2,472.61	14,27,681.01
		Total	14,25,208.40	24,472.61	14,49,681.01
(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 **		NIL	NIL	
	(a)	Subsidiaries	NIL	NIL	
	(b)	Companies in the same group	NIL	NIL	
	(c)	Other related parties	NIL	NIL	
2.	Other than related parties		NIL	NIL	
		Total			
(8) Other information					
		Particulars	Amount		
(i)	Gross Non-Performing Assets		95,494.41		
	(a)	Related parties	NIL		
	(b)	Other than related parties	95,494.41		
(ii)	Net Non-Performing Assets		25,742.56		
	(a)	Related parties	NIL		
	(b)	Other than related parties	25,742.56		
(iii)	Assets acquired in satisfaction of debt		NIL		

32 Additional Regulatory Information

32.1 There is no such immovable property whose title deeds are not held in the name of the Company.

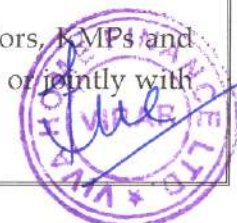
32.2 There are no investment properties as on March 31, 2023.

32.3 The Company has not revalued its Property, Plant and Equipment (including Right- of Use Assets) based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

32.4 The Company has not revalued its Intangible assets based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

32.5 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or



(b) without specifying any terms or period of repayment.

Type of Borrower	Amount of Loan or Advance in nature of loan outstanding (Rs. In Lakh)	Percentage to the Total Loans and Advances in the nature of Loans
Promotors	NIL	NIL
Directors	22.00	1.54%
KMPS	NIL	NIL
Related Parties	NIL	NIL

32.6 No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

32.7 The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

32.8 The Company has not any Transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

32.9 No charges or satisfaction yet to be registered with ROC beyond the statutory period

32.10 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.

32.11 No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

32.12 Utilisation of Borrowed funds and share premium

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:-

- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :-

- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

32.13 There are no such transaction or undisclosed income that need to be disclosed in accordance with this provision of Companies Act, 2013

32.14 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



33 The previous year figures have been regrouped and reclassified wherever necessary to make them comparable with the current year figures.

As per our Report of even date

For Devpura Navlakha & Co.
Chartered Accountants
Firm Reg. No.121975W




Pramod Kumar Devpura
Partner
M. No.033342




UDIN: 23033342-BGVLYY2936

For Viva Home Finance Limited



Om Prakash Daa
Managing Director
[DIN.0345948]



Rohil J Thakur
Director
[DIN. 03556990]

Place : Virar
Date: 20th July 2023

