

**PROSPER HOUSING FINANCE LTD.**

Ref. No. ....

Date 12/06/2024

**DIRECTOR'S REPORT**

Your Directors have pleasure in presenting their 20<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2024.

**1. FINANCIAL RESULTS**

The Financial Performance of the Company for the financial year ended March 31, 2024, is summarized below: -

Particulars	2023-24 (Rs.)	2022-23 (Rs.)
Revenue from operations	2,93,04,329	2,64,24,920
Other Income	7,68,206	1,92,131
Total Income	3,00,72,535	2,66,17,051
Total Expenditure	2,24,79,898	1,92,41,097
Profit/ (Loss) before Tax	75,92,637	73,75,954
Less: Provision for Taxation	(18,62,335)	(19,92,642)
Profit/ (Loss) after Tax	57,30,302	53,83,312
Earning Per Equity Share (EPS)	0.48	0.45

**2. TRANSFER TO RESERVES**

The Company proposes to transfer an amount of Rs. 5,73,030 to the Statutory Reserve u/s 29C of the National Housing Bank Act, 1987 and Rs. 5,73,030 to the Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961.

**3. OPERATIONAL REVIEW**

During the year under review, your Company maintained its fair performance



operational parameters. The Company earned Profit Before Tax of Rs. 75,92,637/- for the financial year ended 31<sup>st</sup> March, 2024 as against the previous year profit of Rs. 73,75,954/- and profit After Tax of Rs 57,30,302/- as against the previous year profit of Rs. 53,83,312 /-

#### **4. MATERIAL CHANGES AND COMMITMENTS**

There are no other material changes and commitments, affecting the financial position of the Company, which have occurred between the ends of the financial year of the Company, i.e. March 31, 2024.

#### **5. CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of business of the company during the year.

#### **6. DIVIDEND**

In order to retain the funds within the Company for the purpose of further expansion in business activities, the Directors state their inconvenience to recommend any dividend on the equity share capital of the Company and decide not to declare any dividend.

#### **7. SHARE CAPITAL**

**Authorised Share Capital** - The Authorised Share Capital of the Company stands at Rs. 20,00,00,000/- (divided into 2,00,00,000 Equity shares of Rs. 10/- each). During the year, there has been no change in the Authorised Share Capital of the Company.

**Paid-up Share Capital** - The paid up equity capital as on March 31, 2023 was Rs 11,94,40,400/- . During the year under review, the Company has not issued equity share to the shareholders. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**Capital Adequacy** - NHB vide its Notification No.NHB.HFC.DIR.22/MD&CEO/2019 dated June 17, 2019 has amended capital adequacy. The following table sets out Company's capital adequacy ratios as at March 31, 2023 and March 31, 2024.

	March 31, 2024	March 31, 2023
Capital Adequacy Ratio	143.19%	149.36%

In addition, the National Housing Bank Directions also requires that the Company transfers minimum 10% of its annual profits to a reserve fund, which the Company has duly complied with.

#### **8. FIXED DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.





## **9. DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and hold highest standards of integrity.

## **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association, Ms. Brinderjeet Kaur, Director of the Company shall retire by rotation in the ensuing Annual General Meeting of the Company and being eligible, offers herself for re-appointment.

On the Recommendation of Nomination and Remuneration Committee, the Board appointed Mr. Birender Singh Dhillon as a Company Secretary of the Company with effect from the 01<sup>st</sup> May, 2023.

## **11. BOARD AND ITS COMMITTEE MEETINGS**

During the year Eight (8) Board Meetings, Four (4) Audit Committee and Two (2) Nomination and Remuneration Committee Meetings, Two (2) Risk and Management committee meetings, One (1) Business Continuity Planning Committee and Two (2) Asset and Liability Management Committee meetings and Two (2) Grievance redressal committee meetings were convened and held.

The 8 Board meetings were held on 01.05.2023, 29.06.2023, 14.07.2023, 12.09.2023, 20.10.2023, 12.12.2023, 18.12.2023, 26.03.2024.

The Board of Directors has reconstituted 4 committees namely - Audit Committee, Nomination and Remuneration Committee, Grievance Redressal Committee, and Asset-Liability Committee, which enables the Board to deal with specific areas / activities that need a closer review and to have an appropriate structure to assist in the discharge of their responsibilities. The Audit Committee and other Board Committees meet at regular intervals and ensure to perform the duties and functions as entrusted upon them by the Board.

The meetings were held as per the provisions of the Companies Act, 2013 and the Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and committee meetings.

## **12. AUDIT COMMITTEE**

The Audit Committee of the Company has reconstituted during the financial





Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Companies Act, 2013. As on 31 March, 2023, the Committee comprised of three members; viz. Ms. Gurvir Kaur Sran (Member), Mrs. Chetna (Chairman) and Mr. Gaurav Kumar (Member). All members of the Committee are financially literate and have accounting or related financial management expertise.

The AC members met 4 times on on 01.05.2023, 16.08.2023, 20.10.2023 & 22.02.2024

Terms of reference:

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
5. Reviewing, with the management, the annual financial statements and the audit report before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of subsection (5) of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors about any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
11. Review the management discussion and analysis of financial condition and results of operations.
12. Approval or any subsequent material modification of transactions of the Company with related parties.
13. Evaluation of internal financial controls and risk management systems.
14. Carrying out any other function as is mentioned in the terms of reference of Committee.

*Gurvir*





## 15. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company has reconstituted during the financial year. The Committee is comprised of 3 members as on 31.03.2023 viz, Ms. Gurvir Kaur Sran (Member), Ms. Chetna (Member) and Mr. Gaurav Kumar (Chairperson).

The NRC members met 2 times on 29.04.2023 & 20.10.2023.

Terms of reference:

1. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
2. Recommend to the Board appointment and removal of such persons;
3. Formulate criteria for determining qualifications, positive attributes and independence of a Director
4. Formulation of criteria for evaluation of Directors, Board and the Board Committees;
5. Carry out evaluation of the Board and Directors;
6. Recommend to the Board a policy, relating to remuneration for the Directors, Key Managerial Personnel (KMP) and senior management;

## 16. RISK MANAGEMENT

As a Housing Finance Company, your Company is exposed to various risks that are inherent in the lending business, with the major risks being credit risk, market risk, liquidity risk, legal risks, interest rate risk, compliance risk and operational risk. The Company has invested in people, processes and technology to mitigate risks posed by internal and external environment. It has in place a strong risk management team and an effective credit operations structure. Its risk management policies continue to segregate the functions of Risk and Credit to focus on portfolio management. Sustained efforts to strengthen the risk framework and portfolio quality have yielded significant results over the last few years. The Company places emphasis on risk management measures to ensure an appropriate balance between risk and return. The Company has taken steps to implement robust and comprehensive policies and procedures to identify, measure, monitor and manage risks. Risk management is a board- driven function with the overall responsibility of risk management assigned to the Risk Management Committee of the Company which has been reconstituted during the financial year and comprise of Ms. Vibha Wadhwa (Chief Financial Officer), Ms. Gurvir Kaur Sran (Managing Director) and Ms. Sonia Chatwal (Compliance Officer) as on 31.03.2024. At the operational level, risk management is monitored by the Asset Liability Management Committee ("ALCO").

Sensitive financial risks are monitored by the Risk Management Committee and also by Audit Committee of the Board. Your Company conducts risk profiling on a regular basis for the purpose of self-assessment. The Board and the Audit Committee at regular intervals are updated on the risk management systems, processes and




procedures of the Company.

The Company has put in place a Business Continuity Plan and adopts the practice of reviewing its risk management policies to be in step with the changing environment so as to identify and mitigate its attendant risks in a proactive manner on a continuous basis.

The RMC members met 2 times on 14.07.2023 & 18.12.2023.

The terms of reference of the Board Risk Management Committee are as follows:

1. Review of the existing Risk Management Policy, framework and processes, Risk Management Structure and Risk Mitigation Systems. Broadly, the key risks will cover strategic risks of the Group at the domestic and international level including sectoral developments, risk related to market, financial, geographical, political and reputational issues, Environment, Social and Governance (ESG) risks, etc.
2. Evaluate risks related to cyber security.

#### **17. 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 was previously implemented the NHB's Asset Liability Management Guidelines and during the financial year the ALCO has reconstituted Ms. Gurvir Kaur Sran, Brinderjeet Kaur, Ms. Vibha Wadhwa, Mr. Gaurav Kumar and Ms. Sonia Chatwal as on 31.03.2024.

The ALC members met 2 times on 14.07.2023 & 12.12.2023.

#### **18. GRIEVANCE REDRESSAL COMMITTEE**

For receiving, registering and disposing of the complaints and grievances in each of its office, the Company has constituted a Grievance Redressal Committee and it's comprise of 4 members viz Ms. Gurvir Kaur Sran, Ms. Vibha Wadhwa, Ms. Chetna and Ms. Sonia Chatwal as on 31.03.2024.

If any statement of Grievance/Complaint received then its status is regularly placed before the committee for its perusal and The Company has not received any complaints as on 31.03.2024.

The GRC members met 2 times on 29.04.2023 & 24.01.2024.

#### **19. CODES, STANDARDS AND POLICIES AND COMPLIANCES THEREUNDER**

**Know Your Customer & Anti Money Laundering Measure Policy** - The Company has a Board approved Know Your Customer & Anti Money Laundering Measure Policy (KYC & AML Policy) in place and adheres to the said Policy. The said Policy is in line with the National Housing Bank guidelines. The Company has also adhered to compliance requirement in terms of the said policy, including the monitoring

*Gurvir Kaur*  




reporting of cash and suspicious transactions.

**Fair Practice Code** - The Company has in place a Fair Practice Code (FPC), which includes guidelines on appropriate staff conduct when dealing with the customers and on the organisation'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. The Company and its employees duly comply with the provisions of FPC.

**Recovery Policy**-the Company has recovery policy which aims at recovery of overdues in case of default and is not aimed at whimsical deprivation of the property. The policy recognizes the fairness and transparency in repossession, valuation and realization of security. All the practices adopted by your Company for follow up and recovery of overdues and repossession of security would be in accordance with law.

**Grievance Redressal Policy** - The Company has grievance redressal mechanism in accordance with National Housing Bank (NHB) directions for Housing Finance Companies which provides a procedure of receiving, registering and disposing of the complaints and grievances in each of its offices.

**Investment Policy**- the Company has a Board approved Investment Policy in place and adheres to the said Policy. The said Policy is in line with the National Housing Bank guidelines. During the year under review, Investment Policy was modified by the Board in its meeting 23.07.2018 in line with the NHB Directions and inserted the point related to the Demand/Call Loans as given below:

"The Company has decided not to go for any Demand/Call Loans presently. The Company will go for the Demand/Call Loans if required in future after complying with the requirements of National Housing Bank and other applicable provisions."

**Accounting Policy**- the Company has a Board approved Accounting Policy in place and adheres to the said Policy. The said Policy is in line with the National Housing Bank guidelines. Accounting Policy was last reviewed on 26.03.2024 in line with the NHB Directions w.r.t "Recognition of income on accrual basis on NPA Accounts."

**Most Important terms and conditions (MITC)**-The Company has a Board approved Most Important terms and conditions (MITC) in place. The said Policy is in line with the National Housing Bank guidelines. During the year under review, MITC was last reviewed on 28.03.2023 in complying with NHB directions.

**Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace** - The Company has in place a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace and an Internal Complaints Committee (ICC) has been constituted thereunder. The primary objective of the said Policy is to protect the women employees from sexual harassment at the place of work and also provides for punishment in case of false and malicious representations. During the financial year 2023-24, no complaint was received by the ICC under the said policy and based on the recommendations of the ICC.

**Business Continuity Plan** - The Company's business continuity management





programme is headed by a nodal body-Business Continuity Plan (BCP) Committee, comprising of Senior Management Personnel of the Company. This framework enables to identify impact of any disruption on the business/ operations of the Company and enables the company to timely manage the related risk and ensure business continuity at all times.

**Cash Management Guidelines** - The Company has a cash management guideline which helps to examine the requirements, responsibilities, standards, and objectives for internal controls for cash management.

**Fraud Policy:** The said policy was introduced in FY 2023-24 to detect internal and external frauds in the Company and its reporting to designated officials.

**Consumer education literature:** The said literature introduced in the FY 2023-24 to educate customers regarding the terms of loan, its maturity, Non- Performing Assets (NPAs) and relevant terms, the same has been made available on website.

**Related Party Transaction Policy:** RPT policy was also introduced in the Company to provide a briefing about the terms associated with related party transactions.

**Outsourcing Policy:** Outsourcing policy provides the permitted and restricted activities to outsource by the Company. The terms and conditions to maintain confidentiality is also described there.

**20. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year under review, no complaints of sexual harassment were filed.

**21. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:**

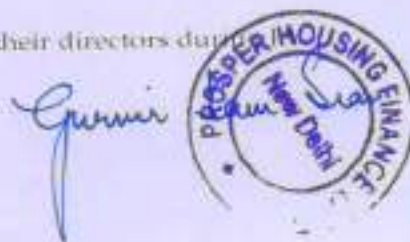
During the period under review, Section 135 of the Companies Act, 2013, is not applicable to the Company as it does not fall under any of the eligibility criteria prescribed therein.

**22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, there is no such orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

**23. LOAN FROM DIRECTORS**

During the year, the company has not taken any loan from their directors during





## 24. PARTICULARS OF EMPLOYEES

Disclosure in respect of Employees details and remuneration is not required as per the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 as no employee was in receipt of remuneration in excess of limit prescribed under the said rules.

## 25. AUDITOR AND AUDITOR'S REPORT

At the Fifteenth (15<sup>th</sup>) Annual General Meeting held on 16<sup>th</sup> August, 2019, the Members had appointed M/s D. S. Rekhi & associates, [Firm Registration No. 003659N] Chartered Accountants, as the Statutory Auditors of the Company, by way of ordinary resolution under section 139 of the Companies Act, 2013, to hold office from the conclusion of Fifteenth (15<sup>th</sup>) Annual General Meeting until the conclusion of Twentieth (20<sup>th</sup>) Annual General Meeting of the Company to be held in 2024.

As required under the provisions of section 139(1) of the Companies Act, 2013, the company has received a written consent from Sunil Arora & Associates, Chartered Accountants [Firm Registration No. 004255N] to their appointment as Statutory Auditors of the Company from the end of the 20<sup>th</sup> Annual General Meeting to be held in 2024 till the 25<sup>th</sup> Annual General Meeting to be held in 2029, and a certificate, to the effect that their appointment, if made, would be in accordance with the new Act and the Rules framed there under and if made, would be in accordance with the new Act and the Rules framed there under and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

## 26. SECRETARIAL AUDITORS

Section 204 of the Companies Act, 2013 are not applicable to the Company.

## 27. AUDITOR'S REPORT

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

The explanation contained in those comments and notes may be treated as information and explanation submitted by the Board as contemplated u/s 134 of the Companies Act, 2013.

## 28. INTERNAL AUDIT & INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has appointed an Internal Auditor on consultancy basis under the provisions of Section 138 of the Companies Act, 2013 who reports to the Audit Committee of the Board. The firm conducts comprehensive audit of functional areas and operations of the Company to examine the adequacy of and compliance with policies, procedures, statutory and regulatory requirements. Significant audit observations

*Gurpreet Kaur*





follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The audit function maintains its independence and objectivity while carrying out assignments. It evaluates on a continuous basis, the adequacy and effectiveness of internal control mechanism. The function also proactively recommends improvement in policies and processes, suggests streamlining of controls against various risks. Your Company has laid down set of standards, processes and structure, which enables it to implement internal financial control across the Company and ensure that the same are adequate and operating effectively.

#### **29. CONCURRENT AUDIT**

The Company has appointed Chartered Accountant firm, designated as a Concurrent Auditor as required under the relevant direction of National Housing Bank who reports to the Audit Committee of the Board. The firm conducts comprehensive audit of day to day functions and operations of the Company to examine the adequacy of and compliance with various regulatory requirements.

#### **30. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

The Statutory Auditors of the Company have not reported any frauds to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

#### **31. INFORMATION PERTAINING TO DEFAULTERS OF RS.1 CRORE AND ABOVE (NON-SUIT FILED ACCOUNTS) AND WILFUL DEFAULTERS OF RS.25 LAKHS AND ABOVE (NON-SUIT FILED ACCOUNTS)**

During the year under review, no defaults were observed pertaining to defaulters of Rs.1 crore and above (non-suit filed accounts) and Wilful Defaulters of Rs.25 lakhs and above (non-suit filed accounts).

#### **32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Loans, guarantees or Investments covered under the provisions of section 186 of the Companies Act, 2013 form part to the notes of financial statements provided in the Balance Sheet.

#### **33. DISCLOSURE UNDER SUB-SECTION (3) OF SECTION 134 OF COMPANIES ACT, 2013, READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014**

**Conservation of Energy** - The Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, adequate measures are always taken to ensure optimum utilisation and maximum possible saving of energy.

*Guarini*





The Company on its lending side actively associates in all programmes and schemes of the Government and NHB, in promoting energy efficient homes.

**Technology Absorption** - The Company actively pursues a culture of technology adoption, leveraging on the advancements in technology to serve customers better, manage process efficiently and economically and strengthen control systems. The Company has maintained a technology friendly environment for its employees to work in. In keeping with the current trends in the areas of digital marketing and social media, the Company has effectively used these avenues in positioning itself in the market place and gain better Customer engagement.

**Foreign Exchange Earnings and Outgo** - There were no foreign exchange earnings and foreign exchange outgo during the year.

#### **34. NATIONAL HOUSING BANK GUIDELINES**

The Company is registered with the National Housing Bank (wholly owned by the Reserve Bank of India) and during the period under review the Company has complied, under the supervision of its Compliance Officer, with all the applicable rules & regulations as prescribed by the National Housing Bank from time to time.

The Company has filed all the applicable returns on time to NHB.

#### **35. MANAGEMENT DISCUSSION AND ANALYSIS:**

The management discussed the current position of their activities of the Company in the industry. The management analyzed and identified the core areas where they can augment more skills and technology.

The management provided an overview of the financial results, operations/performance and the future prospects of the Company and decided to explore the areas of new opportunities in their respective field of operations, focusing on the strengths of the Company.

#### **36. RELATED PARTY TRANSACTIONS**

Contracts or arrangements with related parties under Section 188(1) of the Companies Act, 2013:

All the related party transactions were entered by the Company in ordinary course of business and were in arm's length basis. The Company presents all related party transactions before the Board specifying the nature, value, and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company and stakeholders as utmost priority.

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis. Form

*Gauri Laxmi*  




AOC-2 has been annexed to the Boards Report as Annexure-I containing the Related Party Transactions.

### 37. SUBSIDIARIE, JOIT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture and associate company.

### 38. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

### 39. DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors would like to inform that the audited accounts containing the Financial Statements for the year ended March 31, 2023 are in conformity with the requirements of the Companies Act, 2013 and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations.

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable Accounting Standards had been followed along with proper explanation relating to material departures,
- b) 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 as at March 31, 2023 and of the profit of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual financial statements on a going concern basis;
- e) the directors had laid down Internal Financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) 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.





#### 40. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company does not fall under the purview of section 135 of Companies Act, 2013 dealing with Corporate Social Responsibility and rules made there under i.e. Companies (Corporate Social responsibility Policy) Rules, 2014.

#### 41. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

#### 42. DIAGRAMATIC PRESENTATION OF ORGANIZATIONAL HIERARCHY

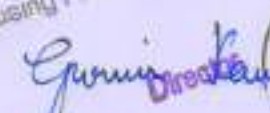
The Diagrammatic presentation of organizational hierarchy has been attached along with this Directors report.

#### 43. ACKNOWLEDGEMENTS

The Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

For and on behalf of the Board,  
PROSPER HOUSING FINANCE LIMITED

For Prosper Housing Finance Ltd.

  
GURVIR KAUR SRAN  
Managing Director  
DIN: 00057473  
Place: Delhi



For Prosper Housing Finance Ltd.  
  
BRINDERJEET KAUR  
Director  
DIN: 01123893  
Place: Delhi





CIN : U65910DL2004PLC124134

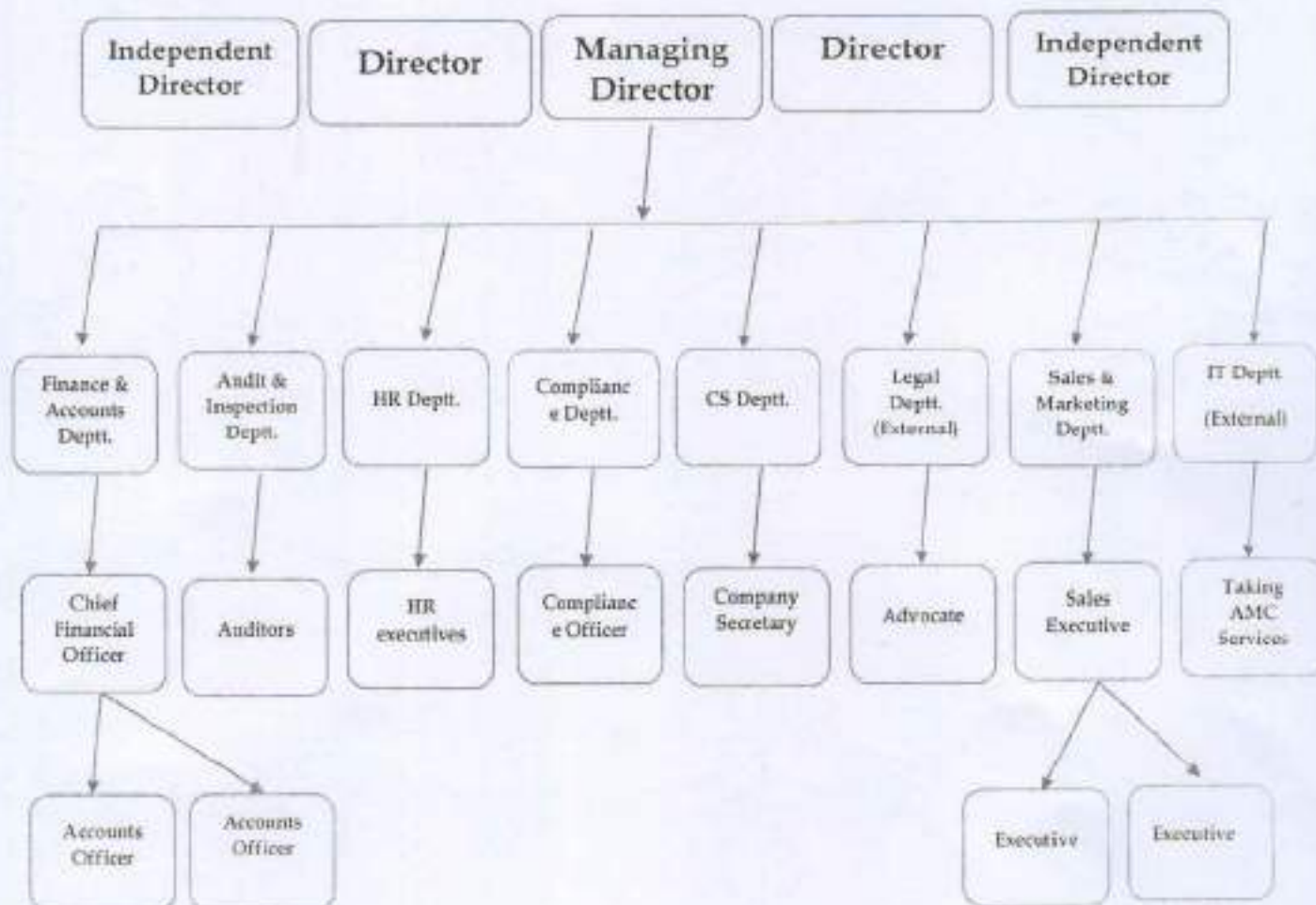
# PROSPER HOUSING FINANCE LTD.

Ref. No. ....

PROSPER HOUSING FINANCE LIMITED

Date .....

## HEAD OFFICE



*Ram Saini*

Office No.: 111 & 112, First Floor, Plot No.-9, LSC, F Block, Garg Plaza, Bhera Enclave, Paschim Vihar, New Delhi-87 (India)

Telefax : +91-40396558, +91-25260122

E-mail : [info@prosperhousingfinance.com](mailto:info@prosperhousingfinance.com) | Website : [www.prosperhousingfinance.com](http://www.prosperhousingfinance.com)





CIN : U65910DL2004PLC124134

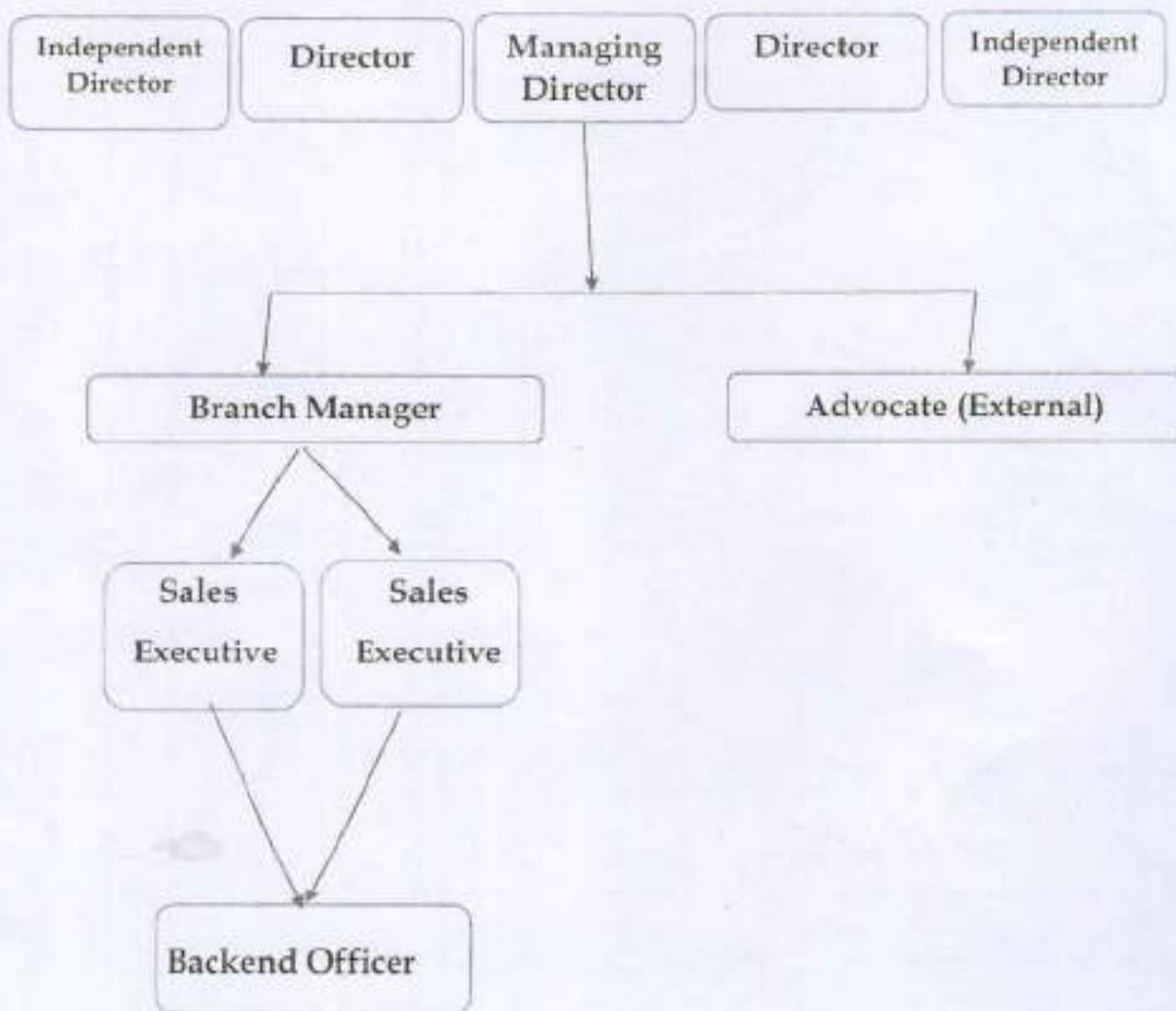
# PROSPER HOUSING FINANCE LTD.

Ref. No. ....

Date .....

## PROSPER HOUSING FINANCE LIMITED

### BRANCH OFFICE



Kam Sean





CIN : U65910DL2004PLC124134

**PROSPER HOUSING FINANCE LTD.**

Ref. No. ....

Date 12/06/2024

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31<sup>st</sup> March, 2024**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: U65910DL2004PLC124134
- ii) Registration Date : 16/01/2004
- iii) Name of the Company : PROSPER HOUSING FINANCE LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered office and contact details: Office No. 111 & 112, First Floor, Plot No.9, LSC F Block, Garg Plaza, Bhera Enclave, Paschim Vihar, New Delhi-110087
- vi) Whether listed company: No
- vii) 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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Housing Finance Company	6592	100 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

S. No.	Name And Address of The Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

*Manish Kumar Saini*

Office No.: 111 &amp; 112, First Floor, Plot No.-9, LSC, F Block, Garg Plaza, Bhera Enclave, Paschim Vihar, New Delhi-87 (India)

Telefax : +91-40396558, +91-25260122

E-mail : info@prosperhousingfinance.com | Website : www.prosperhousingfinance.com





CIN : U65910DL2004PLC124134

**PROSPER HOUSING FINANCE LTD.**

Ref. No. \*\*\*\*\*

Date 12/06/2024

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31<sup>st</sup> March, 2024**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: U65910DL2004PLC124134
- ii) Registration Date : 16/01/2004
- iii) Name of the Company : PROSPER HOUSING FINANCE LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered office and contact details: Office No. 111 & 112, First Floor, Plot No.9, LSC F Block, Garg Plaza, Bhera Enclave, Paschim Vihar, New Delhi-110087
- vi) Whether listed company: No
- vii) 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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Housing Finance Company	6592	100 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

S. No.	Name And Address of The Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.



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**SHAREHOLDING PATTERN AS ON 31.03.2024**

**1) Shareholding Pattern**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	2922942	5703970	8626912	72.23	2922942	5703970	8626912	72.23	Nil	
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Sub Total (A)(1)	2922942	5703970	8626912	72.23	2922942	5703970	8626912	72.23	Nil	
(1) Foreign										
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Sub Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2922942	5703970	8626912	72.23	2922942	5703970	8626912	72.23	Nil	
B. Public Shareholding										
(1) Institutions										
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
c) Central	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	



*Min Kam Suan*

Govt.									
d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub Total (B)(1)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>2. Non Institutions</b>									
a) Bodies Corp.									
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	394600	394600	3.31	Nil	394600	394600	3.31	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	2922258	2922258	24.46	Nil	2922258	2922258	24.46	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total(B)(2):-</b>	Nil	3317128	3317128	27.77	Nil	3317128	3317128	27.77	Nil
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	Nil	3317128	3317128	27.77	Nil	3317128	3317128	27.77	Nil
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	2922942	9021098	11944040	100	2922942	9021098	11944040	100	Nil



*Manish Kumar Singh*



**ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Share Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	% change in shareholding during the year
1	Gurvur Kaur Sran	2922942	24.47	NIL	2922942	24.47	NIL	NIL
2	Brinderjeet Kaur	2851790	23.88	NIL	2851790	23.87	NIL	NIL
3	Harmeet Kaur	2852180	23.88	NIL	2852180	23.88	NIL	NIL
	<b>Total</b>	8626912	72.23	NIL	8626912	72.23	NIL	NIL

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)- No Change**

Sl. No.		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.	<b>Gurvur Kaur Sran</b>				
	At the beginning of the year	2922942	24.47	2922942	24.47
	Date wise Increase in Promoters Share holding during (transfer of shares)	0	0	0	0
	At the End of the year	2922942	24.47	2922942	24.47
2.	<b>Brinderjeet Kaur</b>				
	At the beginning of the year	2851790	23.88	2851790	23.88
	Date wise Increase in Promoters Shareholding during (transfer of shares)	0	0	0	0
	At the End of the year	2851790	23.88	2851790	23.88
3.	<b>Harmeet Kaur</b>				
	At the beginning of the year	2852180	23.87	2852180	23.87



*Signature of Gurvur Kaur Sran*

Date wise Increase in Promoters Shareholding during (transfer of shares)	0	0	0	0
At the End of the year	2852180	23.87	2852180	23.87

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the company
1.	KANWAR RANBIR SINGH	1266904	10.60%	1266904	10.60%
2.	HIMMAT SINGH	1266904	10.60%	1266904	10.60%
3.	AMANDEEP SINGH SRAN	388720	3.25%	388720	3.25%
4.	SUKHMINDER SINGH BRAR	80600	0.67%	80600	0.67%
5.	HARMANDEEP SINGH	76400	0.64%	76400	0.64%
6.	HARBANS KAUR BRAR	74400	0.62%	74400	0.62%
7.	PARAMIT KAUR	74000	0.62%	74000	0.62%
8.	HARMANDER SINGH SRAN	57100	0.478%	57100	0.478%
9.	MANJEET KAUR SRAN	32100	0.269%	32100	0.269%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		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.	Curvir Kaur Sran- Managing Director				
	At the beginning of the year	2922942	24.47	2922942	24.47
	Increase in Promoters Shareholding during (transfer of shares)	0	0	0	0
	At the End of the year	2922942	24.47	2922942	24.47
2.	Brinderjeet Kaur - Director				
	At the beginning of the year	2851790	23.87	2851790	23.87



*Curvir Kaur Sran*



	Increase in Promoters Shareholding during (transfer of shares)	0	0	0	0
	At the End of the year	2851790	23.87	2851790	23.87
3.	<b>Harmeet Kaur - Director</b>				
	At the beginning of the year	2852180	23.87	2852180	23.87
	Increase in Promoters Shareholding during (transfer of shares)	0	0	0	0
	At the End of the year	2852180	23.87	2852180	23.87
4.	<b>Vibha Wadhwa - CFO</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase in KMP Shareholding during (transfer of shares)	-	-	-	-
	At the End of the year	-	-	-	-

## V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**  
(Amount in INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,99,31,086.00	Nil	Nil	1,99,31,086.00
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	1,99,31,086.00	Nil	Nil	1,99,31,086.00
<b>Change in Indebtedness during the financial year</b>				
Addition	42,57,382.00	Nil	Nil	42,57,382.00
Reduction	0	Nil	Nil	0
<b>Net Change in Indebtedness</b>	42,57,382.00	Nil	Nil	42,57,382.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,41,88,469.00	Nil	Nil	2,41,88,469.00
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	2,41,88,469.00	Nil	Nil	2,41,88,469.00



*Harmeet Kaur*

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Gurvir Kaur Sran		
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 15 Lacs		Rs. 15 Lacs
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil		Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil		Nil
2.	Stock Options	Nil		Nil
3.	Sweat Equity	Nil		Nil
4.	Commission - as % of profit - others, specify...	Nil		Nil
5.	Others, please specify	Nil		Nil
	Total (A)	Rs. 15 Lacs		Rs. 15 Lacs
	Ceiling as per the Act			Rs. 7.89 Lacs

- If there is more than one director remuneration shall not exceed ten percent of the net profits to all such directors and manager taken together.

### B. REMUNERATION TO OTHER DIRECTORS:

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Ms. Chetna	Mr. Gaurav Kumar	
1.	<b>Independent Directors</b>			
	Fee for attending board committee meetings	72000	90,000	1,62,000
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (1)	72000	90,000	1,62,000
2.	<b>Other Non- Executive Directors</b>			
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil



Gurvir Kaur Sran



	Total (2)	Nil	Nil	Nil
	Total (B)=(1+2)	72000	90,000	1,62,000
	Total Managerial Remuneration	Nil	Nil	Nil
	Overall Ceiling as per the Act			

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	CS	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs 7.20 Lacs	Rs. 2.53 Lacs	Rs. 9.73 lacs
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Options	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others,specify...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total (C)	Rs 7.20 Lacs	Rs. 2.53 Lacs	Rs. 9.73 lacs



*Gyanini Ram Saini*

## II. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT ]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



By Order of the Board of Directors,  
PROSPER HOUSING FINANCE LIMITED

*Gurvir Kaur Sran*

GURVIR KAUR SRAN  
Managing Director  
DIN: 00057473  
Place: Delhi