

# INDIA HOME LOANS LIMITED

## 20TH ANNUAL REPORT - 2009 - 2010

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### DIRECTORS

Mr. Mahesh Pujara  
 Mr. Rishabh Siroya  
 Mr. Ashok Patel  
 Mr. Anant Bhalotia  
 Mr. Subhash Patel  
 Mr. Mitesh Pujara  
 Mr. Ramesh Mishra  
 Mr. Bharat Merchant  
 Mr. Prakash Panjabi

Chairman Cum Managing Director  
 Director  
 Director  
 Director  
 Director  
 Director  
 Independent Director  
 Independent Director  
 Independent Director

### COMPLIANCE OFFICER

Mrs. Asmita Kadge

### AUDITORS

M/s. Tushar Parekh & Associates  
 Mumbai

### BANKERS

HDFC Bank Ltd.

### SHARE TRANSFER AGENTS

Purva Shareregistry(I) Pvt. Ltd,  
 9, Shiv Shakti Industrial Estate,  
 Sitaram Mill Compound,  
 J.R.Borich Marg, Lower Parel,  
 Mumbai-400011.

### REGISTERED OFFICE

Modi House First Floor  
 10, Bora Masjid Street,  
 Fort, Mumbai - 400001  
 Web:- [www.indiahomeloans.co.in](http://www.indiahomeloans.co.in)

## NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the members of India Home Loans Limited will be held as under:

**DAY : Tuesday**

**DATE: 28<sup>th</sup> September, 2010**

**TIME: 5.00 P. M.**

**VENUE:**

**Samrat Hotel,  
Near Eros Cinema,  
Chruchgate,  
Mumbai 400 020.**

To transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon
2. To appoint a Director in place of Mr. Subhash A. Patel, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Mitesh Pujara, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, to authorize the Board of Directors to fix their remuneration.

By the order of the Board  
India Home Loans Limited

Mahesh Pujara  
Managing Director

Place : Mumbai

Date : 21/07/2010

**NOTES :**

1. A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote on a poll on his behalf .A proxy need not be a member of the company .Proxies in order to be effective, must be received at the Registered Office of the company not less than Forty Eight hours before the meeting.
2. Members are requested to notify any correction /change in their name /address including Pin Code number immediately to the Companies Register/ Depository Participant .In the event of non - availability of Members latest address either in the Companies records or in Depository Participant's records, members are likely to miss notice and other valuable correspondences sent by the company.
3. Members are requested to kindly mention their Folio Number/ Client ID Number (in case of demant shares) in all their correspondence with the Companies Register in order to reply to their queries promptly.
4. Members are requested to bring the Notice of the meeting along with the Attendance slip with them duly filled in and hand over the same at the entrance of the Meeting Hall.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 6th September 2010 to 10th September 2010 (both days inclusive).

Information's required to be furnished under cl. 49 of the Listing Agreement for Directors retired by rotation:

1. Name :- Mr.Subhash Patel ( Director)

Qualification :- C.A

Expertise :- Practicing Chartered Accountant

Other Directorship : Dreams Stock Brokers Private Limited

2. Name :- Mr.Mitesh Pujara ( Director)

Qualification :- Bachelor of Commerce

Expertise :- Area of Finance , Capital and Stock Market Operations.

Other Directorship : NIL

**DIRECTORS' REPORT**

Your Directors are pleased to present the 20th Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2010.

**SUMMARISED FINANCIAL RESULTS :****(Rs. in Lacs)**

	<b>Year ended 31.3.2010</b>	<b>Year ended 31.3.2009</b>
Income	<b>69.06</b>	<b>40.72</b>
Total Expenditure	<b>64.28</b>	<b>49.46</b>
Profit before depreciation interest and tax	<b>4.78</b>	<b>(8.74)</b>
Less:		
Depreciation	<b>0.97</b>	<b>0.71</b>
Interest	<b>-</b>	<b>0.11</b>
Tax		
Current Tax	<b>4.20</b>	<b>-</b>
Deferred Tax	<b>47.03</b>	<b>-</b>
FBT	<b>-</b>	<b>0.21</b>
Net Profit/(Loss) After Tax	<b>46.68</b>	<b>13.18</b>
Paid-up Equity Shares Capital	<b>499.75</b>	<b>499.75</b>
Reserve	<b>66.14</b>	<b>60.73</b>
Balance brought forward from previous year	<b>(191.34)</b>	<b>(201.88)</b>

**OPERATIONS**

The operation of the company during the year under review have not been upto the desired level because of increase in NPA Due to increase in rates of interest and recession the industry has been experiencing a slow down. Your directors feel this is only temporary and industry will be out of the sluggish times sooner than later. The directors are confident of performing better and improve company's performance during the current financial year.

**THE YEAR UNDER REVIEW**

Your Company's key businesses have reported an encouraging performance for the year ended 31st March 2010. The Management after doing a proper gradation and taking into account the risk parameters of the individual account decided to close a number of NPA accounts by way of one time settlement with.

**AUDITORS REPORT**

The Auditors have not made any qualification to the financial statement, in their reports or relevant notes on accounts, which are self explanatory and do not call for any comments under section 217 (3) of the companies Act, 1956.

**ISSUE OF PREFRENTIAL WARRANTS OF THE COMPANY**

The Company during the year under review the company allotted 59,42,500 convertible warrants to promoters and non promoters. The Promoters subscribed 33,00,000 convertible warrants into equity shares of Rs.10/- each and non-promoters subscribed 26,42,500 convertible warrants into equity shares of Rs.10/- each.

In accordance with the Securities exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 the subscribers made the first payment of 25% before the date of allotment of the convertible warrants

**FUTURE OUTLOOK**

Your company is providing long term housing finance to individuals. You are aware that the future for the housing finance sector is bright. Your directors are making sincere efforts to augment profits, cut cost and to improve the margins, bottom line and profitability. Your directors are confident that the company's performance will be better during current financial year.

**CORPORATE GOVERNANCE**

As per the directions of SEBI and the Bombay Stock Exchange Ltd., the code of corporate Governance become applicable to the company w.e.f.2002-03 and accordingly the company has been adhering to the directions and guidelines as required. The report on the code of corporate governance is annexed separately in this Annual report.

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

The details of above are not applicable in the case of your company. The Company is into Home Loan segment and regulated by NHB (National Housing Bank ).

**REGULATORY GUIDELINES**

India Home Loans Ltd complies fully with the guidelines issued by NHB regarding accounting standards, prudential norms for asset classification, income recognition, provisioning, capital adequacy, "Know your Customer"- (KYC), Fair Practice code and capital market exposures.

The National Housing Bank Act, 1987, empowers NHB to levy a penalty on Housing Finance Companies for contravention of the Act or any of its provisions. NHB has levied penalty of Rs.1000/- on your Company on account of delayed submission of Half Yearly Return.

India Home loans Ltd prepared a risk management framework, which sets the procedure of risk assessment and mitigation. The Risk management Committee comprises of the Managing Director and members including senior managers holding key positions in the Company. The Risk Management Committee apprises the Audit Committee of the key risks associated with the business of the Company and the measures to mitigate them.

India Home Loans Ltd's Capital Adequacy Ratio stood at 141.13% as against the minimum requirement of 12%. Tier-1 Capital was 99.90% against the minimum requirement of 6%.

**FIXED DEPOSITS**

As on 31.03.2010, the company held no deposit in any form from anyone. There was no deposit held by the company as on 31.03.2010, which was overdue or unclaimed by the depositors. For the present the board of directors have resolved not to accept any deposits from public, shareholders and others.

**DIRECTORS**

Mr. Subhash Patel and Mr. Mitesh Pujara , director liable to retire by rotation and being eligible offer themselves for re-appointment.

**DIVIDEND**

In view of the carry forward losses incurred in the earlier years, the board regrets its inability to declare any dividend for the year under review.

**AUDITORS**

The retiring Auditors M/s. Tushar Parekh & Associates., Chartered Accountants, Mumbai, have been appointed to hold office till the conclusion of the next Annual General Meeting. They have furnished a certificate to the effect that the proposed re-appointment, is in accordance with the limits specified U/s. 224(1B) of the Companies Act, 1956.

**INVESTOR COMPLAINTS AND COMPLIANCE**

The company has appointed Miss Asmita Kadge, as the compliance officer in pursuance of directions given by the Securities and Exchange Board of India and Bombay Stock Exchange Ltd., the company received no complaints since the holding of last annual general meeting till date.

**PERSONNEL**

The information pursuant to section 217 (2A) of the companies Act, 1956 and rules framed there under there was no employee falling under the category, hence no statement/particulars of employees, have been annexed to this report.

**HUMAN RESOURCES**

Your Directors would like to place on record their deep appreciation of all employees for rendering quality services to every constituent of the company.

**PAYMENT OF LISTING FEES**

Your company shares are listed on Bombay Stock Exchange Ltd., the listing fees for the year 2010 - 11 have been paid to the stock exchange. The company has been complying with all the conditions required to be complied with in the listing agreement.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2010 on a 'going concern' basis.

**ACKNOWLEDGEMENTS**

The Directors place on record their appreciation for co-operation and support extended by the Government, Banks, Shareholders, and customers for their continued support extended to the company at all times.

The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic effort displayed by them during the year

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**MAHESH PUJARA**  
**CHAIRMAN**

**RISHABH SIROYA**  
**DIRECTOR**

Place : Mumbai  
Dated : 21/07/10

## **CORPORATE GOVERNANCE**

### **PHILOSOPHY OF CORPORATE GOVERNANCE**

Corporate Governance is the legitimate and fundamental article of faith of all our action in INDIA HOME LOANS LIMITED. It has been guiding force in our quest for instituting within our edifice, systems and process that promote the values of transparency, professionalism and accountability and compliance.

The Company remains firmly committed to this central theme and endeavors to improve these values on an ongoing basis.

#### **COMPOSITION OF BOARD**

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>NAME OF DIRECTOR</b>	<b>DESIGNATION</b>
1	Promoter Director	Mr. Mahesh Pujara	Chairman cum Managing Director
2	Promoter Director	Mr. Rishabh Siroya	Director
3	Promoter Director	Mr. Ashok Patel	Director
4	Promoter Director	Mr. Anant Bhalotia	Director
5	Promoter Director	Mr. Subhash Patel	Director
6	Promoter Director	Mr. Mitesh Pujara	Director
7	Independent Director	Mr. Ramesh Mishra	Director
8	Independent Director	Mr. Bharat Merchant	Director
9	Independent Director	Mr. Prakash Panjabi	Director

#### **Attendance of Directors at the Meeting of Board of Directors for the Financial Year 2009-2010 and Annual General Meeting Held On 22<sup>nd</sup> August, 2009**

Company has conducted 7 (seven) Board Meetings during the year on 29.04.2009, 16.06.2009, 30.07.2009, 27.10.2009, 17.12.2009, 05.01.2010 and 19.01.2010.

#### **Details of Board of Directors Meeting Held during the Financial Year 2009 - 2010.**

<b>sr. no.</b>	<b>Date</b>	<b>Board Strength</b>	<b>No. Of. Directors Present</b>
1	29.04.2009	9	5
2	16.06.2009	9	7
3	30.07.2009	9	5
4	27.10.2009	8	4
5	17.12.2009	9	6
6	05.01.2010	9	7
7	19.01.2010	9	6

#### **COMMITTEES OF THE BOARD**

The Company has Five committees viz: 1. Audit Committee, 2. Remuneration Committee, 3. Shareholders/Investors Grievance Committee, 4. Share Transfer Committee and 5. Loan and Investment Committee. The decisions relating to the constitution of committees, appointment of members and fixing of terms of service for committee members are taken by the Board of Directors. Composition of the said committees, number of meetings held and attendance during the financial year is as follows:

**1) Audit Committee**

The Audit Committee evaluates internal audit policies, plans, procedures, performance and reviews the other functions through various internal audit reports and other year-end certificates issued by the statutory auditors. Quarterly and the Audit Committee will review annual Accounts, prior to their presentation to the Board along with their recommendations of the Audit Committee. Besides, Audit Committee will be authorized to exercise all such powers as required under Clause 49 of the Listing Agreement.

The present Audit Committee comprises of the following members

Name of Directors	Status in Committee	Nature of Directorship
Mr. Ramesh Chandra Mishra	Chairman	Non-Executive & Independent
Mr. Mahesh Pujara	Director	Managing Director
Mr. Subhash Patel	Director	Non-Executive & Non- Independent

**2. Remuneration Committee :**

The objective of Remuneration Committee is to assess remuneration payable to our Managing Director/Whole Time Directors; sitting fee payable to our Non Executive Directors; remuneration policy covering policies on remuneration payable to our senior executives.

The Present Remuneration Committee consists of :

Name of Directors	Status in Committee	Nature of Directorship
Mr. Bharat Merchant	Chairman	Non-Executive & Independent
Mr. Rishabh Siroya	Director	Director
Mr. Ramesh Chandra Mishra	Director	Non-Executive & Independent

**(A) Remuneration to Non- executive Directors**

The Non-executive Director are paid sitting fees of Rs. 2,000/- for each Board/committee meeting attended.

**3. SHARE HOLDERS/INVESTOR'S GRIEVANCE COMMITTEE**

Name of Directors	Status in Committee	Nature of Directorship
Mr. Ramesh Chandra Mishra	Chairman	Non-Executive & Independent
Mr. Anant Bhalotia	Director	Director
Mr. Rishabh Siroya	Director	Director

**Brief description of Term Reference**

The committee looks into redressing of shareholders/ investor complaints, issue of Duplicate share certificates. During the year under review no complaints were receive from shareholders/investors. No meeting of this committee were held during the year under review.

**Compliance Officer**

Miss Asmita Kadge is the Compliance Officer of the company.



**4. SHARE TRANSFER COMMITTEE**

The Board has delegated the powers to a committee consisting of Mr. Ramesh Chandra Mishra and Mr. Anant Bhalotia to approve transfer/transmission of shares and attend to all other matters related thereto. Mr. Mahesh Pujara is the Chairman of the committee.

The committee generally meets twice in a month. As on 31.03.2010, there were no pending share transfers and complaints pertaining thereto.

Name of Directors	Status in Committee	Nature of Directorship
Mr. Mahesh Pujara	Chairman	Managing Director
Mr. Anant Balotia	Director	Director
Mr. Ramesh Mishra	Director	Non-Executive & Independent

**5. LOAN & INVESTMENT COMMITTEE**

The Committee generally sanctions the loan for Housing/Up-gradation of houses from time to time.

The Present Committee consists of:-

NAME OF DIRECTORS	STATUS IN COMMITTEE	NATURE OF DIRECTORSHIP
Mr. Mahesh Pujara	Chairman	Managing Director
Mr. Praksh Punjabi	Director	Director
Mr. Rishabh Siroya	Director	Director
Mr. Subhash Patel	Director	Director

**ANNUAL GENERAL MEETING**

Details of Annual General Meeting

Particulars	F.Y.2006- 2007	F.Y.2007- 2008	F.Y.2008-2009
Date	14.09.2007	30.09.2008	22.08.2009
Time	10.00 a.m.	10.00 a.m.	05.00 p.m
Venue	107, Vardhman Chambers, Cawasji Patel Street, Fort, Mumbai-400 081.	Modi House First Floor, 10 <sup>th</sup> Bora Masjid Street, Fort, Mumbai-400001	Samrat Hotel Near Eros Cinema, Chrchugate, Mumbai 400 020.
Regd. Office	107, Vardhman Chambers, Cawasji Patel Street, Fort, Mumbai-400 081.	Modi House First Floor, 10 <sup>th</sup> Bora Masjid Street, Fort, Mumbai-400001	Modi House, First Floor, 10 <sup>th</sup> Bora Masjid Street, Fort, Mumbai-400001

**DISCLOSURES : -****RELATED PARTY DISCLOSURES:-**

Disclosures on materially significant related party transactions i.e. transactions of the Company material nature, with its Promoters, Directors of the Management, their relatives etc. that may have potential conflict with the interest of the Company at large. None of the transaction with any of the related parties were in conflict with the interest of the Company.

**MEANS OF COMMUNICATION**

Half Yearly Report send to each Shareholders	At the Financial result of the Company are Published in the news papers and press release in issue in leading news papers, a separate half yearly report is not sent to each shareholder.
Quarterly Results	The quarterly results of the Company are published in accordance with the requirement of the Listing Agreement of the Stock Exchange, Mumbai
News papers in which results are normally published	1. The Financial Express(English) 2. Mumbai Laksh Deep(Marathi)
Email	ihll@ymail.com
Administrative Office	Modi House, First floor, 10th Bora Masjid Street, Behind Videocon House, Fort, Mumbai - 400001.
Whether Management Discussions and Analysis report is a part of Annual Report or not	YES

**INSIDER TRADING :-**

Code of Conduct for Prevention of Insider Trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) regulations, 1992 as amended, "Code of Conduct for Prevention of Insider Trading is in place.

Miss. Asmita Kadge is the Compliance Officer and responsible for implementation the same.

**REGISTRAR AND TRANSFER AGENT:****SHARE TRANSFER SYSTEM**

M/s. Purva Shareregistry Pvt. Ltd., Mumbai. continues to be the Registrar and Transfer Agent of the Company. All the work related to share Registry in term of both Physical and Electronic segment has been allotted to M/s. Purva Shareregistry Pvt. Ltd., in view of the directive issued by SEBI in this regard i.e. for handling both Physical as well as Electronic transfer at a single point.

Shareholder are therefore requested to send shares for Physical transfer M/s. Purva Shareregistry (I) Pvt. Ltd. instead of sending to Company. As the Company's Shares are compulsorily to be traded in dematerialized form. Members holding shares in Physical Form are requested to send the share certificate to their Depository Participants to enable Registrar and Transfer Agent to take steps for dematerialization at the following:

The address of Registrar and Transfer agents is:

**M/S. PURVA SHAREREGISTRY(I) PVT. LTD.**

9,Shiv Shakti Industrial Estate,  
Ground Floor, Sitaram Mill Compound,  
J.R. Boricha Marg, Lower Parel,  
Mumbai-400011.  
Phone No.022- 223016761  
Fax No.022- 23018261  
Email: - busicomp@vsnl.com