

## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting their 4<sup>th</sup> Directors' Report on the business and operations of Clix Housing Finance Limited ("the Company") and the accounts for the Financial Year ended March 31, 2020.

### 1. Financial Summary/Performance of the Company:

The financial performance of the Company for the financial year ended March 31, 2020, is summarized below:

(INR Figures in thousands)

	Year Ended on 31 March'20	Year Ended on March'19
Revenue from Operations	231,467	39,541
Other Income	519	276
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	112,864	(43,415)
Less: Depreciation/ Amortisation/ Impairment	-	-
Profit /loss before Finance Costs, Exceptional items and Tax Expense	112,864	(43,415)
Less: Finance Costs	111,764	6,435
Profit /loss before Exceptional items and Tax Expense	1,099	(49,850)
Add/(less): Exceptional items	-	-
Profit /loss before Tax Expense	1,099	(49,850)
Less: Tax Expense (Current & Deferred)	-	-
Profit /loss for the year (1)	1,099	(49,850)
Other Comprehensive Income/loss (2)	374	(71)
Total (1+2)	1,473	(49,921)
Balance of profit /loss for earlier years	(67,673)	(17,752)
Less: Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to statutory reserve	(295)	-
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	-	-
Less: Dividend paid on Preference Shares	-	-
Less: Dividend Distribution Tax	-	-
Balance carried forward	(66,494)	(67,673)

**2. Reserves:** During the financial year under review your company has earned profits of INR 1473 thousands (including other comprehensive income) were transferred to the Reserve and Surplus of the Company. Consequently, profits of INR 295 thousands were transferred in the Statutory Reserves required as per Section 29C of The National Housing Bank Act, 1987.

**3. Dividend:** Your Directors have not recommended any interim / final dividend for the year under review.

**4. Brief description of the Company's working during the year/State of Company's affair and Outlook for 2019-20:**

The Company received Certificate of Registration from National Housing Bank (NHB) on 18th August, 2017 to carry on the business of housing finance without accepting public deposits. With the Finance (No.2) Act, 2019 (23 of 2019), the National Housing Bank Act, 1987 got amended, conferring powers for regulation of Housing Finance Companies (HFCs) with Reserve Bank of India with effect from 9 August, 2019.

The Company has earned net profit after tax of INR1099 thousands in the Financial Year ending FY 2019-20. The Company has earned revenue from operations of INR 231,467 thousands.

There are no outstanding material changes and commitments, tax liabilities etc. affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**5. Details of Significant and Material Orders passed by the any regulator or court or tribunal:**

No significant and material orders were passed by the any regulator(s) or court(s) or tribunal(s) impacting the going concern status and Company's operations in future.

**6. Details of Subsidiary/Joint Ventures/Associate Companies:**

During the year under review, your Company has no Subsidiary/Joint Ventures/Associate Companies. Kindly note that Clix Capital Services Private Limited is the Holding Company.

**7. Deposits:**

The Company has not accepted any deposits from the public as defined in the Housing Finance Companies (National Housing Bank) Directions, as amended till date.

**8. Statutory Auditors:**

The Company had appointed M/s. SR Batliboi & Associates LLP, Chartered Accountants, (Registration No: 101049W/E300004) as the Statutory Auditors of the Company in the 1<sup>st</sup> Annual General Meeting ("AGM") of the shareholders of the Company for a period of five consecutive financial years.

**Auditors' Report**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. No frauds reported by auditors under Section 143(12) of the Companies Act, 2013.

**9. Share Capital**

During the year, under review, the Company has:

- Not issued any equity shares with differential rights and no disclosures required per the provisions of Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.
- Not issued any sweat equity shares and no disclosures required per the provisions of Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014.

- Not issued employee stock options and no disclosures required per the provisions of Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014.
- Not created any provision of money for purchase of its own shares by employees / by trustees for the benefit of employees and no disclosures required per the provisions of rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.

**ESOP Scheme/Plan of the Holding Company:**

In the current Financial year, Clix Capital Services Private Limited (“**Holding Company**”) has approved and adopted Employee Stock Options Scheme/Plan under Section 62(1)(b) of the Companies Act, 2013, wherein employees of the Company are entitled to participate in this scheme.

**10. Annual Return**

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as at March 31, 2020, in the prescribed form MGT 9, forms part of this Board’s report as “Annexure - B”.

**11. Conservation of energy, technology absorption and foreign exchange earnings and outgo:**

The operations of the Company, being financial services related, require normal consumption of electricity. Given the nature of the activities of the Company the provisions pertaining to conservation of energy, technology absorption and Foreign Exchange Earnings & Outgo are not applicable to the Company.

**12. Directors:**

**i) Board of Directors:**

The Company has presently the following members in Board of Directors:

- **Vikas Aggarwal** who was appointed as Whole-time Director of the Company w.e.f. May 25, 2017, resigned on 23 September, 2019
- **Shekhar Mohanlal Daga** who was appointed as Additional Director of the Company on March 5, 2019 has been regularized as Director w.e.f 23 September, 2019
- **Vineet Saigal** who is appointed as Additional Director of the Company on March 5, 2019 has been regularized as Director w.e.f 23 September, 2019 (Resigned on 11 March, 2020)
- **Rahul Angara Rao** is appointed as Independent Director (Additional Director) of the Company on December 28, 2019.
- **Rashmi Mohanty** is appointed as Whole-time Director (Additional Director) of the Company w.e.f. 11 March, 2020

**ii) Key Managerial Personnel’s (“KMPs”):**

The Company presently has the following KMPs:-

- Vikas Aggarwal - Whole Time Director (Resigned on September 23, 2019)
- Rashmi Mohanty - Whole Time Director (Appointed on March 11, 2020)
- Purva Arora - Company Secretary

**iii) Declaration by Independent Directors:** The Independent Director of the Company, at the first meeting of the Board in which he participated as such has given a declaration that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013.

**13. Number of meetings of the Board of Directors:** The details of the five (“05”) Board meetings held in accordance with the applicable guidelines and rules, during the year ended March 31, 2020 are as follows:

S. No.	Date	Directors present
1	25 April, 2019	Vikas Aggarwal Vineet Saigal
2	28 June, 2019	Vikas Aggarwal Shekhar Daga Vineet Saigal
3	23 September, 2019	Shekhar Daga Vineet Saigal
4	28 November, 2019	Shekhar Daga Vineet Saigal
5	14 February, 2020	Shekhar Daga Rahul Rao

#### 14. Number of meeting(s) of the Shareholders:

During the year, the shareholders met 1 (One) time as given below:

#	Type of Meeting	Date of Meeting	Attendees
1	Annual General Meeting	23 September, 2019	Clix Capital Services Private Limited (Represented by Mr. Mukul Kanchan) Clix Finance India Private Limited (Represented by Mr. Ashhish K Paanday)

#### 15. Particulars of loans, Guarantees/Investments:

Provisions related to Loans, Guarantees/Investments under Section 186 of the Companies Act, 2013 are not applicable to the Company.

#### 16. Particulars of contracts or arrangements with related parties:

All contracts or arrangements with related parties, entered into or modified during the financial year, were on arm's length basis and in the ordinary course of business. All such contracts or arrangements have been approved by the Audit Committee of the Company. No material contracts/arrangements with related party were entered into during the year under review. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with rules made there under. In line with the requirements of the Act and RBI Directives, the Company has formulated a Policy on Related Party Transactions which is also available on Company's website and will be submitted to the Regulators, if required. (<http://www.clix.capital/our-policies>). The policy on Related Party Transactions is enclosed as Annexure- C.

The policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and related parties.

Your Directors draw attention of the members to Note 30 to the financial statement which sets out related party disclosures.

**17. Managerial Remuneration:** Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be submitted with regulators, if required.

#### 18. Risk Management Policy:

End-to-End Risk Management is an integral part of the Company's business strategy. Risk Management in the Company covers amongst others, Credit, Market, Operational and Fraud Risk along with appropriate Collections policies. As part of the robust governance framework, each individual program policy defines the

target market, customer selection and acceptance norms, portfolio triggers, desired financial returns, monitoring process etc. The Risk Management Committee (RMC) assists the Board in its oversight of key credit risks and its resultant compliances. The RMC reviews portfolio performance, monitors risk tolerance limits, reviews risk exposures related to specific issues. The company continues to invest in talent, processes and emerging technologies for building a robust and a forward-looking culture towards risk management.

## **19. Committees of the Board**

### **A. Nomination Committee**

The Fit and Proper Criteria for Directors Policy as formulated and adopted by Nomination Committee has been posted on the website of the Company and will be submitted to the Regulators, if required. (<https://www.clix.capital/clix-housing/>).

Pursuant the said policy, Nomination Committee obtained and took note of Fit and Proper declarations received from all its directors for ascertaining the fit and proper criteria at the time of appointment of directors and on a continuing basis.

Pursuant to the provisions of the Companies Act, 2013 and NHB Directives, the Nomination Committee of the Company has carried out an annual evaluation of Board basis of self-evaluation form received from all of its directors.

The Board has re-constituted the composition of Nomination Committee in its meeting held on February 14, 2020. The present constitution of the Nomination Committee is as follows as on March 31, 2020:

- Shekhar Daga
- Rashmi Mohanty
- Rahul Rao
- Aditya Kohli

The Board of Directors of the Company has always accepted the recommendations of the Nomination Committee.

### **B. Audit Committee**

The Board has re-constituted the composition of Audit Committee in its meeting held on February 14, 2020. The present constitution of the Audit Committee is as follows as on March 31, 2020:

The present constitution of the Audit Committee is as follows-

- Shekhar Daga
- Rashmi Mohanty
- Rahul Rao

The Board of Directors of the Company has always accepted the recommendations of the Audit Committee. Vigil Mechanism has been posted on the website of the Company and will be submitted to the Regulators, if required. (<https://www.clix.capital/clix-housing/>)

Further, during the financial year, the Company has not crossed threshold limit for the constitution of the CSR Committee and adoption of CSR Policy as required under the Section 135 of the Companies Act, 2013.

## **20. Number of Meeting:**

### **A. Audit Committee Meetings:**

The details of the Three (3) Audit Committee meetings held, in accordance with the applicable guidelines and rules, during the year ended March 31, 2020 are as follows:

S. No.	Date	Members present
1	28 June, 2019	Vikas Aggarwal Shekhar Daga Vineet Saigal
2	23 September, 2019	Shekhar Daga Vineet Saigal
3	14 February, 2020	Shekhar Daga Rahul Rao

**B. Risk Management Committee (“RMC”) Meetings:**

The detail of the Three (3) RMC meeting held, in accordance with the applicable guidelines and rules, during the year ended March 31, 2020 are as follows:

S. No.	Date	Members present
1	25 April, 2019	Vikas Aggarwal Vineet Saigal Amit Doger
2	23 September, 2019	Shekhar Daga Vineet Saigal Amit Doger
3	14 February, 2020	Shekhar Daga Rahul Rao

**C. Nomination Committee Meetings:**

The detail of the Three (3) Nomination Committee meeting held, in accordance with the applicable guidelines and rules, during the year ended March 31, 2020 are as follows:

S. No.	Date	Directors present
1	28 June, 2019	Shekhar Daga Vineet Saigal Aditya Kohli
2	28 November, 2019	Shekhar Daga Vineet Saigal
3	14 February, 2020	Shekhar Daga Rahul Rao

**21. Internal Financial Controls:**

The Company has adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design/operation were observed per the provisions of Rule 8(5) of the Companies (Accounts) Rules, 2014.

**22. Disclosures under Prevention of Sexual Harassment of Women at Workplace Act, 2013:**

The Company has in place a Policy for prevention of Sexual Harassment, in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2019-20.

**23. Management Discussion and Analysis Report** of the Company is attached to this Report as Annexure-A.

**24. Corporate Governance:**

Your Company is committed to ensure fair and ethical business practice, transparent disclosures and reporting.

**25. Regulatory Guidelines:**

The Company has complied with the Housing Finance Companies (NHB) Directions and other directions prescribed by NHB regarding accounting standards, prudential norms for asset classification, income recognition, provisioning, capital adequacy, credit rating, corporate governance, concentration of investments and capital market exposure norms.

**26. Compliance with Secretarial Standards:** The Company has made compliance of applicable Secretarial Standards and other Secretarial Standards as adopted.

**27. Applicability of Cost records:** The Cost Audit Rules are not applicable on the Company.

**28. Directors' Responsibility Statement:** Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
- c. they have taken proper and sufficient care for the 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 fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**29. Acknowledgements:** Your Directors wish to place on record their heartfelt appreciation to the Regulators, other Group Companies, Central & State governments and other stakeholders for their continued support during the year under report.

**For and on behalf of the Board  
Clix Housing Finance Limited  
(Formerly known as Clix Housing Finance Private Limited)**

**Shekhar Daga  
Director  
DIN: 07471871**

**Rashmi Mohanty  
Whole-time Director  
DIN: 07072541**

**Date:  
Place:**

**Flat 204, Tower-B, Central Park-1  
Sector 42, Golf Course Road,  
Gurgaon-122011, Haryana**

**1611A, Mangolia, DLF Golf Links, Phase V,  
Gurugram-122002**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **Industry structure and developments including Risks and concerns related thereto:**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. Housing is a primary need in every economy and is not just an indicator of growth but also an accelerator for various other associated industries. Therefore, financing for this sector will always remain as a key focus for all economies. In India, financing for housing can be raised from Banks and from HFCs. While the upper and middle income segments are well served by banks on account of their competitive pricing, the lower income groups has low access to mortgage finance. HFCs play a significant role in enabling this group with access to financing.

The Housing Finance Companies (HFCs) sector has been growing steadily over last few years. HFCs have helped Indian financial system by creating sustainable models, with advanced analytical and technological capabilities to support unbanked, new to credit and micro segments in an efficient and profitable manner.

### **Opportunities and Threats:**

India has seen a growth of Fintech companies which have emerged over the last few years offering speed, efficient service and thereby addressing the needs of the various segments that have been under-served thus far. The key to success for any HFC would be a combination of execution capability, strong underwriting ability and recovery process backed by strong capital.

### **Outlook:**

Company has taken steps to expand existing customer base based on strong foundations of technology and robust risk management system.

Company has formulated new IT strategy & defined implementation timelines to build a comprehensive technology platform. Company shall take steps to enhance sales force effectiveness and differentiated underwriting. However, given the Covid-19 pandemic, there could possibly be slippage in asset quality and recoveries. The Company is therefore taking steps to strengthen the recovery mechanism and with a strong outreach to all its customers.

### **Risk Management**

Company has formed a Risk Management Committee (RMC) to oversee the credit risk management and ensure that the credit risks are properly identified and are appropriately managed. The Company has a Risk management and credit policy approved by its Board of Directors. The objective of the policy lays down the guiding principles that aid-in enhancement of credit in consonance with the main business objectives of the Company and in compliance with the statutory and regulatory requirements/ guidelines. The Policy provides mitigation approach to various risks like borrower risk, security risk, product risk and systematic risks. Further, it also ensures to provide a prudent policy for management of credit risk to build and maintain a sound and well-diversified credit portfolio. The Company also has an Asset Liability Management Committee (ALCO), which has the responsibility to manage the liquidity and interest rate risk for the Company.

### **Internal control systems and their adequacy:**

The Company has well-defined organizational structure, policy guidelines, defined authority matrix for authorization of transactions and internal controls to ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of assets of the company. The company periodically performs risk & controls assessments around systems & processes to identify inherent risks, understand existing controls measures and determine residual risks requiring management attention.

The internal control system is supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The Audit Committee of the Board reviews internal audit reports to assess the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate. The Company has framed a compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements.

**Discussion on financial performance with respect to operational performance:**

During current Financial Year, your Company has earned a Profit After Tax ('PAT') of INR 1099 (thousands) as against loss of INR 49,850 (thousands) in the previous Financial Year driven by income from lending activities.

**Material developments in Human Resources/Industrial Relations front, including number of people employed:**

The Company ensures compliance of employment and labour laws, tracking changes in applicable regulations on a regular basis. The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at the workplace.

The Company is hiring best talent from the Indian Market for the Business Development of the Company. As at 31<sup>st</sup> March, 2020, current strength of the Company employees is 46.

## EXTRACT OF ANNUAL RETURN

## FORM NO. MGT 9

Extract of Annual Return as on financial year ended on 31.03.2020

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

## I. REGISTRATION &amp; OTHER DETAILS:

1. CIN	U65999DL2016PTC308791
2. Registration Date	2 December, 2016
3. Name of the Company	Clix Housing Finance Limited (Formerly known as Clix Housing Finance Private Limited)
4. Category/Sub-category of the Company	Indian Non-Government Company and a Private Company Limited by Shares
5. Address of the Registered office & contact details	4 <sup>th</sup> Floor, Kailash Building, Kasturba Gandhi Marg, Connaught Place, New Delhi-110001 T: 011-42319654 E: <a href="mailto:hello@clix.capital">hello@clix.capital</a>
6. Whether listed company	No
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

## 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	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Activities of housing finance companies	6492	100

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

#	Name and Address of the Company	CIN/GLN	Holding/subsidiary/ Associate	% of shares	Applicable Section
1	Clix Capital Services Private Limited 4 <sup>th</sup> Floor, Kailash Building, Kasturba Gandhi Marg, Connaught Place, New Delhi-110001	U65929DL1994PTC116256	Holding Company w.e.f. December 2, 2016	100%	2(46)

## IV. SHARE HOLDING PATTERN

## 1. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (31.03.2019)				No. of Shares held at the end of the year (31.03.2020)				% change during the year
	D-mat	Physical	Total	% of total shares	D-mat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central / State Govt.	-	-	-	-	-	-	-	-	-

(c) Bodies Corporates	-	5,50,00,000	5,50,00,000	100%	-	5,50,00,000	5,50,00,000	100%	-
(d) Bank/FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub -Total: (A) (1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
(a) NRI Individual	-	-	-	-	-	-	-	-	-
(b) Other Individual	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other...	-	-	-	-	-	-	-	-	-
<b>Sub -Total: (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	-	5,50,00,000	5,50,00,000	100%	-	5,50,00,000	5,50,00,000	100%	-
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>	-	-	-	-	-	-	-	-	-
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others(specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non Institutions</b>	-	-	-	-	-	-	-	-	-
(a) Bodies Corporates	-	-	-	-	-	-	-	-	-
(i) Indian									
(ii) Overseas									
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-

(ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 Lakhs	-	-	-	-	-	-	-	-	-
(c) Others(specify)	-	-	-	-	-	-	-	-	-
<b>Sub- Total (B)(2): Total Public Shareholding (B)=(B)(1)+(B)(2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	5,50,00,000	5,50,00,000	100%	-	5,50,00,000	5,50,00,000	100%	-

## 2. Promoters' Shareholding

#	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	Clix Capital Services Private Limited	5,49,99,999	100	Nil	5,49,99,999	100	Nil	N.A.
2	Clix Finance India Private Limited <sup>#</sup>	1	0	Nil	1	0	Nil	N.A.

*"# Clix Finance India Private Limited is acting as nominee in respect of one share and beneficial ownership is respect said one share vested with Clix Capital Services Private Limited."*

## 3. Change in Promoters' Shareholding (please specify, if there is no change)

S.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
	<b>At the beginning of the year</b>				
1	Clix Capital Services Private Limited	5,49,99,999	100	-	-
2	Clix Finance India Private Limited <sup>#</sup>	1	0	-	-
	<b>Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)</b>				

1	Clix Capital Services Private Limited	-	-	-	-
2	Clix Finance India Private Limited <sup>#</sup>	-	-	-	-
<b>At the end of the year</b>					
1	Clix Capital Services Private Limited	-	-	5,49,99,999	100
2	Clix Finance India Private Limited <sup>#</sup>	-	-	1	0

***"# Clix Finance India Private Limited is acting as nominee in respect of one share and beneficial ownership is respect said one share vested with Clix Capital Services Private Limited."***

**4. Shareholding Pattern of top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

S	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 Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>At the beginning of the year</b>				
	N.A.	N.A.	N.A.	N.A.	N.A.
<b>2</b>	<b>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)</b>				
	N.A.	N.A.	N.A.	N.A.	N.A.
<b>3</b>	<b>At the end of the year</b>				
	N.A.	N.A.	N.A.	N.A.	N.A.

**5. Shareholding of Directors and Key Managerial Personnel:**

S	Shareholding of each Directors and each Key Managerial Personnel	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
<b>1</b>	<b>At the beginning of the year</b>	Nil	Nil	Nil	Nil
<b>2</b>	<b>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)</b>	Nil	Nil	Nil	Nil
<b>3</b>	<b>At the end of the year</b>	Nil	Nil	Nil	Nil

**V. INDEBTEDNESS -INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT: NONE**

Particular	Secured Loan	Unsecured loan	Deposit	Total
<b>Indebtedness at the beginning of the year</b>				
Principal amount				

Interest due but not paid	-	-	-	-
Interest accrued but not due				
<b>Total</b>				
<b>Change in indebtedness during the year</b>				
Addition				
Reduction				
Net change				
<b>Indebtedness at the end of the year</b>				
Principal amount				
Interest due but not paid				
Interest accrued but not due				
<b>Total</b>				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NONE

S.No.	Particulars of Remuneration	WTD (Vikas Aggarwal)	WTD (Rashmi Mohanty)	Total Rs. (in Lacs)
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit & others,	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-
	Ceiling as per the Act	-	-	-

# "Also, Vikas Aggarwal (Resigned on 23 September, 2019) and Rashmi Mohanty (Appointed on 11 March, 2020) also acted as Whole Time Director of the Holding Company i.e. Clix Capital Services Pvt. Ltd.

### B. Remuneration to other directors: NONE

S.	Particulars of Remuneration	Vineet	Shekhar	Rahul	Total Amount (Rs.)
1	Independent Directors				-
	Fee for attending board /Committee meetings	-	-		The Remuneration details are maintained by the company and members can write to know if they need the details
	Commission	-	-		
	Others, please specify	-	-		
	Total (1)	-	-		
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-		

	Commission	-	-		
	Others, please specify	-	-		
	Total (2)	-	-		
	Total (B)=(1+2)	-	-		
	Total Managerial Remuneration	-	-		
	Overall Ceiling as per the Act	-	-		

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: The Remuneration of KMPs are maintained with the company and concerned stakeholders may approach for the details.**

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE**

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)
<b>A. COMPANY</b>					
Penalty	N.A	-	N.A.	-	-
Punishment	N.A	-	N.A.	-	-
Compounding	N.A	-	N.A.	-	-
<b>B. DIRECTORS</b>					
Penalty	N.A	-	N.A.	-	-
Punishment	N.A	-	N.A.	-	-
Compounding	N.A	-	N.A.	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	-	N.A.	-	-
Punishment	N.A	-	N.A.	-	-
Compounding	N.A	-	N.A.	-	-



**CLIX HOUSING FINANCE LIMITED**  
**(Formerly known as Clix Housing Finance Private Limited)**

**RELATED PARTY TRANSACTIONS (“RPTS”) POLICY**

Approved by: The Board of Directors

Issue Date: 28 June, 2019

Effective Date: 28 June, 2019

Policy Owner: Regulatory and Compliance Leader

Policy Contact: Compliance Leader

Version: 1 of 2019

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## I. PREAMBLE:

The Board of Directors (the “Board”) of the **Clix Housing Finance Private Limited** (the “Company”), has adopted the following policy and procedures with regard to Related Party Transactions (*as defined below*) in accordance with the requirements of Section 188 of the Companies Act 2013 and Rules made thereunder and the Master Circular- Housing Finance Companies – Corporate Governance (NHB) Directions, 2016 dated 2nd July, 2018, as amended from time to time.

## II. OBJECTIVE / PURPOSE

The objective of this policy is to regulate transactions between the Company and its Related Parties and to ensure that such transactions are based on principles of fairness and transparency. Likewise, this policy aims to ensure proper approval and reporting of transactions between the Company and any of its Related Party in accordance with the applicable laws.

This Policy shall supplement the Company’s other policies in force that may be applicable to or involve transactions with related persons.

## III. DEFINITIONS

- (i) “**Act**” means Companies Act, 2013 and rules made thereunder, as amended.
- (ii) “**Audit Committee or Committee**” means Committee of Board of Directors of the Company constituted under provisions of Companies Act, 2013.
- (iii) “**Board**” means the Board of Directors of the Company.
- (iv) “**Key Managerial Personnel**” includes
  - a. the Chief Executive Officer or the Managing Director or the Manager;
  - b. the Company Secretary;
  - c. the Whole-time Director;
  - d. the Chief Financial Officer
- (v) “**Material Related Party Transactions**” means those transactions entered into with the Company by a related party, individually or taken together with previous transactions during a financial year, exceeds Ten percent of the annual turnover or twenty percent of the net worth of the Company as per the last audited financial statements of the Company, whichever is higher.
- (vi) “**Related Party**” shall have the meaning ascribed to it under the section 2(76) of the Act.
- (vii) “**Relatives**” shall have the meaning ascribed to it under section 2(77) of the Act.
- (viii) “**Related Party transactions**”: means any transaction directly or indirectly involving transfer of resources, services or obligations between the Company and the Related Party, regardless of whether a price is charged. A "transaction" with a Related Party shall be construed to include single transaction or a group of transactions in a contract.

The following categories of transactions and thresholds as prescribed under Section 188 of the Act shall be covered under this Policy:

- (i) sale, purchase or supply of any goods or materials;
- (ii) selling or otherwise disposing of, or buying, property of any kind;
- (iii) leasing of property of any kind;

- (iv) availing or rendering of any services;
- (v) appointment of any agent for purchase or sale of goods, materials, services or property etc.
- (vi) such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company; and
- (vii) underwriting the subscription of any securities or derivatives thereof, of the Company.

#### **IV. THE POLICY**

Unless otherwise stated in this Policy, all Related Party Transactions (including any amendments or modifications to such transactions) must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy. All Material Related Party Transactions shall require approval of the shareholders through ordinary resolution and the Related Parties shall abstain from voting on such resolutions.

Transactions with Related parties which are in ordinary course of business of the Company, shall satisfy the criteria of arm's length pricing and shall be periodically disclosed to the Audit Committee/Board. It shall be the responsibility of the Functional Head to ensure that requisite evidence and documentation are made available to the Audit Committee/Board, as may be required, to demonstrate that the transactions are conducted on arm's length basis.

#### **V. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS**

In dealing with Related Party Transactions, the Company will adopt the following approach:

##### **I. Identification of Related Party Transactions**

All Related Party Transactions must be brought to the notice of the Audit Committee of the Company. Any employee of the Company who is aware of any transaction that is or may be perceived to be a Related Party Transaction is required to bring the same to the attention of the Audit Committee of the Company through Company Secretary.

All Directors and Key Managerial Personnel are responsible for informing the Company of their interest (including interest of their Relatives) in other companies, firms or concerns at the beginning of every financial year and any change in such interest during the year. In addition, all Directors and Key Managerial Personnel are responsible for providing notice to the Company Secretary of any potential Related Party Transaction involving him/her or his or her relative, including any additional information about the transaction that the Audit Committee may request. The Board shall record the disclosure of interest and the Audit Committee will determine whether the transaction is in the ordinary course of business and on an arm's length basis.

Notice of any potential Related Party Transaction should be given well in advance so that the Company Secretary has adequate time to obtain and review information about the proposed transaction and to refer it to the Audit Committee.

The Company Secretary (“CS”) of the Company (to be referred as “Designated Official” for the purposes of this Policy) shall at all times maintain a database of Company’s Related Parties containing the names of individuals and Companies, along with their personal/company details including any revisions therein. The Related Party List shall be updated and reviewed whenever necessary.

## **II. Review and Approval of Related Party Transactions**

All Related Party Transactions must be reported to the Company Secretary who shall submit the same for approval or ratification by the Audit Committee in accordance with this policy.

### **(i) Approval by the Audit Committee**

The Audit Committee shall review, approve and ratify Related Party Transactions based on this Policy and in accordance with the provisions of applicable laws. To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair and at arm’s length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- Whether the Related Party Transaction would affect the independence of an independent director;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director’s, Key Managerial Personnel’s or other Related Party’s interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

Any member of the Audit Committee, who has a potential interest in any Related Party Transaction, will recuse him or herself and abstain from voting on the approval or ratification of such Related Party Transaction. Such member may, however, participate in discussions with respect to other Related Party Transactions placed for approval or ratification of the Audit Committee.

### **(ii) Omnibus Approval**

The Audit Committee may grant omnibus approval to Related Party Transactions that are:

- a. repetitive in nature; and/or

b. entered in the ordinary course of business and are at Arm's Length. The expression Arm's Length has the meaning ascribed to it under Section 188 of the Companies Act, 2013.

Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year. During the year, The Audit Committee shall review the details of the Related Party Transactions entered into by the Company pursuant to the omnibus approval.

### **(iii) Approval by Circulation**

In an unforeseen event where a Related Party Transaction, for which Omnibus approval has not been given by the Audit Committee, needs to be entered due to business exigencies between two Audit Committee meetings, the Audit Committee may approve such Related Party Transaction by passing a resolution by circulation, after satisfying itself that such transaction is in the interest of the Company.

### **(iv) Approval by the Board**

All Related Party Transactions that are not in the ordinary course of business or not on arm's length basis shall be referred to the Board of Directors for their approval. Any member of the Board who has a potential interest in such Related Party Transaction will recuse him or herself and abstain from voting on the approval of such Related Party Transaction. Such member may, however, participate in discussions with respect to other Related Party Transactions placed for approval of the Board.

### **(v) Approval by the Shareholders**

All Material Related Party Transactions shall require prior approval of shareholders by way of an ordinary resolution. All Related Party Transactions that are not in the ordinary course of business or not on arm's length basis shall require prior approval of the shareholders, if required under applicable laws.

All entities falling under the definition of Related Parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

## **VI. TREATMENT OF RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

Where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

## **VII. EXEMPTIONS**

Nothing contained in this policy shall apply to any contract or arrangement or agreement:

- (i) in the ordinary course of its business at arms' length price with parties other than a Related Party.
- (ii) between the Company and any other partner of the firm in which Director/Manager/Relative is a partner.
- (iii) regarding service availed in a professional capacity from body corporate/person.
- (iv) with a private or public company in which relative of a director/manager is a director/member.

The following transaction(s) undertaken by the Independent Director with the Company or its holding, subsidiary, or associate company or their promoters or directors during the year and during two immediately preceding financial years shall not fall in the ambit of pecuniary relationship with the Company:

- a. transaction(s) done in ordinary course of business at arm's length;
- b. receipt of remuneration by way of sitting fees;
- c. re-imburement of expenses for attending board and other meetings;
- d. any profit related commission as approved by members.

#### **VIII. REGISTERS & DISCLOSURES**

The Company shall keep and maintain a register, physically or electronically, giving separately the particulars of all contracts or arrangements to which this policy applies. Such register shall also be produced at the commencement of every Annual General Meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting. The Company shall provide extracts from such register to a member of the Company on his request, within seven days from the date on which such request is made per the applicable provisions.

The Company shall disclose this policy relating to Related Party Transactions on its website and the web-link for the policy shall be provided in the Annual Report.

#### **IX. AMENDMENTS TO THE POLICY**

The Audit Committee of the Company shall review and may amend this Policy from time to time, subject to the approval of the Board of the Company.

Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Act, notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.