

Quarterly Report

Q 02/2021

Housing Development Finance Corporation PLC.



www.hdfc.com.mv

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1.Statement of Compliance

This report is prepared in compliance with the Minimum Criteria for Periodic Reporting set in Capital Market Development Authority's (CMDA) circular for Listed Companies.

2.Development of the Company

Progress

Housing Development Finance Corporation Plc. (HDFC) is a company incorporated as a state-owned enterprise on January 28, 2004, by a presidential Decree under the companies Act No. 10/96, registered as a public company on 9th February 2006 and privatized on 23rd July 2008 with International Shareholders represented by the International Finance Corporation (IFC of World Bank Group), Asian Development Bank and HDFC Investments Ltd. of India, jointly holding 51% of shares. HDFC is the only specialized housing finance institution in the Maldives.

Today the Company's loan portfolio stands over MVR 1.76 billion and assets worth over MVR 2.18 billion.

HDFC has generated a profit of MVR 44.74 million at the end of the Q2, 2021. During Quarter 2 of 2021, the company made a net profit of MVR 21.94 million which was a 4% less compared to Quarter 1 of 2021.

The COVID-19 is and will continue to inflict commotion on the global front affecting businesses and the way they operate. As we navigate through the Covid-19 pandemic, the uncertainties surrounding the financial institutions to maintain stability in delivering the required outcome to shareholders continues to be a challenge. The government and authorities are actively engaged in initiatives to combat the virus and minimize the effects of it on the businesses and the economy. Fragile economies like Maldives where the livelihood is highly dependent on imports and tourism as expected has been hit the hardest.

To absorb any future shocks, HDFC has strengthened the operations resilience through establishment of close monitoring system and understanding the difficulties faced by our customers in repayments and providing feedback and payment resolutions on a regular basis. The reporting frequency to board as well as shareholders has been enhanced to give a more realistic and current information.

The progresses of the end-user financing projects are as follows: -

Project Name	Completion %	Estimated completion date
Ensis AIRA apartments	69%	September 2021
The Gardens by JAAH	95.9%	December 2021
Fitron Residences	100%	June 2021

The construction industry is the second most highly affected industry in addition to tourism in the Maldives due to Covid-19 pandemic. Almost all the projects targeted completion dates had to be significantly pushed further due to aggravated economic conditions of the country because of the lockdown during emergency. The fragile and the inherent nature of the Maldives economy necessitates import of all materials that are required by the construction industry including labor to be imported and any disruption to any of the constituent of the supply chain, has a rippling affect across the industry, which tend to leave a lasting consequence and necessitate ample expertise and time to recover.

Even though borders have opened, and economy is recovering, the process of returning to normalcy is expected to be a slow process which will have its own challenges to overcome in going forward.

3. Employment Data

1 April 2021 - 30 June 2021	Local	Expatriate	Total
No. of staff at beginning	38	-	38
No. of staff resigned/terminated	2	-	2
No. of staff employed	1	-	1
Total	37		37

4. Staff Development

- Refresher training was held for all staff.
- Staff Development Classes conducted 3 times.
- Induction sessions were held for new staff.
- Information session held for all staff on new terms and procedures.
- An introduction to 'Trello' (Virtual) session was held for all staff.
- 'Gedhoruveriya' Loan and Online Application Portal Training (Zoom Meeting) session was held for all staff.
- 4 staff participated in 'Navigating Sanctions Compliance Across Global Sanctions, Asset Classes and Use Cases' (Virtual Meeting), Conducted by Finance Intelligence Unit - MMA

5. Company's Share Structure

Shareholders

Housing Development Finance Corporation PLC.'s main shareholders include Government of Maldives (GOM) with 49% shares, Asian Development Bank (ADB) 18%; International Finance Corporation (IFC) 18% and HDFC Investments Ltd. of India with 15% along with 10 initial shareholders including the MD. The Company's Shareholding structure is as follows.

Shareholding Structure

Name	Capacity	No. of Share(s) held	Face Value of a share in MVR	Value of share(s) held in MVR
1. Government of Maldives 49%	Shareholder	780,928	100	78,092,800.00
2. International Finance Corporation 18%	Shareholder	286,875	100	28,687,500.00
3. Asian Development Bank 18%	Shareholder	286,875	100	28,687,500.00
4. HDFC Investments Ltd. (India) 15%	Shareholder	239,062	100	23,906,200.00
5. Mr. Ibrahim Naeem	Shareholder	1	100	100.00
6. Ms. Raheema Saleem	Shareholder	1	100	100.00
7. Mr. Hamid Yoosuf	Shareholder	1	100	100.00
8. Mr. Mohamed Shahudy	Shareholder	1	100	100.00
9. Ms. Aishath Rasheeda	Shareholder	1	100	100.00
10. Mr. Mohamed Fathy	Shareholder	1	100	100.00
11. Mr. Mohamed Hamdan Fahumy	Shareholder	1	100	100.00
12. Mr. Ahmed Anwar	Shareholder	1	100	100.00
13. Mr. Nahid Idrees	Shareholder	1	100	100.00
14. Expat MD (if any)		1	100	100.00
TOTAL		1,593,750		159,375,000.0

6. Material Transactions

During the reporting quarter there were no material transactions conducted with Directors or Shareholders other than that of during ordinary course of business.

7. Penalties imposed by the Regular and Tax

- There are no penalties imposed by the regulator during the Quarter.
- The Company has no pending tax to MIRA as of 30th June 2021

8. Corporate Governance Compliance

	Provision	Compliance Status	Details
Effective Board	1.1	Complied	The Board composition is made up of 6 Directors (GOM-2, IFC 1, ADB 1, HDFC-I -1 & MD), of which 5 are Non- Executive Directors with one Executive Director (with no voting power). During the reporting period 05 director are holding office.
Composition of the BOD	1.2	Complied	There are three female Directors on HDFC PLC.'s Board. None of the Directors hold Directorship in more than 3 public Companies.
Nomination/re-election of Directors	1.3	Complied	GOM & ADB have appointed one Alternate Director each. GOM representations on the Board are informed by the Ministry of Finance and Treasury. There is no Public Director on the Board of HDFC PLC. Since HDFC's shares are not listed. Process is underway to appoint 02 Independent Directors
Separation of Chairman	1.4	Complied	The Chairman and the Managing Director are two separate individuals in the Company.
Roles of the Chairman and MD	1.5	Complied	The roles of the Chairman and the Managing Director are separated. The Chairman is appointed for a period of 1 year on rotation.
Duties of the Board	1.6	Complied	Board Directors roles are stated separately in the charter.
Training	1.7	Complied	Director & Company Secretary participates in trainings organized by CMDA. New local directors are provided the opportunity to attend CG orientations offered by reputed institutions and IFRS9 sessions were conducted for Board of Directors.

	Provision	Compliance Status	Details
Committees	1.8	Complied	Board Committees are: Audit Committee Nomination & Remuneration Committee Credit Risk Management Committee
Remuneration policy	2.1	Complied	The Company has a remuneration policy in place.
Evaluation of the BOD Performance	2.2	Complied	Evaluation of the Board is done by respective Shareholders.
Board remuneration Disclosure	2.3	Complied	HDFC does not pay a fixed remuneration to its non-executive directors. Total remuneration paid to Directors are disclosed in the Annual Report.
Board Member Remuneration Disclosure	2.4	Complied	There is no fixed remuneration given to the individual board director. HDFC gives a sitting fee to each member who attends the Board and its Committees, which is disclosed as a total for the year in the Annual Report.
Management constituents	3.1	Complied	Members who comprise the management team are Managing Director, CFO, Head of IT, Head of Credit, Head of Admin and Company Secretary.
Roles and Responsibilities of the Management	3.2	Complied	The HR department has drawn job descriptions for each employee of the Company. The Board provides the management constant advice and guidance. Further, the Board has given performance goals to the MD, which are cascaded down to the management.
Internal Audit	4.1	Complied	Internal Audit findings are reported directly to the Audit Committee. EY is the Internal Auditor for 2021.

	Provision	Compliance Status	Details
External Audit	4.2	Complied	The Audit Committee makes recommendations on selecting an External Auditor to the Company, which is taken to the AGM for the Shareholders approval. KPMG is the Statutory Auditor for the Year 2021.
Internal Controls	4.3	Complied	The Internal Auditors as well as the Risk Officer review the internal controls set within the Company and reports directly to the Audit Committee of the Board.
Company Secretary	5	Complied	The Company Secretary maintains a schedule of the compliances signed by the responsible staff. The compliances are reported to the Board.
Shareholders	6.1	Complied	Shareholders rights are informed through quarterly reports, the Company's website, and the AGM.
Shareholder Communication	6.2	Complied	Shareholder communication is conveyed through notices, press releases, press conferences, weekly, monthly reports, quarterly reports, semi-annual reports, annual reports, and AGM.
General Meetings	6.3	Complied	The Company's AGM is held annually to inform the company's performance of the past year. AGM FY2020 was held on 21 June 2021 virtually.
Voting Rights	6.4	Complied	Shareholders are informed on their voting rights by email and letters. Shareholders are permitted to vote in-absentia through proxy voting.

	Provision	Compliance Status	Details
Financial Statements	7.1	Complied	The Company's Financial Statements are prepared in accordance with the International Financial Reporting Standards (IFRS), Audited Balance Sheet and Profit and Loss statements are reviewed and signed by the Chairman of the Audit Committee, MD, and CFO. Monthly, Quarterly and Semi-annually reports are signed by a member of the Audit Committee, MD, and CFO.
Non-Financial Statements	7.2	Complied	HDFC ensures the disclosure of current/potential conflicts of interests (if any) and interested third party transactions by the Directors and the Management annually and through its annual report.
Systems to raise concerns	8	Complied	The Board and Management ensure that appropriate processes are in place to enable employees and management to raise their concerns as communicated to the staff and disclosed in the annual report. Additionally, customers and other stakeholder concerns can be raised through the suggestion box placed at the information counter of HDFC's Office, and by writing to the Appeal and Grievance committee that comprises of two local directors, two HOD's and the MD. A Whistle blower policy has been established and adopted.
Investor and Media Relationship	9.1	Complied	HDFC always maintains a close relationship with the media and investors and acts as a responsible Corporate Citizen.
Quarterly Newsletter	9.2	Complied	HDFC discloses its business and other undertakings and events through its quarterly reports.

	Provision	Compliance Status	Details
Sustainability Reporting	10	Complied	HDFC publishes its Sustainability Statement as part of the Annual Report. Environmental Impact Assessment Reports are submitted Annually to ADB and other multilateral funding partners.

9. Board Activities

April - June	No. of Meeting	Date
Board Meeting was held virtually (Zoom)	One	23 rd May 2021
Board Meeting was held virtually (Zoom)	One	21 st June 2021

10. Changes in the Members of the Board

No changes

11. Major decisions made by the Board

- Adoption of Audited Financial FY2020.
- Approved Dividend FY2020.
- Approved the Auditors FY2021 and their remuneration.
- Approved the Directors & Annual Report FY2020
- Discussed on Rotation of Chairperson
- Reviewed the Financial Performance of the Company with major focus on liquidity, funding strategy, and business growth.
- Reviewed the post moratorium statistics for the period.
- Reviewed the Non-Performing accounts (NPA) report for the period.
- Reviewed periodic compliance report.
- Reviewed the IT Development Progress Report.

- Reviewed the status updates under the MMA CG Regulation.
- Approved the selection of 02 Independent Directors.
- Approved the amendments proposed to Articles of Association.
- Discussed the revision of Directors remuneration.
- Fixed monthly allowance for the Company Secretary.
- Approved the Annual Bonus FY2020

12. Audit Committee

April - June	No. of Meeting	Date
Audit Committee Meeting was held virtually (Zoom)	One	23 rd May 2021

13. Major decisions made by the Audit Committee

- Reviewed and approved the FS of the Financial Audit FY2020
- Finalized the Auditors FY2021 and their remuneration.
- Approved the content of the Director Report FY2020

14. Nomination and Remuneration Committee

April - June	No. of Meeting	Date
NR Committee Meeting was held virtually (Zoom)	One	14 th June 2021

15. Major decisions made by the NR Committee

- Setting a Salary/Sitting Fee amount for the Independent Directors and selection of 2 Independent Directors.
- Approved Staff Annual Bonus.
- Approved the Monthly Staff Performance Allowance.
- Finalized the Managing Director's Key Performance Indicators
- Approved the Staff Promotion/Salary Revision of Senior Staff (Salary Review)
- Approved the promotions of Staff.

16. HDFC Shariah Committee (AMNA)

April - June	No. of Meeting	Date
Nil		

17. Annual General Meeting

April - June	No. of Meeting	Date
AGM was held virtually (Zoom)	One	21 st June 2021

18. Major decisions made at the AGM

- Approval and adoption of the Audited Financial statements for the year ended 31 December 2020
- Approval and adoption of the Annual Report for the year ended 31 December 2020
- Finalised the dividend for the year 2020
- Approval of External, Internal Auditors and Shariah Compliance Auditors and finalization of their remuneration

Resolutions

- 02 Resolutions were executed during the reporting period through electronic circulation.

19. Board Composition

The Board composition of nominee directors as of 30 June 2021 was

Mr. Conrad D'Souza	
Chairman/ Director	15 March 2019
Ms. Raheema Saleem	28 February 2017
Managing Director	
Ms. Kohe Noor Binte Mahmoodul Hassan	9 August 2019
Director	
Mr. Nihal Senanayake Welikala	2 November 2016
Director	
Ms. Aminath Sheena Musthafa	11 April 2019
Director	

20. Attendees to the Board Meeting

Mr. Conrad D'Souza

Chairman

Mr. Nihal Senanayake Welikala

Director

Ms. Kohe Noor Binte Mahmoodul Hassan

Director

Ms. Aminath Sheena Musthafa

Director

Ms. Raheema Saleem

Managing Director

21. Attendees to the Audit Committee

- **Mr. Conrad D'Souza**
Chairman of the Committee
- **Mr. Nihal Senanayake Welikala**
Member
- **Ms. Kohe Hasan**
Member
- **Ms. Aminath Sheena Musthafa**
Member
- **Ms. Raheema Saleem**
By Invitation

22. Attendees to the Nomination and Remuneration Committee

- **Ms. Aminath Sheena Musthafa**
Chairperson of the Committee
- **Mr. Conrad D'Souza**
Member
- **Ms. Kohe Noor Binte Mahmoodul Hasan**
Member
- **Ms. Raheema Saleem**
By Invitation

23. Financial Highlights

Financial Highlights (Unaudited) for the Quarter ended 30 June 2021

(All amounts are in MVR)

(Revised)

Performance	YTD	Quarter 2	Quarter 1
Total Revenue	96,317,645	48,443,570	47,874,075
Total Expenses	(40,916,448)	(20,644,804)	(20,271,644)
Net Profit	44,739,957	21,940,482	22,799,475
Earnings Per Share	28.07	13.77	14.31
Net Assets Per Share	1,371.23	1,371.23	1,315.79
Cash Flow Per Share	100.59	100.59	25.27
Financial Ratios	YTD	Quarter 2	Quarter 1
Asset Cover Ratio	2.19	2.19	2.22
Debt-Equity Ratio	1.60	1.60	1.53
Debt Service Coverage Ratio	0.07	0.03	0.03
Interest Service Coverage Ratio	2.25	2.22	2.27
Outstanding Redeemable Preference Shares	NA	NA	NA
Capital Redemption Reserve	NA	NA	NA
Reserves	15,000,000	15,000,000	15,000,000

24. Notes on Issuers of Debt Securities

Previous Due Payment Dates for The Debt Securities

Debt Securities	Date of Payment	Remarks
Bond Issue No - 2	31-Dec-20	Settled
Bond Issue No - 3	04-Jun-21	Settled
Sukuk Issue No - 1	27-Jan-21	Settled
Sukuk Issue No - 2	17-Apr-21	Settled
Sukuk Issue No - 3	04-Jun-21	Settled

Next Due Payment Dates for The Debt Securities

Debt Securities	Date of Payment	Remarks
Bond Issue No - 2	30-Jun-21	To be Settled
Bond Issue No - 3	04-Dec-21	To be Settled
Sukuk Issue No - 1	27-Jul-21	To be Settled
Sukuk Issue No - 2	17-Oct-21	To be Settled
Sukuk Issue No - 3	04-Dec-21	To be Settled

25. Financial Statements

Income Statement (Unaudited) For the Quarter Ended 30 June 2021

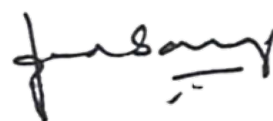
	YTD	Quarter 2	Quarter 1 Revised
	30-Jun-21	30-Jun-21	31-Mar-21
(all amounts are in MVR)			
Gross income	96,317,645	48,443,570	47,874,075
Interest income	72,786,343	36,472,563	36,313,781
Interest expense	(24,655,785)	(12,500,624)	(12,155,162)
Net interest income	48,130,558	23,971,939	24,158,619
Net income on Shari'ah products	17,528,668	8,871,638	8,657,031
Fee income	3,750,289	1,921,684	1,828,604
Other income	2,252,344	1,177,685	1,074,659
	23,531,301	11,971,007	11,560,294
Operating income	71,661,859	35,942,946	35,718,914
Provision for Impairment loss on loans and advances (made)/ Reversal	(7,500,000)	(3,750,000)	(3,750,000)
Personnel expenses	(6,144,743)	(3,151,962)	(2,992,781)
Other operating expenses	(2,615,919)	(1,242,218)	(1,373,701)
Profit before tax	55,401,197	27,798,765	27,602,432
Tax expense	(10,661,239)	(5,858,283)	(4,802,956)
Profit for the period	44,739,958	21,940,482	22,799,475
Earnings Per Share - basic	28.07	13.77	14.31


Mohamed Shafeeq

Chief Financial Officer


Raheem Saleem

Managing Director


Conrad D'Souza

Member (Audit Committee)

26. Statement Of Financial Position (Unaudited)

For the Quarter Ended 30 June 2021

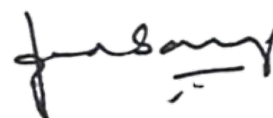
	YTD	Quarter 2	Quarter 1 Revised
(all amounts are in MVR)	30-Jun-21	30-Jun-21	31-Mar-21
ASSETS			
Cash and short term funds	160,315,686	160,315,686	40,272,802
Financial Assets Held to Maturity	236,072,246	236,072,246	231,678,468
Loans and Advances to Customers	1,767,132,863	1,767,132,863	1,802,479,289
Property, Plant and Equipment	1,048,065	1,048,065	1,037,888
Right-of-use assets	8,187,809	8,187,809	8,462,930
Intangible assets	144,685	144,685	194,247
Deferred tax asset	5,117,559	5,117,559	5,117,559
Other assets	7,376,792	7,376,792	7,803,815
TOTAL ASSETS	2,185,395,706	2,185,395,706	2,097,046,999
LIABILITIES			
Deposits from customers	78,163,688	78,163,688	79,017,594
Borrowings	1,089,731,958	1,089,731,958	1,039,080,593
Other liabilities	334,313,602	334,313,602	297,780,962
Total Liabilities	1,502,209,249	1,502,209,249	1,415,879,149
EQUITY			
Share capital	159,375,000	159,375,000	159,375,000
Retained earnings	508,811,458	508,811,458	506,792,851
General Reserve	15,000,000	15,000,000	15,000,000
Total shareholders' equity	683,186,458	683,186,458	681,167,851
TOTAL EQUITY AND LIABILITIES	2,185,395,706	2,185,395,706	2,097,046,999



Mohamed Shafeeq
Chief Financial Officer



Raheem Saleem
Managing Director



Conrad D'Souza
Member (Audit Committee)

27. Cash Flow Statement (Unaudited) for the Quarter Ended 30 June 2021

	YTD 30-Jun-21	Quarter 2 30-Jun-21	Quarter 1 (Revised) 31-Mar-21
(all amounts are in MVR)			
Cash Flow from Operating Activities			
Operating Profit	44,739,958	21,940,482	22,799,475
Add: Increase/(Decrease) Impaired losses on loans and advances	7,500,000	3,750,000	3,750,000
Depreciation	854,675	426,010	428,665
(Increase)/Decrease in loans and advances to customers	123,828,448	95,244,900	28,583,548
(Increase)/Decrease in Other assets	(63,713,250)	(63,221,451)	(491,799)
(Increase)/Decrease in Financial Assets held to maturity	(59,129,585)	(4,393,778)	(54,735,807)
Increase/(Decrease) in due to customers	(2,111,415)	(853,905)	(1,257,509)
Increase/(Decrease) in other liabilities	25,416,068	16,610,765	8,805,303
Net Cash Flow from Operating Activities	77,384,898	69,503,023	7,881,874
Cash Flow from Investing Activities			
(Purchase)/sale of Property, Plant and Equipment	(197,109)	(111,505)	(85,605)
(Purchase) of securities/Proceeds from sale and redemption of securities			
Net Cash Flow from Investing Activities	(197,109)	(111,505)	(85,605)
Cash Flow from Financing Activities			
Proceeds from borrowed funds and debt securities	154,962,201	125,126,124	29,836,077
Repayment of borrowed funds and debt securities	(122,399,442)	(74,474,758)	(47,924,683)
Dividends paid			
Net Cash flow Financing Activities	32,562,760	50,651,366	(18,088,606)
Net Increase in Cash and Cash Equivalent	109,750,548	120,042,884	(10,292,336)
Cash and Cash Equivalents at the beginning of the period	50,565,138.34	40,272,802	50,565,138
Cash and Cash Equivalents at the end of the period	160,315,686	160,315,686	40,272,802

28. Statement Of Changes in Equity (Unaudited) For the Quarter Ended 30 June 2021

(All amounts in Maldivian Rufiyaa)

	Share Capital	General Reserve	Retained Earnings	Total
Balance at 1 January 2021	159,375,000	15,000,000	483,993,375	658,368,375
Dividend paid	-	-	-	-
Profit for the period	-	-	22,799,475	22,799,475
Balance at 31 March 2021	159,375,000	15,000,000	506,792,851	681,167,851
Balance at 1 April 2021	159,375,000	15,000,000	506,792,851	506,792,851
Dividend paid			(19,921,875)	(19,921,875)
Profit for the period	-	-	21,940,482	21,940,482
Balance at 30 June 2021	159,375,000	15,000,000	508,811,458	508,811,458

29. Amna Statements – Islamic Window (Unaudited) for the Quarter ended 30 June 2021

Income Statement (Unaudited)

For the Quarter ended 30 June 2021

	YTD	Quarter 2	Quarter 1 (Revised)
(all amounts are in MVR)	30-Jun-21	30-Jun-21	31-Mar-21
Gross income	34,657,759	17,441,905	17,215,853
Revenue	33,918,869	17,069,329	16,849,539
Investment Charges	(16,179,315)	(8,061,930)	(8,117,385)
Net investment income	17,739,554	9,007,399	8,732,154
Fees and commissions	738,890	372,576	366,314
Operating Income	18,478,444	9,379,975	9,098,469
Facility Loss Provision on Impaired Assets	(2,250,000)	(1,125,000)	(1,125,000)
Staff Costs	(362,265)	(190,073)	(172,192)
Administration & Operating Expenses	(290,876)	(151,736)	(139,141)
Bank Charges	(6,689)	(4,959)	(1,730)
Depreciation	(256,403)	(127,803)	(128,599)
Net Operating Expenses	(3,166,233)	(1,599,570)	(1,566,662)
Net Profit	15,312,211	7,780,405	7,531,806

Statement of Financial Position (Unaudited)

For the Quarter ended 30 June 2021

	YTD	Quarter 2	Quarter 1 (Revised)
(all amounts are in MVR)	30-Jun-21	30-Jun-21	31-Mar-21
Cash and Short term funds	191,191,662	191,191,662	161,995,954
Mortgage facilities	532,759,326	532,759,326	551,709,119
Non - Current Assets	2,814,168	2,814,168	2,908,520
Other Assets	24,082	24,082	24,082
Total Assets	726,789,238	726,789,238	716,637,674
Customer deposits	21,550,226	21,550,226	21,602,662
Wakalah Facilities	178,000,000	178,000,000	173,000,000
Sukuk	238,533,000	238,533,000	238,533,000
Other liabilities	111,716,426	111,716,426	114,292,831
	549,799,652	549,799,652	547,428,493
Equity	176,989,586	176,989,586	169,209,181
Total Equity and Liabilities	726,789,238	726,789,238	716,637,674

30. Statement of Use of Proceeds for the Quarter Ended 30 June 2021

Statement of Use of Proceeds From Sale of Securities

No.	Security Name	Funds obtained	Funds utilised	Balance	Purpose
1	HDFC Sukuk 1	22,566,000.00	22,566,000.00	-	To fund shari'ah compliant mortgage housing finance
2	HDFC Sukuk 2	89,036,000.00	89,036,000.00	-	To fund shari'ah compliant mortgage housing finance
3	HDFC Sukuk 3	126,931,000.00	126,931,000.00	-	To fund shari'ah compliant mortgage housing finance
4	HDFC Bond 2	81,390,000.00	81,390,000.00	-	To fund mortgage housing finance
5	HDFC Bond 3	80,000,000.00	80,000,000.00	-	To fund mortgage housing finance

31. Statement For the Revised Entries (Unaudited) For the Quarter Ended 31 March 2021

1. There was a slight increase in net gross income due to a reversal entry that was made to insurance commission (other income) in relation to accounts payable, which is reflected in Income Statement and Statement of financial position.
2. Adjustments were made on lease computation, resulting in changes being brought to operating expenses in Income Statement and assets & liabilities in Statement of financial position.
3. Changes in loan portfolio are due to reversal entries on modification entries in relation to the six months moratorium period which reflects in Income Statement and Statement of financial position.

There were no other major rectification entries passed during the reporting period. However, due to the above-mentioned entries the corresponding changes will be reflected in the Income Statement and Statement of financial position items.

32. Sharia Compliance Review

HDFC Amna (Islamic Window) operations for the quarter remains Compliant with established principles of Sharia.

33. External Auditor's Limited Review

The financials Q2 of 2020 are unaudited management accounts, which are subject to changes after audit by the External Auditor.