

Notice of Second Annual General Meeting

Notice is hereby given that Second (2nd) Annual General Meeting (AGM) of the members of KIFS Housing Finance Private Limited will be held on Friday, September 29, 2017, at 12.00 noon, at the Registered Office of the Company at B-81, Pariseema Complex, C. G. Road, Ellisbridge, Ahmedabad – 380006, Gujarat, India, to transact the following business:

ORDINARY BUSINESS:**Item No. 1**

To receive, consider and adopt the audited Balance Sheet as on 31st March, 2017, audited Profit & Loss Account and Cash Flow Statement for the year ended on that date along with Statutory Auditors' Report and Boards' Report thereon.

Item No. 2

To ratify the appointment of Statutory Auditors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139(1), 142 and other provisions, if any, applicable to the Company for the time being in force, of the Companies Act, 2013 read with first Proviso to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the appointment of M/s. Manubhai & Shah LLP, Chartered Accountants, Ahmedabad (FRN – 106041W / W100136), made at the 1st Annual General Meeting of the members of the Company, be and is hereby ratified till the conclusion of next Annual General Meeting and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending on March 31, 2018, as may be determined in consultation with the said firm of Auditors.”

By the Order of Board,

For KIFS Housing Finance Private Limited,

Vimal Khandwala
Managing Director

Date: 30th June, 2017

**Notes:**

1. Members are entitled to appoint proxy to attend and vote at the AGM instead of him / her and proxies in order to be effective has to be lodged with the company at the registered office of the company atleast before 48 hours from the time appointed for the annual general meeting.
2. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act and the Register of Contracts or Arrangements, if any, in which the Directors are interested, maintained under Section 189 of the Act will be available for inspection by the members at the AGM.

Boards' Report for the Financial Year 2016-17

To
The Members,
KIFS Housing Finance Private Limited

Your Directors have pleasure in presenting their 2nd Boards' Report on the business and operations of the Company together with the Audited Financial Statement for the financial year ended on March 31, 2017.

1. FINANCIAL RESULTS

The Company's financial performance for the financial year under report is given here under:

(Amount in Rs.)

Particulars	2016-17	2015-16
Revenue from Operations	81,67,796	8,39,601
Other income	1,96,794	-
Total revenue	83,64,590	8,39,601
Total Expenditure	19,02,262	24,02,347
Profit / (Loss) before provision for tax	64,62,328	(15,62,746)
Tax Expense	14,34,985	93,000
Net Profit / (Loss) after tax	50,27,343	(16,55,746)
Earnings / (Loss) per Share (Basic & Diluted)	0.44	(1.89)

2. REVIEW OF BUSINESS OPERATIONS:

The Company had not commenced its main business activities during the financial year under report. The Company has incurred some expenditure details of which are given in the above table and in the financial statements which form part of this Annual Report.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company is not required to transfer any sum of the unclaimed dividend to the Investor Education and Protection Fund.

4. DIVIDEND

Considering non commencement of business activities and loss during the financial year under report, your Directors recommend not to declare any dividend to the members of the Company.

5. TRANSFER TO RESERVES

No amount has been transferred to any of the reserves of the Company during the financial year under report.

6. MATERIAL CHANGES AND COMMITMENT, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report.



7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosures to be made under Section 134 (3) (m) of the Companies Act, 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 pertaining to conservation of energy and technology absorption are not applicable to the Company as the Company being with main object of housing financial activities, is not involved in any manufacturing, processing activities.

Further, there was no foreign exchange inflow or outflow during the year under review.

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Board of the Company from time to time discusses and evaluates the risks concerning the financial and operational positions of the Company. Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically done and examined by the Board of Directors of the Company. The Board doesn't identify any risks which in the opinion of the Board may threaten the existence of the Company.

9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

During the year under review, your Company does not meet the criteria laid under section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 pertaining to the constitution of the Corporate Social Responsibility Committee and other provisions covered there under regarding expenditure to be made on certain specified activities as a part of the Corporate Social Responsibility. Therefore the Company has not framed the Corporate Social Responsibility Committee / Policy and has not incurred any expenditure thereon.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the financial year under report, the Company has not granted any loan, given guarantee or provided any security in connection with a loan to any other body corporate or person. Further, the Company has also not made any investments either of the long term or of short term in nature.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the financial year under report, your Company had not commenced its main business activities and accordingly there were neither any transactions with the related parties nor any transactions with the Promoters, Directors, Key Managerial Personnel or other Personnel which may have a potential conflict with the interest of the Company. Therefore, Form AOC-2 is not applicable to the Company. Further, the Board of Directors of the Company has granted its omnibus approval to the Company for entering into transactions with the related parties.

12. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

The Statutory Auditors have not given any qualification, reservation or made any adverse remarks or disclaimer in their Audit Report.

Further, the provisions relating to appointment of Secretarial Auditor/ submission of Secretarial Audit Report are not applicable to the Company.

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment



of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

14. 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 extracts of the Annual Return as at 31st March, 2017, in the prescribed form MGT - 9 forms part of this report as "**Annexure 1**".

15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REPOER

The Company had 4 (Four) Board meetings during the financial year under report on (i) 22-06-2016, (ii) 21.09.2016, (iii) 06.12.2016 and (iv) 14.03.2017. The intervening gap between any two Meetings was within the period prescribed under the Companies Act, 2013.

16. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) *(Not Applicable since the company is not a listed Company)*
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. DEPOSITS

During the financial year ended on March 31, 2017, the Company has not accepted or invited and does not hold any public deposit under any of the Acts/ Statutes viz; the Companies Act, 2013 or Reserve Bank of India Act, 1934 or any other provisions of the laws and applicable to the Company from time to time.

18. DIRECTORS

During the financial year under report, there was no change in the composition of Board of Directors of the Company and Board was consisting of Mr. Rajesh P. Khandwala, Mr. Vimal P. Khandwala, Mr. Kartik S. Mehta, Mrs. Purvi J. Bhavsar, Mr. Padmanabh P. Vora. Further, being a Private Limited Company, Directors of the Company need not to be retired at the Annual General Meetings.

19. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to your Company.

20. PARTICULARS OF EMPLOYEES

There is no employee falling under the criteria of Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 read with Section 197(12) of the Companies Act, 2013 for receipt of remuneration stated therein and thus the statement under the said Sub-rule is not required to be given.



21. STATUTORY AUDITORS

M/s. Manubhai & Shah LLP, Chartered Accountants, Ahmedabad, was appointed as Statutory Auditors in the 1st Annual General Meeting of the Company. Their appointment is subject to ratification of their appointment by the members.

22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

23. COMPLIANCE WITH RBI AND NHB GUIDELINES

During the year under report, the Company has complied with all the requisite guidelines of Reserve Bank of India (RBI) as well as National Housing Bank (NHB) and other regulators.

24. NUMBER OF COMPLAINTS UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

The Company has not received any complaints relating to sexual harassment of women at work place during the financial year under report.

25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

26. EQUITY SHARES

During the financial year under report, the Company didn't make any issue of equity shares with differential voting rights, sweat equity shares or under employee stock options scheme. Further, the Company didn't make any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

27. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.



Rajesh P. Khandwala
Managing Director, DIN: 00477673

For and on behalf of Board of Directors
KIFS Housing Finance Private Limited

Vimal P. Khandwala
Managing Director, DIN: 00477668

Date: 30th June, 2017

Place: Ahmedabad

Reg. Office: B-81, Pariseema Complex, C. G. Road, Ellisbridge, Ahmedabad – 380006, Gujarat, India



ANNEXURE – 1 TO THE DIRECTORS' REPORT

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on March 31, 2017

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

I. Registration and Other Details

1	CIN	U65922GJ2015PTC085079
2	Registration Date	November 16, 2015
3	Name of the Company	KIFS Housing Finance Private Limited
4	Category / Sub-Category of the Company	Private Non-govt. Company Limited by Shares
5	Address of the Registered Office and Contact Details	B-81, Pariseema Complex, C. G. Road, Ellisbridge, Ahmedabad – 380006, Gujarat, India.
6	Whether Listed Company Yes / No	No
7	Name, Address and Contact Details of Registrar and Transfer Agent, if any	NA

II. Principal Business activities of the Company

All the business activities contributing 10 % or more of the total turnover of the Company are given below:

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service	% to Total Turnover of the Company
1	Nil	-	-

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
		Nil			

[Handwritten signature]





IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity) as at March 31, 2017
i. Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at end of the financial year - March 31, 2017			% Change during the financial year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total	% of Total Shares
A. Promoters									
1. Indian									
a. Individual / HUF	-	1,09,10,000	1,09,10,000	95.62%	-	1,09,10,000	1,09,10,000	95.62%	NIL
b. Central Government	-	-	-	-	-	-	-	-	-
c. State Government(s)	-	-	-	-	-	-	-	-	-
d. Body Corporates	-	-	-	-	-	-	-	-	-
e. Bank / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total-A-(1)	-	1,09,10,000	1,09,10,000	95.62%	-	1,09,10,000	1,09,10,000	95.62%	NIL
2. Foreign									
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total-A-(2)	-	-	-	-	-	-	-	-	-
Total Share Holder of Promoters (1+2)	-	1,09,10,000	1,09,10,000	95.62%	-	1,09,10,000	1,09,10,000	95.62%	NIL
B. Public Shareholding									
1. Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank / FI	-	-	-	-	-	-	-	-	-
c. Central Government	-	-	-	-	-	-	-	-	-
d. State Government(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at end of the financial year - March 31, 2017				% Change during the financial year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i. Others	-	-	-	-	-	-	-	-	-
Sub-Total-B-(1)	-	-	-	-	-	-	-	-	-
2. Non-Institution									
a. Body Corporates									
b. Individual									
i. Individual shareholders holding nominal share capital up to Rs. 1 Lac*	-	-	-	-	-	-	-	-	-
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lac*	-	5,00,000	5,00,000	4.38%	-	5,00,000	5,00,000	4.38%	NIL
c. Others									
i. Clearing Member	-	-	-	-	-	-	-	-	-
ii. NRI	-	-	-	-	-	-	-	-	-
iii. HUF*	-	-	-	-	-	-	-	-	-
Sub-Total-B-(2)	-	5,00,000	5,00,000	4.38%	-	5,00,000	5,00,000	4.38%	NIL
Net Total (1+2)	-	5,00,000	5,00,000	4.38%	-	5,00,000	5,00,000	4.38%	NIL
C. Shares held by Custodian for GDRs & ADRs									
a. Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
b. Public	-	-	-	-	-	-	-	-	-
Sub-Total-C	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,14,10,000	1,14,10,000	100.00%	-	1,14,10,000	1,14,10,000	100.00%	NIL



Signature

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in Shareholding during the financial 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	Rajesh P. Khandwala	54,55,000	47.81%	-	54,55,000	47.81%	-	-
2	Vimal P. Khandwala	54,55,000	47.81%	-	54,55,000	47.81%	-	-
	Total	1,09,10,000	100.00%	-	1,09,10,000	95.62%	-	-

iii. Change in Promoters Shareholding

Sr. No.	Name of the Shareholder	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Share Capital of the Company	No. of Shares	% of Total Share Capital of the Company
1	Mr. Rajesh P. Khandwala				
	At the beginning of the year	54,55,000	47.81%	54,55,000	47.81%
	At the end of the Financial Year			54,55,000	47.81%
2	Mr. Vimal P. Khandwala				
	At the beginning of the year	54,55,000	47.81%	54,55,000	47.81%
	At the end of the Financial Year			54,55,000	47.81%

[Handwritten signatures]



iv. Shareholding of top 10 shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Share Capital of the Company	No. of Shares	% of Total Share Capital of the Company
1	Mrs. Purvi J. Bhavsar				
	At the beginning of the year	2,50,000	2.19%	2,50,000	2.19%
	At the end of the Financial Year			2,50,000	2.19%
2	Mr. Kartik S. Mehta				
	At the beginning of the year	2,50,000	2.19%	2,50,000	2.19%
	At the end of the Financial Year			2,50,000	2.19%

V. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Director	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Share Capital of the Company	No. of Shares	% of Total Share Capital of the Company
1	Mr. Rajesh P. Khandwala				
	At the beginning of the year	54,55,000	47.81%	54,55,000	47.81%
	At the end of the Financial Year			54,55,000	47.81%
2	Mr. Vimal P. Khandwala				
	At the beginning of the year	54,55,000	47.81%	54,55,000	47.81%
	At the end of the Financial Year			54,55,000	47.81%
3	Mrs. Purvi J. Bhavsar				
	At the beginning of the year	2,50,000	2.19%	2,50,000	2.19%
	At the end of the Financial Year			2,50,000	2.19%
4	Mr. Kartik S. Mehta				
	At the beginning of the year	2,50,000	2.19%	2,50,000	2.19%
	At the end of the Financial Year			2,50,000	2.19%
5	Mr. Padmanabh Pundrikay Vora				
	At the beginning of the year	-	-	-	-
	At the end of the Financial Year			-	-
6	Ms. Fenali Shah				
	At the beginning of the year	-	-	-	-
	At the end of the Financial Year			-	-

Handwritten signatures and initials.



V. Indebtedness

(Amount in Rs.)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year – April 1, 2017				
1) Principal amount	-	1,10,000	-	1,10,000
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	-	-	-
Change in Indebtedness during the financial year				
+Addition	-	3,90,000	-	3,90,000
- Reduction	-	-	-	-
Net change	-	3,90,000	-	3,90,000
Indebtedness at the end of the financial year - March 31, 2017				
1) Principal amount	-			
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	5,00,000	-	5,00,000

Remuneration of Directors and Key Managerial Personnel

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Mr. Rajesh P. Khandwala	Mr. Vimal P. Khandwala
		(Managing Director)	(Managing Director)
1	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act (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 - other, specify...	-	-
5	Others, specify...	-	-
	Total (A)		
	Ceiling as per the Act		NA

[Handwritten signatures]



B. Remuneration to Other Directors (Non Executive Directors)

(Amount in Rs.)

Particulars of Remuneration	Name of Directors				Amount
	Non Executive Director				
	Mr. Kushal J. Khandwala	Mr. Padmanabh Pundrikray Vora	Mr. Kartik S. Mehta	Mrs. Purvi J. Bhavsar	
Fee for attending Board / Committee meetings	-	-	-	-	-
Commission	-	-	-	-	-
Others	-	-	-	-	-
Total (B)	-	-	-	-	-
Total Managerial Remuneration					Nil
Overall ceiling as per the Act					NA

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act	37,742	37,742
	(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 - other, specify...	-	-
5	Others, specify...	-	-
	Total (A)		
	Ceiling as per the Act	NA	

VI. Penalties / Punishment / Compounding of Offences: Nil

[Handwritten signature]



Manubhai & Shah LLP

Chartered Accountants

Independent Auditor's Report

To,
The Members of
KIFS Housing Finance Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **KIFS Housing Finance Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2017, the statement of profit and loss and the cash flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013("the Act") with respect to preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

G-4, Capstone, Opp. Chirag Motors, Sheth Mangaldas Road, Ellisbridge, Ahmedabad - 380 006. Gujarat, India.

Phone : +91-79-2647 0000 Fax : +91-79-2647 0050

Email : info@msglobal.co.in

Website : www.msglobal.co.in

Ahmedabad • Mumbai • Rajkot • Jamnagar • Baroda



Manubhai & Shah LLP

Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



Manubhai & Shah LLP

Chartered Accountants


- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The reporting requirements with respect to adequacy of internal financial controls of the company and operating effectiveness of such controls are not applicable in case of the company in terms of Notification No. G.S.R. 583(E) dated June 13, 2017.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations having material effect on its financial position as at March 31, 2017;
- (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2017 for which there were any material foreseeable losses; and
- (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- (iv) The company has not made transactions in specified bank notes during the period from 08/11/2016 to 31/12/2016. Hence the requirement of disclosure of SBNs as per MCA notification dated March 31, 2017 is not applicable.

Place: Ahmedabad

Date: June 30, 2017



For Manubhai & Shah LLP
Chartered Accountants
Firm Reg. No. 106041W/W100136


(Jignesh D. Shah)
Partner
Membership number: 100116

Annexure A to the Independent Auditors' Report

[Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report on financial statements for the year ended March 31, 2017 to the members of KIFS Housing Finance Private Limited]

- (i) The Company does not own any Fixed Assets and accordingly the reporting requirements of clause 3(i) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and accordingly the reporting requirements of clause 3(ii) of the Order are not applicable to the Company.
- (iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the reporting requirement of Clause 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company
- (iv) In our opinion and according to the information and explanation given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and accordingly the reporting requirements of clause 3(iv) of the Order are not applicable to the Company.
- (v) The Company has not accepted deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the product / services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax and other material statutory dues, as applicable to it, with appropriate authorities.
According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable as applicable were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and according to the records of the Company examined by us, there are no dues of income tax and cess which have not been deposited on account of any dispute.



Manubhai & Shah LLP

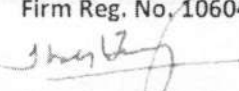
Chartered Accountants

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, reporting requirement of clause 3(viii) of the Order is not applicable to the company.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and the term loan during the year. Accordingly, reporting requirement of clause 3 (ix) of the Order is not applicable to the company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under audit.
- (xi) The company being private limited company, provisions of Section 197, read with Schedule V to the Act are not applicable. Therefore the provisions of clause 3(xi) of the Order are not applicable to the Company, hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and accordingly, reporting requirements under clause 3(xiv) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

Place: Ahmedabad

Date: June 30, 2017



For Manubhai & Shah LLP
Chartered Accountants
Firm Reg. No. 106041W/W100136

(Jignesh D. Shah)
Partner
Membership number: 100116

KIFS Housing Finance Private Limited

CIN:U65922GJ2015PTC085079

Balance Sheet as at March 31, 2017

(Amount in Rs.)

Particulars	Note No.	As at 31-Mar-17	As at 31-Mar-16
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	2	11 41 00 000	11 41 00 000
(b) Reserves and Surplus	3	33 71 596	(16 55 746)
		<u>11 74 71 596</u>	<u>11 24 44 254</u>
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	5 00 000	1 10 000
		<u>5 00 000</u>	<u>1 10 000</u>
(3) Current Liabilities			
(a) Trade Payables			
Total outstanding dues of micro enterprise and small enterprise		-	-
Total outstanding dues of creditors other than micro enterprise and small enterprise		-	17 250
(b) Short-term Provision	5	78 221	9 040
(c) Other Current Liabilities	6	28 350	-
		<u>1 06 571</u>	<u>26 290</u>
Total		<u>11 80 78 167</u>	<u>11 25 80 544</u>
II ASSETS			
(1) Non Current assets			
(a) Deferred Tax Assets	7	3 60 015	-
		<u>3 60 015</u>	<u>-</u>
(2) Current assets			
(a) Cash and Bank Balances	8	11 76 86 720	11 18 24 903
(b) Other Current Assets	9	31 432	7 55 641
		<u>11 77 18 152</u>	<u>11 25 80 544</u>
Total		<u>11 80 78 167</u>	<u>11 25 80 544</u>
Significant accounting policies & Notes on accounts	1		

Notes on accounts form integral part of the financial statements

As per our report of even date

For Manubhai & Shah LLP

Chartered Accountants

Firm Registration No. 106041W/W100136

(J. D. Shah)

Partner

Membership No. 100116



For and on behalf of the Board

[Signature]

Director

DIN.00477673

[Signature]

Director

DIN.00477678

[Signature]
Company Secretary

Place: Ahmedabad

Date: June 30, 2017

Place: Ahmedabad

Date: June 30, 2017

KIFS Housing Finance Private Limited

CIN:U65922GJ2015PTC085079

Statement of Profit and Loss for the year ended on March 31,2017

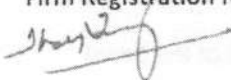
(Amount in Rs.)

Particulars	Note No.	Year ended 31-Mar-17	Period ended 31-Mar-16
I Revenue from Operations	10	81 67 796	8 39 601
II Other Income	11	1 96 794	-
III Total Revenue (I + II)		<u>83 64 590</u>	<u>8 39 601</u>
IV Expenses:			
Employee Benefit Expenses	-	37 742	-
Other Expenses	12	18 64 520	24 02 347
Total Expenses (IV)		<u>19 02 262</u>	<u>24 02 347</u>
V Profit/(Loss) before tax (IV - III)		64 62 328	(15 62 746)
VI Tax Expense:			
Current Tax		17 95 000	93 000
Defered Tax		(3 60 015)	-
		<u>14 34 985</u>	<u>93 000</u>
VII Profit/(Loss) for the year (V + VI)		<u>50 27 343</u>	<u>(16 55 746)</u>
VIII Profit/(Loss) Per Share:	14		
(Nominal value of share Rs. 10)			
Basic and Diluted		0.44	(1.89)

Significant accounting policies & Notes on accounts 1

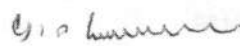
Notes on account form integral part of the financial statements
As per our report of even date

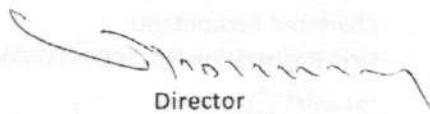
For Manubhai & Shah LLP
Chartered Accountants
Firm Registration No. 106041W/W100136

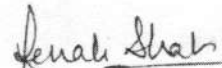

(J. D. Shah)
Partner
Membership No. 100116



For and on behalf of the Board


Director
DIN.00477673


Director
DIN.00477768


Company Secretary

Place: Ahmedabad
Date: June 30, 2017

Place: Ahmedabad
Date: June 30, 2017


KIFS Housing Finance Private Limited
CIN:U65922GJ2015PTC085079
Cash Flow Statement for the year ended March 31, 2017

Particulars	(Amount in Rs.)	
	Year ended 31-Mar-17	Period ended 31-Mar-16
A Cash flow from operating activities		
Profit/(Loss) before tax	64 62 328	(15 62 746)
Adjustment for :		
Dividend / Gain from mutual funds (net)	(1 96 794)	-
Movements in working capital :		
Increase/(Decrease) in Trade Payables	(17 250)	17 250
Increase/(Decrease) in Other Current Liabilities	28 350	-
(Increase)/Decrease in Other Assets	7 24 209	(7 55 641)
	5 38 515	(7 38 391)
Direct Tax Paid	(17 25 819)	(83 960)
Net cash used in operating activities (A)	52 75 024	(23 85 097)
B Cash flow from financing activities :		
Dividend / Gain from mutual funds (net)	1 96 794	
Long Term Borrowings	3 90 000	1 10 000
Net cash from financing activities (B)	5 86 794	1 10 000
C Cash flow from investing activities :		
Proceeds from issuance of Equity Shares	-	11 41 00 000
Net cash from investing activities (C)	-	11 41 00 000
Net increase/(decrease) in cash and cash equivalents	58 61 817	11 18 24 903
Cash and cash equivalents as at the beginning of the year	11 18 24 903	-
Cash and cash equivalents as at end of the year (Refer Note 8)	11 76 86 720	11 18 24 903

- (i) The cash flow statement has been prepared under indirect method as per Accounting Standard - 3 "Cash Flow Statement".
- (ii) Figures in brackets represent outflows.

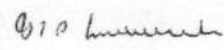
Notes on account forming integral part of the financial statements
As per our report of even date

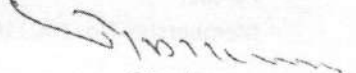
For Manubhai & Shah LLP
Chartered Accountants
Firm Registration No. 106041W/W100136

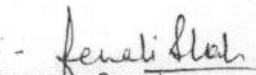

(J. D. Shah)
Partner
Membership No. 100116



For and on behalf of the Board


Director
DIN.00477673


Director
DIN.00477768


Company Secretary

Place: Ahmedabad
Date: June 30, 2017

Place: Ahmedabad
Date: June 30, 2017

KIFS Housing Finance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2017

Company Overview:

KIFS Housing Finance Private Limited (herein after referred to as 'the Company') is a company incorporated under the provisions of the Companies Act, 2013. During the year under audit, the company has received certificate of registration u/s 29A of the National Housing Bank Act, 1987 as a Housing Finance Company vide Registration No 10.0145.16 on 27/10/2016. The company proposes to undertake housing finance operations from the financial year 2017-18.

1 Statement of Significant Accounting Policies :

1.1 Basis of preparation of Financial Statements :

These financial statements are prepared in accordance with Generally Accepted Accounting principles in India (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

1.2 Use of Accounting Estimates :

The preparation of financial statements in conformity with Generally Accepted Accounting principles in India (GAAP) requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.3 Revenue Recognition

Interest income is recognised on time proportionate basis.

1.4 Income Taxes :

Tax expense comprises of current and deferred tax.

(a) Current income tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions under the Income Tax Act, 1961 at each balance sheet date.

(b) Deferred Tax liability/ Asset

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred Tax Assets and Deferred Tax Liabilities are reviewed for appropriateness of their respective carrying values at each balance sheet date.

1.5 Provisions, Contingent Liabilities and Contingent Assets:

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

1.6 General

Any other accounting policy not specifically referred to are consistent with generally accepted accounting principles.



KIFS Housing Finance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2017

2 Share Capital

(i) Authorised, Issued, Subscribed and Paid- Up Capital:

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Authorised		
2,10,00,000 Equity Shares of Rs.10/- each	21 00 00 000	21 00 00 000
Total	21 00 00 000	21 00 00 000
Issued, Subscribed and Paid Up		
1,14,10,000 Equity Shares of Rs. 10/- each	11 41 00 000	11 41 00 000
Total	11 41 00 000	11 41 00 000

(ii) Reconciliation of number of shares :

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
At the beginning of the year	1 14 10 000	11 41 00 000	-	-
Issued during the year	-	-	1 14 10 000	11 41 00 000
Outstanding at the end of the	1 14 10 000	11 41 00 000	1 14 10 000	11 41 00 000

(iii) Terms / Rights of Shareholders, Dividend and Repayment of Capital:

- (a) The Company has one class of Equity shares having a par value of Rs. 10/-.
- (b) Each holder of equity shares is entitled to one vote per share.
- (c) In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

(iv) The details of shareholders holding more than 5 % of issued share capital as on March 31, 2017 is set out below:

Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	%	No. of Shares	%
Rajesh Khandwala	54 55 000	47.81%	54 55 000	47.81%
Vimal Khandwala	54 55 000	47.81%	54 55 000	47.81%

- (v) No shares were reserved at the period-end for issue under options and contracts / commitments for the sale of shares / disinvestment.



KIFS Housing Finance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2017

3 Reserves and Surplus

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
(i) Statutory Reserve		
(As per Section 29C of National Housing Bank Act, 1987)		
At the beginning of the Year		
Add : Addition during the Year	10 05 469	-
Less : Appropriation during the Year	-	-
At the end of the Year	<u>10 05 469</u>	<u>-</u>
(ii) Surplus/(Deficit) in Statement of Profit and Loss		
Surplus/(Deficit) at the beginning of the Year	(16 55 746)	-
Add/(Less): Net Profit /(Loss) for the Year	50 27 343	(16 55 746)
Less : Transfer to Statutory Reserve	(10 05 469)	-
	<u>40 21 874</u>	<u>(16 55 746)</u>
Surplus/(Deficit) at the end of the Year	<u>23 66 128</u>	<u>(16 55 746)</u>
Total	33 71 596	(16 55 746)

4 Long-Term Borrowings:

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Unsecured		
Loan from Director	5 00 000	1 10 000
Total	5 00 000	1 10 000

5 Short-Term Provision:

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Provison for Income Tax (Net of TDS)	78 221	9 040
Total	78 221	9 040

6 Other current Liabilities

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Statutory Dues	5 350	-
Provision for Expenses	23 000	-
Total	28 350	-



KIFS Housing Finance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2017

7 Deferred Tax

The Component of Deferred Tax Asset is as under :

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred Tax Asset		
Disallowance under Section 35D of Income Tax Act	3 60 015	5 76 024
Deferred Tax Asset Recognised	3 60 015	-

8 Cash & Cash Equivalents:

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016
Cash on Hand	1 27 663	69 600
Balance with Banks		
- In current accounts with HDFC bank	11 75 59 057	6 55 303
- In fixed deposit accounts (Maturing within one year)*	-	11 11 00 000
Total	11 76 86 720	11 18 24 903

* Company keeps Fixed Deposits with the Nationalised/Scheduled Banks, which can be withdrawn by the Company as per its own discretion/ requirement of funds.

9 Other Current Assets:

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016
Interest Accrued but not due	-	7 55 641
Pre Paid Expenses	27 382	
Other Receivable	4 050	
Total	31 432	7 55 641

10 Revenue from Operations:

(Amount in Rs.)

Particulars	For the Year ended March 31, 2017	For the period ended March 31, 2016
Interest Income	81 67 796	8 39 601
Total	81 67 796	8 39 601



KIFS Housing Finance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2017

11 Other Income:

Particulars	(Amount in Rs.)	
	For the Year ended March 31, 2017	For the period ended March 31, 2016
Profit on redemption of Mutual Fund	1 96 794	-
Total	1 96 794	-

12 Other Expenses:

Particulars	(Amount in Rs.)	
	For the Year ended March 31, 2017	For the period ended March 31, 2016
Professional Fees	16 18 988	-
Company Incorporation Expenses	-	23 30 193
Application Fees	-	10 000
Director Sitting Fees	45 000	-
Auditors' Remuneration**	17 250	31 563
Annual Membership Fees	64 687	-
Advertisement Expenses	43 496	-
Filing Fees	30 079	2 844
Directors' Travelling Expense	16 401	23 897
Other Expense	25 554	3 850
Interest on late payment of taxes	3 065	-
Total	18 64 520	24 02 347

****Auditors' remuneration comprises of the following:**

Payment to Auditors:		
- as Statutory Auditor	17 250	17 250
- for other services	-	14 313
Total	17 250	31 563

13 Related Party Disclosures:

Related party disclosures as required under the Accounting Standard (AS) – 18 on "Related Party Disclosures" notified under Section 133 of the Companies Act, 2013 are given below:

(a) Name of the related parties and description of relationship :

Description of Relationship	Designati	Name of the Related Party
Key Management Personnel	Director	Rajesh Khandwala
	Director	Vimal Khandwala

(b) Details of Transactions with Related Parties during the period:

Particulars	(Amount in Rs.)	
	2016-17	2015-16
Loan Availed during the year 2016-17		
Rajesh Khandwala	3 90 000	1 10 000
Loan outstanding as at March 31,2017		
Rajesh Khandwala	5 00 000	1 10 000



KIFS Housing Finance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2017

14 Earnings Per Share (EPS) :		(Amount in Rs.)	
Particulars	Unit	For the Year ended March 31, 2017	For the period ended March 31, 2016
Basic and Diluted			
Profit / (Loss) attributable to Equity Holders	Amount in Rs.	50 27 343	(16 55 746)
Weighted Average of number of equity shares outstanding during the period	In Nos.	1 14 10 000	8 75 874
Profit / (Loss) per share of face value of Rs.10 each		0.44	(1.89)

15 Disclosure pursuant to Circular No. : NHB NCD/DRS Pol 61/2013-14 dated 07 April 2014 issued by NHB.

Statutory Reserve	As at March 31,2017	As at March 31,2016
Balance at the beginning of the		
(a) Statutory Reserve as per section 29C of the National Housing Bank Act, 1987	-	-
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
(c) Total	-	-
Addition/ Appropriation/ Withdrawals during the year		
Add:		
(a) Amount transferred as per section 29C of the National Housing Bank Act, 1987	10,05,469	-
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
	10 05 469	-
Less:		
(a) Amount appropriated as per section 29C of the National Housing Bank Act, 1987	-	-
(b) Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
Balance as at the end of the Year		
(a) Statutory Reserve as per section 29C of the National Housing Bank Act, 1987	10 05 469	-
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
Total	10 05 469	-



KIFS Housing Finance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2017

16 Disclosure regarding provision made for Asset Liability Management (ALM) system for the housing finance company pursuant to Circular No. : NHB NCD/DRS Pol 35/2010-11 dated 11 October 2010 issued by NHB.

(i) Capital to Risk Asset Ratio

Particulars	As at March
CRAR (Total Capital/Risk Weight Assets)	3726 times
CRAR Tier I Capital (Tier I Capital /Risk Weight Assets)	3726 times
CRAR Tier II Capital (Tier II Capital /Risk Weight Assets)	

* The company has not yet started activity of disbursement of housing loan and hence do not have significant amount of risk based assets.

(ii) The Company has no exposure to the real estate and Capital market sector directly or indirectly.

(iii) Asset Liability Management

Particulars	Borrowing	Advances
0-14 days		
14 days-1 month		
2 month-3 month		
3 month-6 month		
6 month-1 year		
More than 1 year	5 00 000	-
Total	5 00 000	-

17 Disclosure regarding Cash Transactions during Demonitisation Period:

The company has not made transactions in specified bank notes during the period from 08/11/2016 to 31/12/2016. Hence the requirement of disclosure of SBNs as per MCA notification dated March 31, 2017 is not applicable.



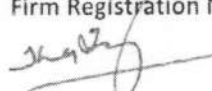
KIFS Housing Finance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2017

18 Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with the previous year's figures.

As per our report of even date

For Manubhai & Shah LLP
Chartered Accountants

Firm Registration No. 106041W/W100136

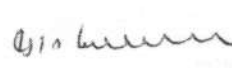

(J. D. Shah)

Partner

Membership No. 100116

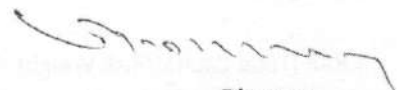


For and on behalf of the Board



Director

DIN.00477673



Director

DIN.00477668


Company Secretary

Place: Ahmedabad

Date: June 30, 2017

Place: Ahmedabad

Date: June 30, 2017