

INDEPENDENT AUDITOR'S REPORT

To

The Board of Directors of KIFS Housing Finance Private Limited

Opinion

We have audited the accompanying Financial Statements of KIFS Housing Finance Private Limited ("the Company"), which comprise the balance sheet as at 30th September, 2019 and the Statement of Profit and Loss for the period from 1st April, 2019 to 30th September, 2019 including a summary of significant accounting policies (hereinafter referred to as "Financial Statements").

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 30th September, 2019 and its profit for the aforesaid period.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial controls, 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.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878

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The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Darshan Shah

Darshan Shah
Partner
Membership No.: 131508
UDIN: 19131508AAAACB5164



Mumbai, 16th October, 2019

KIFS Housing Finance Private Limited

CIN:U65922GJ2015PTC085079

Balance Sheet as at 30th September 2019

Particulars	Note No.	As at 30-Sep-19	As at 31-Mar-19
I EQUITY AND LIABILITIES:			
(1) Shareholders' fund:			
(a) Share capital	3	2,249,878,090	1,499,519,870
(b) Reserves and surplus	4	127,230,222	46,253,056
	(A)	2,377,108,312	1,545,772,926
(2) Share application money pending allotment	(B)	-	200,738,940
(3) Non-current liabilities:			
(a) Long-term borrowings	5	430,782,968	150,749,971
(b) Long-term provisions	6	20,432,582	14,546,178
	(C)	451,215,550	165,296,149
(4) Current liabilities:			
(a) Short-term borrowings	7	40,000,000	-
(b) Trade payables	8	-	-
(i) Total outstanding dues of Micro enterprises and Small Enterprises		-	-
(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		3,757,710	-
(c) Other current liabilities	9	480,114,143	357,887,419
(d) Short-term provisions	10	27,351,809	14,480,606
	(D)	551,223,662	372,368,025
Total	(A+B+C+D)	3,379,547,524	2,284,176,040
II ASSETS:			
(1) Non-current assets:			
(a) Property, Plant and Equipment	11	-	-
(i) Tangible assets		16,445,007	15,727,225
(ii) Intangible assets		392,094	449,014
(iii) Intangible assets under development		1,526,000	1,526,000
(b) Long-term loans and advances	12	2,814,702,028	1,780,716,152
(c) Deferred tax assets (net)	13	6,264,970	5,062,196
(d) Other Non-Current assets	14	137,709,014	10,046,336
	(E)	2,977,039,113	1,813,526,923
(2) Current assets:			
(a) Trade receivable	15	14,860,718	3,880,915
(b) Cash and bank balances	16	291,878,145	197,313,401
(c) Short-term loans and advances	17	71,394,173	257,474,908
(d) Other Current Assets	18	24,375,375	11,979,893
	(F)	402,508,411	470,649,117
Total	(E+F)	3,379,547,524	2,284,176,040

Significant accounting policies and notes to financial statements

1 to 24

The notes referred above form an integral part of the financial statements

As per our report of even date attached

For Manubhai & Shah LLP

Chartered Accountants

Firm Registration No. 106041W/W100136

Darshan Shah

(Darshan Shah)

Partner

Membership No.131508



For and on behalf of the Board of Directors of

KIFS Housing Finance Private Limited

Vimal P Khandwala

(Vimal P Khandwala)

Director :DIN.00477768

Swarnpal Singh Bais

(Swarnpal Singh Bais)

Director :DIN.07966335

Padmanabh Vora

(Padmanabh Vora)

Director :DIN.00003192

Deepak Kumar Ajmera

(Deepak Kumar Ajmera)

(Chief Financial officer)

Tejal Gala

(Tejal Gala)

(Company Secretary)

M.No. ACS - 54456

Place: Mumbai

Date: 16th Oct., 2019

Place: Mumbai

Date: 16th Oct., 2019



KIFS Housing Finance Private Limited

CIN:U65922GJ2015PTC085079

Statement of profit and loss for the period from 01st April 2019 to 30th September 2019

Particulars	Note	01st April 2019 to 30th September 2019	Year ended
	No.		31-Mar-19
Income			
Revenue from Operations	19	214,496,315	206,131,674
Other Income	20	4,598,336	5,135,725
Total Revenue	(A)	219,094,651	211,267,399
Expenses			
Employee benefit expenses	21	56,709,866	91,448,336
Finance cost	22	24,709,020	6,843,504
Depreciation and amortisation expenses	11	1,996,306	3,955,797
Provision for Contingencies	23	2,604,549	6,577,195
Other expenses	24	25,298,168	42,784,168
Total Expenses	(B)	111,317,909	151,609,000
Profit/(Loss) before tax (A - B)	(C)	107,776,742	59,658,399
Less: Tax Expense:			
Current Tax		28,002,350	21,193,312
Short/(Excess) provision of tax for earlier year		-	111,645
Deferred Tax		(1,202,774)	(2,623,420)
	(D)	26,799,576	18,681,537
Profit/(Loss) for the Period (C - D)	(E)	80,977,166	40,976,862
Earning per share (face value Rs. 10/- each):			
Basic and Diluted		0.42	0.35

Significant accounting policies and notes to financial statements 1 to 24

The notes referred above form an integral part of the financial statements

As per our report of even date attached

For Manubhai & Shah LLP

Chartered Accountants

Firm Registration No. 106041W/W100136

Darshan Shah



(Darshan Shah)
Partner
Membership No.131508

Place: Mumbai
Date: 16th Oct., 2019

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

(Vimal P Khandwala)
(Vimal P Khandwala)
Director :DIN.00477768

(Swarnpal Singh Bais)
(Swarnpal Singh Bais)
Director :DIN.07966335

(Padmanabh Vora)
(Padmanabh Vora)
Director :DIN.00003192

(Deepak Kumar Ajmera)
(Deepak Kumar Ajmera)
(Chief Financial officer)

(Tejal Gala)
(Tejal Gala)
(Company Secretary)
M.No. ACS - 54456

Place: Mumbai
Date: 16th Oct., 2019



KIFS Housing Finance Private Limited
Notes to the financial statement for the period ended 30th September 2019

3 Share capital:

3.1 Authorised, Issued, Subscribed and Paid- Up Capital:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Authorised		
250,000,000 (previous year: 200,000,000) equity shares of Rs.10/- each	2,500,000,000	2,000,000,000
	2,500,000,000	2,000,000,000
Issued, Subscribed and Paid Up		
2,249,878,090 (previous year: 149,951,987) equity shares of Rs. 10/- each, fully paid	2,249,878,090	149,951,987
	2,249,878,090	1,499,519,870

Notes:

- The Company has only one class of equity shares having face value of Rs.10 each. Each holder of equity shares is entitled to one vote per share.
- Increase in Paid-up Share Capital facilitated by issuing 2,49,83,336 Equity Shares at face value of Rs. 10/- on 17th September 2018. Shares fully subscribed by M/s. KIFS International LLP
- Increase in Paid-up Share Capital facilitated by issuing 1,01,14,711 Equity Shares at face value of Rs. 10/- on 11th December 2018. Shares fully subscribed by M/s. KIFS International LLP
- Increase in Paid-up Share Capital facilitated by issuing 1,49,20,596 Equity Shares at face value of Rs. 10/- on 22nd February 2019. Shares fully subscribed by M/s. KIFS International LLP
- Increase in Paid-up Share Capital facilitated by issuing 2,00,73,894 Equity Shares at face value of Rs. 10/- on April 12, 2019. Shares fully subscribed by M/S. KIFS International LLP
- Increase in Paid-up Share Capital facilitated by issuing 1,00,01,524 Equity Shares at face value of Rs. 10/- on May 02, 2019. Shares fully subscribed by M/S. KIFS International LLP
- Increase in Paid-up Share Capital facilitated by issuing 1,89,50,253 Equity Shares at face value of Rs. 10/- on June 28, 2019. Shares fully subscribed by M/S. KIFS International LLP
- Increase in Paid-up Share Capital facilitated by issuing 2,60,10,151 Equity Shares at face value of Rs. 10/- on July 25, 2019. Shares fully subscribed by M/S. KIFS International LLP
- 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.

3.2 Reconciliation of number of shares:

Particulars	As at Sep 30, 2019		As at March 31, 2019	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
At the beginning of the year	149,951,987	1,499,519,870	99,933,344	999,333,440
issued during the year	75,035,822	750,358,220	50,018,643	500,186,430
Repaid during the year	-	-	-	-
At the end of the year	224,987,809	2,249,878,090	149,951,987	1,499,519,870

3.3 The details of shareholders holding more than 5 % of issued share capital as on Jun 30, 2019 is set out below:

Name of Shareholder	As at Sep 30, 2019		As at March 31, 2019	
	No. of Shares	%	No. of Shares	%
KIFS International LLP	224,487,109	99.78%	149,451,287	99.67%
	224,487,109	99.78%	149,451,287	99.67%

4 Reserves and surplus:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
(i) Statutory Reserve#		
(As per Section 29C of National Housing Bank Act, 1987)		
At the beginning of the Year	9,581,760	1,386,388
Add : Addition during	16,195,433	8,195,372
Less : Appropriation during	-	-
At the end of the Year	25,777,193	9,581,760
(ii) Surplus/(Deficit) in Statement of Profit and Loss		
Surplus/(Deficit) at the beginning of the Year	36,671,296	3,889,806
Add/(Less): Net Profit /(Loss)	80,977,166	40,976,862
Less : Transfer to Statutory Reserve	(16,195,433)	(8,195,372)
	64,781,733	32,781,490
Surplus/(Deficit) at the end of the Year	101,453,029	36,671,296
	127,230,222	46,253,056

The Company has created statutory reserve as required under section 29C of National Housing Bank Act, 1987 equivalent to 20% of profit after tax.



5 Long-term borrowings:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Secured		
Term Loans from Banks#	529,885,156	190,249,995
Less: Current maturities of long term term borrowings (Ref Note-9)	(99,102,188)	(39,500,024)
	430,782,968	150,749,971

1) The Company has taken term loan from Federal Bank Ltd of Rs.4.75 crores repayable in 60 monthly instalments starting from October 29, 2018 and carry Interest @9.90% P.a. (One year MCLR + 0.70%) on security of cash margining of 10% of loan amount and hypothecations of receivables equivalent to 1.10 times.

2) The Company has taken term loan from South Indian Bank Ltd of Rs.5 crores repayable in 60 monthly instalment starting from January 29, 2019 and carry Interest @10% P.a. (One year MCLR + 0.55%). This facility is secured by cash margin equivalent to 10% of term loan in form of fixed deposit and pari passu charge on all current assets, book debts, and housing loan assets both present and future of the company with minimum cover of 1.10 times. The Company has also provided corporate guarantee of KIFS International LLP (the holding enterprise) & Personal guarantee of Mr. Rajesh P. Khandwala & Mr. Vimal P. Khandwala.

3) The Company has taken term loan from AU Small Finance Bank Limited of Rs. 10 crores repayable in 60 monthly instalments starting from May 3, 2019 and carry interest @11.85% p.a. (12 months' average of one year T-Bill + 4.85%). This facility is secured by hypothecations of present and future loan receivables equivalent to 1.20 times for the loan principal outstanding. The Company has also provided corporate guarantee of KIFS International LLP (the holding enterprise) & Personal guarantee of Mr. Rajesh P. Khandwala & Mr. Vimal P. Khandwala.

4) The Company has taken term loan from Federal Bank Ltd of Rs.5.00 crores repayable in 60 monthly instalments starting from May 23, 2019 and carry Interest @10.00% P.a. (One year MCLR + 1.3%) on security of cash margining of 10% of loan amount and hypothecations of receivables equivalent to 1.10 times.

5) The Company has taken term loan from Federal Bank Ltd of Rs.6.00 crores repayable in 60 monthly instalments starting from September 27, 2019 and carry Interest @10.0% P.a. (One year MCLR + 1%) on security of cash margining of 5% of loan amount and hypothecations of receivables equivalent to 1.20 times.

6) The Company has taken term loan from State Bank of India of Rs.50.00 crores out of which Rs.25 Crores disbursed till Sep 2019 repayable in Qtrly. instalments and carry Interest @9.9% P.a. (One year MCLR + 1%) on security of (Immovable property/cash collateral) equivalent to 18% of loan amount and hypothecations of receivables equivalent to 1.25 times.

6 Long-term provisions:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Provision for employee benefits		
Gratuity	1,397,236	1,065,933
Compensated absences	3,404,256	2,352,921
Other provisions		
Provision for Taxes (Net of Advance tax & tds)		
Contingent Provisions against Standard Assets		
-Home Loans	9,668,665	5,903,904
-Other Property Loans	3,806,668	3,001,885
Provision for sub standard assets		
-Home Loans	2,046,983	2,139,586
-Other Property Loans	108,774	81,949
	20,432,582	14,546,178

As per NHB master directions, 2010, Contingent provision is required @ 0.25% in respect of individual Housing Loans and @ 0.40% in respect of other loans, but conservatively company has made contingent provision @ 0.40% & 1.00% respectively for both class of loans.

As per NHB master directions, 2010, Contingent provision is required @ 15% on total outstanding amount of sub-standard assets. The company has changed policy of provisioning for substandard assets. Till 31st March, 2019 it was providing 100% whereas now, it has decided to provide 15% which is as per the NHB provisioning norms. Thus, excess provision of previous year amounting to Rs. 18,88,305/- is getting reversed in current period.

7 Short-term borrowings:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Secured		
Loans repayable on demand		
Short term loans from bank - Bank Overdraft#	40,000,000	-
	40,000,000	-

Secured by the way of lien on fixed deposits with banks. These are repayable on demand and carry interest spread of 0.75% to 1% above interest on fixed deposit.

8 Trade payables:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Total outstanding dues of Micro enterprises and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro enterprises and Small Enterprises	3,757,710	-
	3,757,710	-



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9 Other current liabilities:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Current maturities of long term loans from banks	99,102,188	39,500,024
Interest accrued but not due on term loans	910,798	97,400
Statutory liabilities	2,886,983	4,235,667
Book overdraft	326,808,991	295,102,571
Payable to Employees	-	249,440
Advance EMI	1,269,059	868,763
Advance from cusomters	36,975	-
Income received in advance	-	8,798,077
Other payables	49,099,149	9,035,477
	480,114,143	357,887,419

10 Short-term provisions:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Provision for employee benefits		
Gratuity	-	3,601
Compensated absences	-	264,747
Other provisions		
Provision for expenses	14,869,327	9,880,734
Provison for Taxes (Net of Advance tax & tds)	12,101,028	2,050,853
Contingent Provisions against Standard Assets		
-Home Loans	224,984	161,439
-Other Property Loans	156,470	112,749
-Inter corporate deposits	-	2,006,483
	27,351,809	14,480,606



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11. Property, Plant and Equipment

Current year	Gross Block						Accumulated Depreciation			Net Block	
	As at 1st April, 2019	Additions during the period	Deductions/Adjustment during the period	As at Sep 30, 2019	As at 1st April, 2019	Additions during the period	Deductions/Adjustment during the period	As at Sep 30, 2019	As at Sep 30, 2019	As at 31st March, 2019	
Tangible assets:											
Computer and data processing units	4,063,339	366,240	-	4,429,579	1,416,722	713,726	-	2,130,448	2,299,131	2,646,617	
Furniture and fixtures	2,281,381	1,050,352	-	3,331,732	296,175	127,937	-	424,112	2,907,620	1,985,206	
Office equipments	978,914	332,069	-	1,310,983	224,586	108,919	-	333,505	977,477	754,328	
Leasehold improvements	13,505,879	908,512	-	14,414,391	3,164,806	988,804	-	4,153,610	10,260,781	10,341,073	
Total tangible assets (a)	20,829,514	2,657,171	-	23,486,685	5,102,289	1,939,386	-	7,041,675	16,445,007	15,727,225	
Intangible assets:											
Computer software	567,950	-	-	567,950	118,936	56,920	-	175,856	392,094	449,014	
Total intangible assets (b)	567,950	-	-	567,950	118,936	56,920	-	175,856	392,094	449,014	
Total (a) + (b) = (C)	21,397,464	2,657,171	-	24,054,635	5,221,225	1,996,306	-	7,217,531	16,837,101	16,176,239	



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12 Long-term loans and advances:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Secured, considered good		
Home Loans *		
Loans to others	2,417,166,325	1,475,976,064
Other Property Loans*		
Loans to others	380,666,805	300,188,505
Unsecured, considered good		
Security deposit	2,497,188	2,330,048
Secured, considered doubtful		
Home Loans *		
Loans to others	12,585,134	2,139,586
Other Property Loans*		
Loans to others	1,786,576	81,949
	2,814,702,028	1,780,716,152

* Loans granted by the company are secured by equitable mortgage / registered mortgage of the property and/or undertaking to create security and or personal guarantees and/or assignment of life insurance policies.

13 Deferred tax assets (net):

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Deferred tax liabilities		
Diff between Written down value off P&E as per books of accounts & Income tax Act,		-
Gross deferred tax liability	-	-
Deferred tax assets		
Diff between Written down value off P&E as per books of accounts & Income tax Act,	409,502	176,662
Provision for gratuity	388,711	297,544
Provision for leave encashment	947,064	728,235
Preliminary expenses	55,003	129,651
Provision for Contingencies	4,454,690	3,730,104
Gross deferred tax asset	6,264,970	5,062,196
Net deferred tax asset / (liability)	6,264,970	5,062,196

14 Other Non-Current assets:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Fixed deposits with Bank		
Held as cash margin against term loans	137,709,014	10,046,336
	137,709,014	10,046,336



KIFS Housing Finance Private Limited
Notes to the financial statement for the period ended 30th September 2019

15 Trade receivable:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Unsecured but considered good		
Outstanding for a period less than six months		
- From related parties	-	-
- From others	14,860,718	3,880,915
	14,860,718	3,880,915

16 Cash and bank balances:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Cash and cash equivalents		
Cash on Hand	15,110	1,752,708
Balance with Banks		
- In current accounts	89,967,112	66,794,817
- In overdraft accounts	125,269,255	42,417,515
Total cash and cash equivalents	215,251,477	110,965,040
Other bank balances		
- In fixed deposit accounts having original maturity of more than 3months, but less than 12months	76,626,668	86,348,361
Total other bank balances	76,626,668	86,348,361
	291,878,145	197,313,401

17 Short-term loans and advances:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Secured, considered good		
Home Loans *		
Loans to others	56,246,071	40,359,817
Other Property Loans*		
Loans to others	10,659,338	9,418,903
Unsecured, considered good		
Inter corporate deposits to others	-	200,648,315
Inter corporate deposits to related parties	-	-
Security deposit	-	80,000
Capital advances	551,350	513,350
Prepaid Expenses	748,640	1,884,638
Balance with Government authorities	105,976	71,932
Advance to employees for expenses	440,578	427,119
Advance to Vendor	-	-
Other advances	2,642,220	4,070,834
	71,394,173	257,474,908

* Loans granted by the company are secured by equitable mortgage / registered mortgage of the property and/or undertaking to create security and or personal guarantees and/or assignment of life insurance policies.

18 Other Current Assets:

Particulars	(Amount in Rs.)	
	As at Sep 30, 2019	As at March 31, 2019
Interest accrued but not due on home loans	20,385,903	11,939,921
Interest accrued but not due on fixed deposits with bank	3,989,472	39,972
EMI/Pre EMI receivable on home loans	-	-
Interest accrued but not due on ICD	-	-
	24,375,375	11,979,893



19 Revenue from Operations:

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Interest income on loans	166,275,868	175,134,247
Processing fess and other charges (Refer note 19.1)	26,072,370	28,545,504
Other operating income (Refer note 19.2)	22,148,077	2,451,923
	214,496,315	206,131,674

19.1 Processing fess and other charges

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Processing fess and other charges:	36,075,766	41,673,177
Less: Direct selling agent's commission	(3,466,344)	(4,640,587)
Less: Legal, Technical CERSAI & verification charges	(6,537,052)	(8,487,086)
	26,072,370	28,545,504

19.2 Other Operating Income:

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Other ancillary services	22,148,077	2,451,923
	22,148,077	2,451,923

20 Other Income:

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Interest on fixed deposits with banks	4,546,107	5,395,996
Net gain on sale of current investments	-	163,253
Miscellaneous Income	52,229	(423,524)
	4,598,336	5,135,725

21 Employee Benefit expenses:

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Salary and bonus	53,972,223	86,828,629
Contribution to provident and other funds	1,932,753	2,963,626
Staff welfare expenses	477,188	1,000,681
Gratuity	327,702	655,400
	56,709,866	91,448,336

22 Finance Cost:

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Interest on Term Loan	16,139,014	3,619,522
Interest on Bank Overdraft	445,506	1,186,483
Interest on other borrowings	-	-
Other borrowing Costs	8,124,500	2,037,499
	24,709,020	6,843,504



KIFS Housing Finance Private Limited
Notes to the financial statement for the period ended 30th September 2019

23 **Provision for contingencies:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Contingent Provision against Standard Assets	2,670,327	4,355,660
Contingent Provision against Sub-Standard Assets *	(65,778)	2,221,535
	2,604,549	6,577,195

*The company has changed policy of provisioning for substandard assets. Till 31st March, 2019 it was providing 100% whereas now, it has decided to provide 15% which is as per the NHB provisioning norms. Thus, excess provision of previous year amounting to Rs. 18,88,305/- is getting reversed in current period.

24 **Other Expenses:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th September 2019	Year ended 31st March 2019
Advertisement & Marketing Expenses	1,900	440,107
Auditor's remuneration (Refer note no. 28)	100,000	444,000
Business promotion expenses	154,575	328,029
Commission & Brokerage	13,000	127,500
Communication and data charges	1,184,753	1,998,700
Directors' sitting fees	280,000	330,000
Insurance	1,564,598	800,964
Legal and professional charges	5,032,346	8,670,362
Membership & Subscription fees	76,952	122,373
Power and fuel	798,295	937,467
Printing and stationary	666,045	1,262,009
Rates and Taxes	5,294,598	10,142,884
Recruitment Expenses	-	430,801
Rent	5,006,393	8,256,113
Repair and maintenance	-	-
Computer and software	449,111	973,655
Others	535,878	912,319
ROC & Filing Expenses	7,000	6,682
Travelling and conveyance	3,049,547	5,326,359
Miscellaneous Expenses	1,083,177	1,273,844
	25,298,168	42,784,168





