

**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 30<sup>th</sup> June 2019 and the Statement of Profit and Loss for the period from 1<sup>st</sup> April, 2019 to 30<sup>th</sup> June 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 30<sup>th</sup> June 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.

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

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

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### 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.

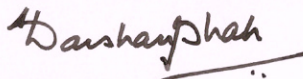
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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  
PARTNER  
Membership No.: 131508  
UDIN: 19131508AAAABD7527



Mumbai, 26<sup>th</sup> August, 2019



## KIFS Housing Finance Private Limited

CIN:U65922GJ2015PTC085079

Balance Sheet as at 30<sup>th</sup> June 2019

Particulars	Note No.	As at 30-Jun-19	As at 31-Mar-19
<b>I EQUITY AND LIABILITIES:</b>			
(1) Shareholders' fund:			
(a) Share capital	3	1,989,776,580	1,499,519,870
(b) Reserves and surplus	4	83,577,229	46,253,056
	(A)	2,073,353,809	1,545,772,926
(2) Share application money pending allotment	(B)	-	200,738,940
(3) Non-current liabilities:			
(a) Long-term borrowings	5	182,649,199	150,749,971
(b) Long-term provisions	6	16,730,653	14,546,178
	(C)	199,379,852	165,296,149
(4) Current liabilities:			
(a) Short-term borrowings	7	15,309,970	-
(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		970,494	-
(c) Other current liabilities	9	388,126,036	357,887,419
(d) Short-term provisions	10	24,273,924	14,480,606
	(D)	428,680,424	372,368,025
<b>Total</b>	<b>(A+B+C+D)</b>	<b>2,701,414,085</b>	<b>2,284,176,040</b>
<b>II ASSETS:</b>			
(1) Non-current assets:			
(a) Property, Plant and Equipment	11		
(i) Tangible assets		15,740,792	15,727,225
(ii) Intangible assets		420,710	449,014
(iii) Intangible assets under development		1,526,000	1,526,000
(b) Long-term loans and advances	12	2,284,481,117	1,780,716,152
(c) Deferred tax assets (net)	13	5,548,913	5,062,196
(d) Other Non-Current assets	14	86,673,000	10,046,336
	(E)	2,394,390,532	1,813,526,923
(2) Current assets:			
(a) Trade receivable	15	9,316,478	3,880,915
(b) Cash and bank balances	16	5,027,889	197,313,401
(c) Short-term loans and advances	17	271,003,771	257,474,908
(d) Other Current Assets	18	21,675,415	11,979,893
	(F)	307,023,553	470,649,117
<b>Total</b>	<b>(E+F)</b>	<b>2,701,414,085</b>	<b>2,284,176,040</b>

Significant accounting policies and notes to financial statements

1 to 24

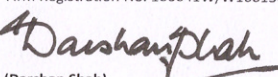
The notes referred above form an integral part of the financial statements

As per our report of even date attached

For Manubhai &amp; Shah LLP

Chartered Accountants

Firm Registration No. 106041W/W100136



(Darshan Shah)

Partner

Membership No. 131508

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

(Vimal P Khandwala)

Director : DIN.00477768

(Swarnpal Singh Bais)

Director : DIN.07966335

(Padmanabh Vora)

Director : DIN.00003192

(Deepak Kumar Ajmera)

(Chief Financial officer)

(Tejal Gala)

(Company Secretary)

M.No. ACS - 54456

Place: Mumbai

Date:

26 AUG 2019

Place: Mumbai

Date:

26 AUG 2019





**KIFS Housing Finance Private Limited**

CIN:U65922GJ2015PTC085079

**Statement of profit and loss for the period from 01<sup>st</sup> April 2019 to 30<sup>th</sup> June 2019**

Particulars	Note	01st April 2019 to 30th		Year ended
	No.	June 2019		31-Mar-19
<b>Income</b>				
Revenue from Operations	19	98,451,774		206,131,674
Other Income	20	2,027,099		5,135,725
<b>Total Revenue</b>	(A)	<b>100,478,873</b>		<b>211,267,399</b>
<b>Expenses</b>				
Employee benefit expenses	21	26,283,230		91,448,336
Finance cost	22	9,525,490		6,843,504
Depreciation and amortisation expenses	11	966,460		3,955,797
Provision for Contingencies	23	1,200,811		6,577,195
Other expenses	24	10,587,639		42,784,168
<b>Total Expenses</b>	(B)	<b>48,563,630</b>		<b>151,609,000</b>
<b>Profit/(Loss) before tax (A - B)</b>	(C)	<b>51,915,243</b>		<b>59,658,399</b>
<b>Less: Tax Expense:</b>				
Current Tax		15,077,786		21,193,312
Short/(Excess) provision of tax for earlier year		-		111,645
Deferred Tax		(486,716)		(2,623,420)
	(D)	<b>14,591,070</b>		<b>18,681,537</b>
<b>Profit/(Loss) for the Period (C - D)</b>	(E)	<b>37,324,173</b>		<b>40,976,862</b>
<b>Earning per share (face value Rs. 10/- each):</b>				
Basic and Diluted		0.19		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:

**26 AUG 2019**

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

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

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

*(Padmanabh Vora)*  
Director :DIN.00003192

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

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

Place: Mumbai

Date:

**26 AUG 2019**





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

**3 Share capital:**

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

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Authorised</b>		
200,000,000 (previous year: 200,000,000) equity shares of Rs.10/- each	2,000,000,000	2,000,000,000
	<b>2,000,000,000</b>	<b>2,000,000,000</b>
<b>Issued, Subscribed and Paid Up</b>		
198,977,658 (previous year: 149,951,987 ) equity shares of Rs. 10/- each, fully paid	1,989,776,580	149,951,987
	<b>1,989,776,580</b>	<b>1,499,519,870</b>

**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
- 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 June 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	49,025,671	490,256,710	50,018,643	500,186,430
Repaid during the year	-	-	-	-
At the end of the year	<b>198,977,658</b>	<b>1,989,776,580</b>	<b>149,951,987</b>	<b>1,499,519,870</b>

**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 June 30, 2019		As at March 31, 2019	
	No. of Shares	%	No. of Shares	%
KIFS International LLP	198,476,958	99.75%	149,451,287	99.67%
	<b>198,476,958</b>	<b>99.75%</b>	<b>149,451,287</b>	<b>99.67%</b>

**4 Reserves and surplus:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>(i) Statutory Reserve#</b> (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	7,464,835	8,195,372
Less : Appropriation during	-	-
At the end of the Year	<b>17,046,595</b>	<b>9,581,760</b>
<b>(ii) Surplus/(Deficit) in Statement of Profit and Loss</b>		
Surplus/(Deficit) at the beginning of the Year	36,671,296	3,889,806
Add/(Less): Net Profit /(Loss)	37,324,173	40,976,862
Less : Transfer to Statutory Reserve	(7,464,835)	(8,195,372)
	<b>29,859,338</b>	<b>32,781,490</b>
Surplus/(Deficit) at the end of the Year	<b>66,530,634</b>	<b>36,671,296</b>
	<b>83,577,229</b>	<b>46,253,056</b>

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





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

**5 Long-term borrowings:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Secured</b>		
Term Loans from Banks#	230,701,207	190,249,995
Less: Current maturities of long term term borrowings (Ref Note-9)	(48,052,008)	(39,500,024)
	<b>182,649,199</b>	<b>150,749,971</b>

# 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 @10.5% 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.

**6 Long-term provisions:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Provision for employee benefits</b>		
Gratuity	1,229,784	1,065,933
Compensated absences	2,746,215	2,352,921
<b>Other provisions</b>		
Provision for Taxes (Net of Advance tax & tds)	550,853	
Contingent Provisions against Standard Assets		
-Home Loans	7,746,873	5,903,904
-Other Property Loans	3,382,117	3,001,885
Provision for sub standard assets		
-Home Loans	1,016,467	2,139,586
-Other Property Loans	58,344	81,949
	<b>16,730,653</b>	<b>14,546,178</b>

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 year

**7 Short-term borrowings:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Secured</b>		
Loans repayable on demand		
Short term loans from bank - Bank Overdraft#	15,309,970	-
	<b>15,309,970</b>	<b>-</b>

# 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 June 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	970,494	-
	<b>970,494</b>	<b>-</b>





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

**9 Other current liabilities:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
Current maturities of long term loans from banks	48,052,008	39,500,024
Interest accrued but not due on term loans	959,340	97,400
Statutory liabilities	3,018,722	4,235,667
Bank overdraft	298,090,674	295,102,571
Payable to Employees	65,668	249,440
Advance EMI	1,183,900	868,763
Advance from customers	29,007	-
Income received in advance	-	8,798,077
Other payables	36,726,717	9,035,477
	<b>388,126,036</b>	<b>357,887,419</b>

**10 Short-term provisions:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Provision for employee benefits</b>		
Gratuity	3,601	3,601
Compensated absences	264,747	264,747
<b>Other provisions</b>		
Provision for expenses	13,999,789	9,880,734
Provision for Taxes (Net of Advance tax & tds)	7,600,782	2,050,853
Contingent Provisions against Standard Assets		
-Home Loans	196,106	161,439
-Other Property Loans	163,899	112,749
-Inter corporate deposits	2,045,000	2,006,483
	<b>24,273,924</b>	<b>14,480,606</b>





## 11. Property, Plant and Equipment

Current year

Description of asset	Gross Block			Accumulated Depreciation			Net Block		
	As at 1st April, 2019	Additions during the period	Deductions/ Adjustment during the period	As at Jun 30, 2019	As at 1st April, 2019	Additions during the period	Deductions/Adjustment during the period	As at Jun 30, 2019	As at 31st March, 2019
Tangible assets:									
Computer and data processing units	4,063,339	31,882		4,095,221	1,416,722	346,816		1,763,538	2,646,617
Furniture and fixtures	2,281,381	427,389	-	2,708,770	296,175	56,337		352,512	1,985,206
Office equipments	978,914	104,749	-	1,083,663	224,586	49,778	-	274,364	754,328
Leasehold improvements	13,505,879	387,707	-	13,893,586	3,164,806	485,225	-	3,650,031	10,341,073
Total tangible assets ( a )	20,829,514	951,726	-	21,781,240	5,102,289	938,156	-	6,040,445	15,727,225
Intangible assets:									
Computer software	567,950	-	-	567,950	118,936	28,304	-	147,240	449,014
Total intangible assets ( b )	567,950	-	-	567,950	118,936	28,304	-	147,240	449,014
Total ( a ) + ( b ) = ( C )	21,397,464	951,726	-	22,349,190	5,221,225	966,460	-	6,187,685	16,176,239





## 11. Property, Plant and Equipment (Cont....)

Description of asset		Gross Block			Accumulated Depreciation			Net Block		Amount in Rs.
		As at 1st April, 2018	Additions during the year	Deductions/ Adjustment during the year	As at 31st March, 2019	As at 1st April, 2018	Additions during the year	Deductions/Adjustment during the year	As at 31st March, 2019	
Tangible assets:										
Computer and data processing units		2,037,673	2,037,776	12,109	4,063,339	356,121	1,062,763	2,162	1,416,722	2,646,617
Furniture and fixtures		27,566	2,253,815	-	2,281,381	12,328	283,847	-	296,175	1,985,206
Office equipments		551,581	427,333	-	978,914	70,078	154,508	-	224,586	754,328
Leasehold improvements		11,856,832	1,649,048	-	13,505,879	781,259	2,383,547	-	3,164,806	11,075,573
Total tangible assets ( a )		14,473,652	6,367,972	12,109	20,829,514	1,219,786	3,884,665	2,162	5,102,289	15,777,225
Intangible assets:										
Computer software		349,950	218,000	-	567,950	45,642	73,294	-	118,936	449,014
Total intangible assets ( b )		349,950	218,000	-	567,950	45,642	73,294	-	118,936	449,014
Total ( a ) + ( b ) = ( C )		14,823,602	6,585,972	12,109	21,397,464	1,265,428	3,957,959	2,162	5,221,225	16,176,239
										13,558,174





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

**12 Long-term loans and advances:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b><u>Secured, considered good</u></b>		
<b><u>Home Loans *</u></b>		
Loans to others	1,936,718,262	1,475,976,064
<b><u>Other Property Loans*</u></b>		
Loans to others	338,211,759	300,188,505
<b><u>Unsecured, considered good</u></b>		
Security deposit	2,385,688	2,330,048
<b><u>Secured, considered doubtful</u></b>		
<b><u>Home Loans *</u></b>		
Loans to others	6,776,448	2,139,586
<b><u>Other Property Loans*</u></b>		
Loans to others	388,959	81,949
	<b>2,284,481,117</b>	<b>1,780,716,152</b>

\* 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 June 30, 2019	As at March 31, 2019
<b>Deferred tax liabilities</b>		
Diff between Written down value off P&E as per books of accounts & Income tax Act,		-
Gross deferred tax liability	-	-
<b>Deferred tax assets</b>		
Diff between Written down value off P&E as per books of accounts & Income tax Act,	271,640	176,662
Provision for gratuity	343,128	297,544
Provision for leave encashment	837,650	728,235
Preliminary expenses	32,324	129,651
Provision for Contingencies	4,064,170	3,730,104
Gross deferred tax asset	5,548,912	5,062,196
<b>Net deferred tax asset / (liability)</b>	<b>5,548,913</b>	<b>5,062,196</b>

**14 Other Non-Current assets:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Fixed deposits with Bank</b>		
Held as cash margin against term loans	86,673,000	10,046,336
	<b>86,673,000</b>	<b>10,046,336</b>





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

**15 Trade receivable:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Unsecured but considered good</b>		
Outstanding for a period less than six months		
- From related parties	-	-
- From others	9,316,478	3,880,915
	<b>9,316,478</b>	<b>3,880,915</b>

**16 Cash and bank balances:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Cash and cash equivalents</b>		
Cash on Hand	12,362	1,752,708
Balance with Banks		
- In current accounts	4,376,866	66,794,817
- In overdraft accounts	638,661	42,417,515
Total cash and cash equivalents	<b>5,027,889</b>	<b>110,965,040</b>
<b>Other bank balances</b>		
- In fixed deposit accounts having original maturity of more than 3months, but less than 12months	-	86,348,361
Total other bank balances	-	<b>86,348,361</b>
	<b>5,027,889</b>	<b>197,313,401</b>

**17 Short-term loans and advances:**

Particulars	(Amount in Rs.)	
	As at June 30, 2019	As at March 31, 2019
<b>Secured, considered good</b>		
<b>Home Loans *</b>		
Loans to others	49,026,387	40,359,817
<b>Other Property Loans*</b>		
Loans to others	12,383,395	9,418,903
<b>Unsecured, considered good</b>		
Inter corporate deposits to others	100,000,000	200,648,315
Inter corporate deposits to related parties	104,500,000	-
Security deposit	80,000	80,000
Capital advances	390,227	513,350
Prepaid Expenses	1,370,105	1,884,638
Balance with Government authorities	115,857	71,932
Advance to employees for expenses	469,653	427,119
Advance to Vendor	62,203	-
Other advances	2,605,943	4,070,834
	<b>271,003,771</b>	<b>257,474,908</b>

\* 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 June 30, 2019	As at March 31, 2019
Interest accrued but not due on home loans	15,608,230	11,939,921
Interest accrued but not due on fixed deposits with bank	1,616,966	39,972
EMI/Pre EMI receivable on home loans	-	-
Interest accrued but not due on ICD	4,450,219	-
	<b>21,675,415</b>	<b>11,979,893</b>





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

**19 Revenue from Operations:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Interest income on loans	73,557,486	175,134,247
Processing fess and other charges (Refer note 19.1)	11,596,211	28,545,504
Other operating income (Refer note 19.2)	13,298,077	2,451,923
	<b>98,451,774</b>	<b>206,131,674</b>

**19.1 Processing fess and other charges**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Processing fess and other charges	16,196,873	41,673,177
Less: Direct selling agent's commission	(1,681,511)	(4,640,587)
Less: Legal, Technical CERSAI & verification charges	(2,919,151)	(8,487,086)
	<b>11,596,211</b>	<b>28,545,504</b>

**19.2 Other Operating Income:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Other ancillary services	13,298,077	2,451,923
	<b>13,298,077</b>	<b>2,451,923</b>

**20 Other Income:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Interest on fixed deposits with banks	1,992,843	5,395,996
Net gain on sale of current investments	-	163,253
Miscellaneous Income	34,256	(423,524)
	<b>2,027,099</b>	<b>5,135,725</b>

**21 Employee Benefit expenses:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Salary and bonus	24,978,753	86,828,629
Contribution to provident and other funds	947,534	2,963,626
Staff welfare expenses	193,092	1,000,681
Gratuity	163,851	655,400
	<b>26,283,230</b>	<b>91,448,336</b>

**22 Finance Cost:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Interest on Term Loan	6,019,529	3,619,522
Interest on Bank Overdraft	194,561	1,186,483
Interest on other borrowings	-	-
Other borrowing Costs	3,311,400	2,037,499
	<b>9,525,490</b>	<b>6,843,504</b>





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

**23 Provision for contingencies:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Contingent Provision against Standard Assets	2,347,535	4,355,660
Contingent Provision against Sub-Standard Assets *	(1,146,724)	2,221,535
	1,200,811	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 year

**24 Other Expenses:**

Particulars	(Amount in Rs.)	
	01st April 2019 to 30th June 2019	As at March 31, 2019
Advertisement & Marketing Expenses	1,900	440,107
Auditor's remuneration (Refer note no. 28)	50,000	444,000
Business promotion expenses	72,740	328,029
Commission & Brokerage	13,000	127,500
Communication and data charges	590,698	1,998,700
Directors' sitting fees	110,000	330,000
Insurance	726,176	800,964
Legal and professional charges	2,543,908	8,670,362
Membership & Subscription fees	39,748	122,373
Power and fuel	317,153	937,467
Printing and stationery	274,207	1,262,009
Rates and Taxes	1,199,992	10,142,884
Recruitment Expenses	-	430,801
Rent	2,504,062	8,256,113
Repair and maintenance	-	-
Computer and software	205,762	973,655
Others	259,604	912,319
ROC & Filing Expenses	4,800	6,682
Travelling and conveyance	1,283,341	5,326,359
Miscellaneous Expenses	390,548	1,273,844
	10,587,639	42,784,168

