

INDEPENDENT AUDITOR'S REPORT

To the Members of Clix Housing Finance Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements**Opinion**

We have audited the accompanying standalone Ind AS financial statements of Clix Housing Finance Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 audit opinion on the standalone Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information which are included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those Charged with Governance.

Responsibility of Management for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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



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preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.




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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;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) This report does not include Report on the Internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on Internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on Internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;
- (h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 42 to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 41 to the standalone Ind AS financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per Amit Kabra
Partner
Membership Number: 094533
Place of Signature: Gurugram
Date: June 28, 2019



S.R. BATLIBOI & ASSOCIATES LLP

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Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

- (i) The Company does not have any fixed assets, accordingly, the provisions of clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) (a) According to the 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to duty of excise and sales-tax are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to customs duty and excise duty are not applicable to the Company.
 - (c) According to the records of the Company, there are no dues of income tax, goods and services tax, value added tax and cess on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised money by way of initial public offer / further public offer / debt instruments and term loan hence, reporting under clause (ix) is not applicable to company hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud/material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and 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.




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- (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 Companies Act, 2013 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 under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per **Amit Kabra**
Partner
Membership Number: 094533
Place of Signature: Gurugram
Date: June 28, 2019



Clix Housing Finance Private Limited
Balance Sheet as at 31 March 2019
(All amount in INR thousands, except for share data unless stated otherwise)

| | Notes | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---|-------|------------------------|------------------------|-----------------------|
| ASSETS | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | 5 | 2 | 107,708 | 100,344 |
| Loans | 6 | 834,627 | 17,527 | - |
| Other financial assets | 7 | 4,092 | - | - |
| Non- financial assets | | | | |
| Current tax assets (net) | | 704 | 549 | - |
| Other non- financial assets | 8 | 4,363 | 739 | - |
| Total assets | | 843,788 | 126,523 | 100,344 |
| LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| Financial liabilities | | | | |
| Payables | | | | |
| I) Trade Payables | | | | |
| a) Total outstanding dues of micro enterprises and small enterprises | | - | - | - |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises | | 53,228 | 8,427 | 45 |
| II) Other Payables | | | | |
| a) Total outstanding dues of micro enterprises and small enterprises | | - | - | - |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises | | 9,569 | 2,533 | - |
| Borrowings (other than Debt Securities) | 10 | 269,544 | - | - |
| Other financial liabilities | 11 | 26,178 | 11,029 | - |
| Non financial liabilities | | | | |
| Current tax liabilities (net) | | - | - | 61 |
| Provisions | 12 | 1,556 | 326 | - |
| Other non-financial Liabilities | 13 | 1,312 | 1,445 | 5 |
| Total liabilities | | 361,387 | 23,760 | 111 |
| Equity | | | | |
| Equity share capital | 14 | 550,000 | 120,000 | 100,000 |
| Other equity | 15 | (67,599) | (17,237) | 233 |
| Total Equity | | 482,401 | 102,763 | 100,233 |
| Total liabilities and Equity | | 843,788 | 126,523 | 100,344 |

Significant accounting policies 3

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Amit Kabra
Partner
Membership No. 094533

Place: Gurugram
Date: 28 June 2019



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

Vineet Sangal
Director
DIN: 08205184

Vikas Aggarwal
Director
DIN: 07685833

Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 28 June 2019



Clix Housing Finance Private Limited
Statement of Profit and loss for the period ending 31 March 2019
(All amount In INR thousands, except for share data unless stated otherwise)

| | Notes | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-------|-----------------------------|-----------------------------|
| Revenue from operations | | | |
| Interest Income | 16 | 35,779 | 54 |
| Fees and commission Income | 17 | 3,019 | 57 |
| Net gain on fair value changes | 18 | 743 | - |
| Total revenue from operations | | 39,541 | 111 |
| Other income | 19 | 276 | 5,491 |
| Total Income | | 39,817 | 5,602 |
| Expenses | | | |
| Finance Costs | 20 | 6,435 | 14 |
| Impairment on financial instruments | 21 | 2,535 | 166 |
| Employee Benefits Expense | 22 | 49,212 | 17,308 |
| Other expenses | 23 | 31,485 | 6,080 |
| Total Expenses | | 89,667 | 23,568 |
| Loss before tax | 9 | (49,850) | (17,966) |
| Tax Expense: | 24 | | |
| (1) Current Tax | | - | 19 |
| (2) Deferred Tax | | - | - |
| Loss for the year | | (49,850) | (17,985) |
| Other Comprehensive Income | | | |
| A. Items that will not be reclassified to profit or loss | | | |
| Remeasurements of defined benefit liability | | (71) | - |
| Income Tax Effect | | - | - |
| B. Items that will be reclassified to profit or loss | | | |
| | | - | - |
| Other Comprehensive Income , net of income tax | | (71) | - |
| Total Comprehensive Income for the year | | (49,921) | (17,985) |
| Earnings per equity share of Rs. 10/- each | 25 | | |
| Basic (INR) | | (1.81) | (1.57) |
| Diluted (INR) | | (1.81) | (1.57) |
| Nominal value per share (INR) | | 10 | 10 |
| Significant accounting policies | 3 | | |

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Amit Kabra
Partner
Membership No. 094533

Place: Gurugram
Date: 28 June 2019



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

Vinod Salgal
Director
DIN: 08205184

Vikas Aggarwal
Director
DIN: 07685833

Purva
Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 28 June 2019



Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

a. Equity Share Capital

| Equity shares of INR 10 each issued, subscribed and fully paid | No. | INR thousands |
|--|-------------------|----------------|
| At 1 April 2017 | 10,000,000 | 100,000 |
| Share issued during the year ended 31 March 2018 | 2,000,000 | 20,000 |
| At 31 March 2018 | 12,000,000 | 120,000 |
| Share issued during the year ended 31 March 2019 | 43,000,000 | 430,000 |
| At 31 March 2019 | 55,000,000 | 550,000 |

b. Other Equity

| Particulars | Reserves and surplus | | Total |
|---|-----------------------------|------------------|----------|
| | Share based payment reserve | Retained earning | |
| Balance at 1st April 2018 | 515 | (17,752) | (17,237) |
| Loss for the year | - | (49,850) | (49,850) |
| Other Comprehensive Income for the year | - | (71) | (71) |
| Total Comprehensive Income for the year | - | (49,921) | (49,921) |
| Share based payment reserve | (441) | - | (441) |
| Balance at 31st March 2019 | 74 | (67,673) | (67,599) |

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| Particulars | Reserves and surplus | | Total |
|---|-----------------------------|------------------|----------|
| | Share based payment reserve | Retained earning | |
| Balance at 1st April 2017 | - | 233 | 233 |
| Loss for the year | - | (17,985) | (17,985) |
| Other Comprehensive Income for the year | - | - | - |
| Total Comprehensive Income for the year | - | (17,985) | (17,985) |
| Share based payment reserve | 515 | - | 515 |
| Balance at 31st March 2018 | 515 | (17,752) | (17,237) |

The accompanying notes are an integral part of the financial statements
 As per our report of even date

For S.R. Batliboi & Associates LLP
 Chartered Accountants
 ICAI Firm Registration No. 101049W/E300004

per Anant Kabra
 Partner
 Membership No. 094533

Place: Gurugram
 Date: 28 June 2019



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

Vinod Salgal
 Director
 DIN: 08205184

Vikas Aggarwal
 Director
 DIN: 07685833

Purva Arora
 Company Secretary
 Membership No: 53126

Place: Gurugram
 Date: 28 June 2019



Clix Housing Finance Private Limited
Cash Flow Statement for the year ended 31 March 2019
(All amount in INR thousands, except for share data unless stated otherwise)

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| Cash flow from operating activities | | |
| Loss before tax | (49,850) | (17,966) |
| Adjusted for: | | |
| Net gain on fair value changes | (743) | - |
| Share based payment | (441) | 515 |
| Processing Fee | - | (57) |
| Provision for expected credit loss (ECL) | 5,446 | (29) |
| Remeasurements of defined benefit liability | (71) | - |
| Operating loss before working capital changes | (45,659) | (17,537) |
| <i>Adjusted for net changes in working capital</i> | | |
| Increase in financial assets and other assets | (836,433) | (18,587) |
| Increase in financial liabilities and other liabilities | 74,126 | 23,832 |
| Net Cash used in operating activities | (807,966) | (12,292) |
| Cash flows from investing activities | | |
| Purchase of Mutual fund | (891,500) | - |
| Sale of mutual Fund | 892,243 | - |
| Net Cash generated from investing activities | 743 | - |
| Cash flows from financing activities | | |
| Proceeds from issuance of equity share capital | 430,000 | 20,000 |
| Proceeds from Overdraft Facility | 19,517 | - |
| Proceeds from Inter Corporate Loan | 330,000 | - |
| Repayment of Inter Corporate Loan | (80,000) | - |
| Net Cash generated from financing activities | 699,517 | 20,000 |
| Net Increase / (decrease) in cash and cash equivalents | (107,706) | 7,708 |
| Cash and cash equivalents at the beginning of the year | 107,708 | 100,000 |
| Cash and cash equivalents at the end of the year | 2 | 107,708 |

The accompanying notes are an integral part of the financial statements
As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004



per Amit Kabra
Partner
Membership No.: 094533

Place: Gurugram
Date: 28 June 2019


The accompanying notes are an integral part of the financial statements.



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


Vinod Dalgol
Director
DIN: 08205184


Vikas Aggarwal
Director
DIN: 07685833


Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 28 June 2019



Clix Housing Finance Private Limited

Notes to Financial Statements for the year ended 31 March 2019

(All amount in thousands, except for share data unless stated otherwise)

1 Corporate information

Clix Housing Finance Private Limited is a private limited company domiciled in India and incorporated on 2 December 2016 under the provisions of Companies Act, 2013 with CIN-U65999DL2016PTC308791. The Company is a 100% wholly owned subsidiary of Clix Capital Service Private Limited (formerly known as "GE Money Financial Services Private Limited". The Company has received certification of registration dated 18 August 2017 from National Housing Bank ('NHB') with registration no.08.0157.17. The Company together is primarily engaged in lending activities. The Company's registered office is at 4th Floor, Kailash Building, Kasturba Gandhi Marg, Cannought Place, New Delhi - 110001, India

2 (i) Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2018, the Group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31 March 2019 are the first the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest thousands, except when otherwise indicated.

(ii) Presentation of financial statement

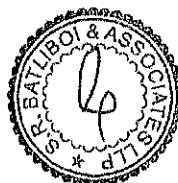
The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- A. The normal course of business
- B. The event of default
- C. The event of insolvency or bankruptcy of the Company and/or its counterparties.

3 Significant accounting policies

3.1 Use of estimates

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



3.1.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognised assets and liabilities that ar

3.1.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Note 4.11 Note 4B.

3.1.3 Effective Interest Rate (EIR) method

The company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.



3.1.4 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- I. The Company's internal model, which assigns PDs.
- II. The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- III. The segmentation of financial assets when their ECL is assessed on a collective basis
- IV. Development of ECL models, including the various formulas and the choice of inputs
- V. Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- VI. Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

3.1.5 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3.1.6 Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

3.1.7 Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balances in bank, and highly liquid investments with maturity period of three months or less from the date of investment.



3.3 Revenue recognition

a) Interest and similar income

Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

b) Foreclosure charges and other fees

Foreclosure charges and other fees which include cheque bounce charges, penal fee, legal charges and prepayment charges etc. are recognised as income when there is certainty regarding the receipt of payment.

c) Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

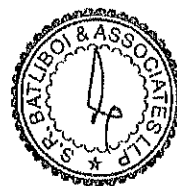
3.4 Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).



3.5 Operating Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. The Company has ascertained that the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and therefore, the lease payments are recognized as per terms of the lease agreement in the Statement of Profit and Loss.

3.6 Property, plant and equipment (PPE) and Intangible assets

PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible fixed assets

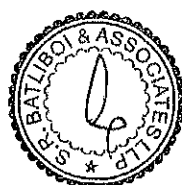
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

3.7 Depreciation and amortization

Depreciation

Owned assets

- (a) Leasehold improvements are amortised over the lease term as stated in the lease agreement or useful life of the asset whichever is lower.
- (b) Intangible assets consisting of computer software are depreciated on a straight-line basis over a period of 5 years from the date of ready to use.
- (c) Depreciation on other owned fixed assets is provided on straight line method at the rates, computed based on estimated useful life of those assets as prescribed under Schedule II to the Companies Act, 2013. Land is not depreciated.



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The estimated useful lives are, as follows:

| | | |
|--------------------------|---|----------|
| - Computers | - | 3 years |
| - Office equipment | - | 5 years |
| - Furniture and fixtures | - | 10 years |
| - Computer softwares | - | 5 years |

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

3.8 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.10 Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

It is not probable that outflow of resources embodying economic benefits will be required to settle the obligation

A present obligation arising from past events, when no reliable estimate is possible

A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent liabilities are reviewed at each balance sheet date.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.



3.11 Retirement and other employee benefits

The Company's obligation towards various employee benefits has been recognised as follows:

Short-term employee benefits

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Defined contribution plan

Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional provident fund commissioner and is charged to Statement of Profit and Loss.

Defined benefit plan

The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company makes contributions to its own Gratuity Trust. The gratuity trust invests the contribution in insurer managed scheme.

Other long-term benefits – Compensated absences

Entitlements to annual leave are recognised when they accrue to employees. Balance leaves, if any can be encashed at the time of retirement/ termination of employment. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation as at the year end.

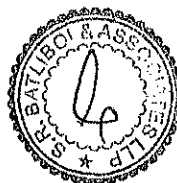
3.12 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current Income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



3.13 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.14 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



3.15.1 Financial Assets

3.15.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

3.15.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instrument measured at fair value through other comprehensive income (FVTOCI)

3.15.1.3 Debt instruments at amortised costs

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model: The business model reflects how the Group manages the assets in order to generate cash flows. That is, where the Group's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Group's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect and earn contractual cash flows (i.e. measured at amortized cost), the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.



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After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.



3.15.1.4 Debt instruments at FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets,
- ii. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

3.15.1.5 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

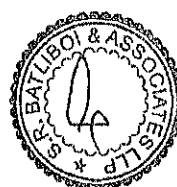
In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.15.1.6 Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



3.15.2 Financial Liabilities

3.15.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

3.15.2.2 Classification and Subsequent measurement - Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

3.15.2.3 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.



3.15.3 Reclassification of financial assets and liabilities

The company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.15.4 De recognition of financial assets and liabilities

3.15.4.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the modification of terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.15.4.2 Derecognition of financial assets other than due to substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- ▶ The Company has transferred its contractual rights to receive cash flows from the financial asset, or
- ▶ It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- ▶ The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- ▶ The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- ▶ The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- ▶ The Company has transferred substantially all the risks and rewards of the asset, or
- ▶ The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



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The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

3.15.4.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.



3.16 Impairment of financial assets

3.16.1 Overview of the ECL principles

The Company is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Based on the above process, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired (as outlined in Note 7). The Company records an allowance for the LTECLs

For financial assets for which the company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

3.16.2 The calculation of ECLs

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.



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The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

-PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

-EAD - The Exposure at Default is an exposure at a default date.

-LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a EAD and multiplied by the expected LGD .

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired (as defined in Note 7) , the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

For loan commitments, the ECL is recognised within Provisions.

3.16.3 Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

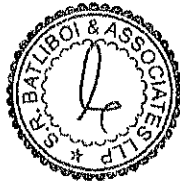


3.16.4 Collateral repossessed

The Company's policy is to sell the repossessed asset. Non-financial assets repossessed are transferred to assets held for sale at fair value less cost to sell or principle outstanding, whichever is less, at the repossession date.

3.16.5 Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit and loss account.



3.17 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.18 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.19 Expenditure

Expenses are recognised on accrual basis and provisions are made for all known losses and liabilities. The Company has also entered into certain cost sharing arrangements for resources shared with other entities. The costs allocated to the Company under the cost sharing arrangements are included in the respective expenses. The costs allocated to other entities under the cost sharing arrangement are shown as amounts recoverable from the respective parties.



4 Standard issued but not yet effective

Ind AS 116 : Leases

Ind AS 116 Leases was notified on March 31, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April, 01, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- (a) Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- (b) Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- (a) Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- (b) An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The company is still under the process of evaluation of available transition options and a reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once Company completes its assessment.



Clix Housing Finance Private Limited
 Notes to Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

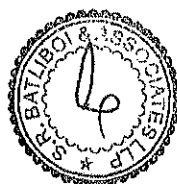
| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|--|------------------------|------------------------|-----------------------|
| Note 5: Cash and cash equivalents | | | |
| Balance with banks in current accounts | 2 | 37,679.00 | - |
| In Deposits with original maturity of less than three months | - | 70,029.34 | 1,00,344 |
| | <u>2</u> | <u>1,07,708.34</u> | <u>1,00,344</u> |

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|--|------------------------|------------------------|-----------------------|
| For the purpose of the statement of cash flows, cash and cash equivalents comprise the following: | | | |
| Balances in Current account with: Schedules Banks | 2 | 37,679 | - |
| Balance in Deposits with original maturity of less than three months | - | 70,029 | 1,00,344 |
| | <u>2</u> | <u>1,07,708</u> | <u>1,00,344</u> |



Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2019
(All amount in INR thousands, except for share data unless stated otherwise)

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---|------------------------|------------------------|-----------------------|
| Note 6: Loans | | | |
| <i>In India</i> | | | |
| <i>At Amortised Cost</i> | | | |
| Loan assets | 8,37,254 | 17,569 | - |
| Total (A) Gross | 8,37,254 | 17,569 | - |
| Less: Impairment loss allowance | (2,627) | (42) | - |
| Total (A) Net | 8,34,627 | 17,527 | - |
| Secured by tangible assets (property including land and building) | 8,37,254 | 17,569 | - |
| Total (B) Gross | 8,37,254 | 17,569 | - |
| Less: Impairment loss allowance | (2,627) | (42) | - |
| Total (B) Net | 8,34,627 | 17,527 | - |
| Loans in India | | | |
| Public Sector | | | |
| Others | 8,37,254 | 17,569 | - |
| Total (C) Gross | 8,37,254 | 17,569 | - |
| Less: Impairment loss allowance | (2,627) | (42) | - |
| Total (C) Net | 8,34,627 | 17,527 | - |



Click Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR Thousands, except for share data unless stated otherwise)

Note 6.1 Impairment allowances for loans and advances to customers

6.1.1 Credit Quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of companies risk assessment model are explained in Note 33 and policies whether ECL allowances are calculated on collective basis are set out in Note 6.3

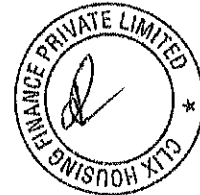
| Risk Categorization | 31 March 2019 | 31 March 2018 | 1 April 2017 |
|---------------------------------|-----------------|---------------|--------------|
| Housing portfolio | 5,53,826 | 13,261 | - |
| Loan against property portfolio | 2,83,427 | 4,308 | - |
| Grand Total | 8,37,253 | 17,569 | - |

6.1.2 Housing portfolio

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to housing is, as follows:

| Particulars | FY 2018-19 | | | FY 2017-18 | | | | |
|---|------------|---------|---------|------------|---------|---------|---------|--------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Gross carrying amount opening balance | 13,261 | - | - | 13,261 | - | - | - | - |
| New assets originated | 5,43,681 | - | - | 5,43,681 | 13,261 | - | - | 13,261 |
| Assets repaid | (3,116) | - | - | (3,116) | - | - | - | - |
| Gross carrying amount closing balance | 5,53,826 | - | - | 5,53,826 | 13,261 | - | - | 13,261 |
| Reconciliation of ECL balance is given below: | | | | | | | | |
| FY 2018-19 | | | | | | | | |
| Particulars | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| ECL allowance - opening balance | 31 | - | - | 31 | - | - | - | - |
| New assets originated | 1,159 | - | - | 1,159 | 31 | - | - | 31 |
| Assets repaid | (10) | - | - | (10) | - | - | - | - |
| ECL allowance - closing balance | 1,180 | - | - | 1,180 | 31 | - | - | 31 |

There have been no transfers between Stage 1, Stage 2 and Stage 3 during the year ended 31 March 2018 and 31 March 2019 and hence not shown separately in above tables.



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

6.1.3 Loan against property

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to LAP is, as follows:

| Particulars | FY 2018-19 | | | FY 2017-18 | | | | |
|---------------------------------------|------------|---------|---------|------------|---------|---------|---------|-------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Gross carrying amount opening balance | 4,308 | - | - | 4,308 | - | - | - | - |
| New assets originated | 2,79,169 | - | - | 2,79,169 | 4,308 | - | - | 4,308 |
| Assets repaid | (50) | - | - | (50) | - | - | - | - |
| Gross carrying amount closing balance | 2,83,427 | - | - | 2,83,427 | 4,308 | - | - | 4,308 |

Reconciliation of ECL balance is given below:

| Particulars | FY 2018-19 | | | FY 2017-18 | | | | |
|---------------------------------|------------|---------|---------|------------|---------|---------|---------|-------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| ECL allowance - opening balance | 10 | - | - | 10 | - | - | - | - |
| New assets originated | 1,437 | - | - | 1,437 | 10 | - | - | 10 |
| ECL allowance - closing balance | 1,447 | - | - | 1,447 | 10 | - | - | 10 |

There have been no transfers between Stage 1, Stage 2 and Stage 3 during the year ended 31 March 2018 and 31 March 2019 and hence not shown separately in above tables.



Note 6.2 Loan Commitment

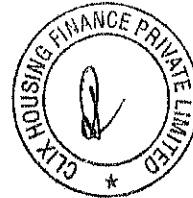
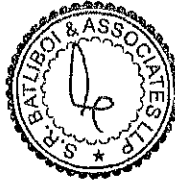
6.2.1 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loan commitment is, as follows:

| Particulars | FY 2018-19 | FY 2017-18 |
|---------------------------------------|------------|------------|
| Gross carrying amount opening balance | 24,983 | - |
| New assets originated | 14,168 | 24,983 |
| Assets disbursed/cancelled | (24,983) | - |
| Gross carrying amount closing balance | 14,168 | 24,983 |

6.2.2 Reconciliation of ECL balance is given below:

| Particulars | FY 2018-19 | FY 2017-18 |
|---------------------------------|------------|------------|
| ECL allowance - opening balance | 124 | - |
| New assets originated | 73 | 124 |
| Assets disbursed/cancelled | (124) | - |
| ECL allowance - closing balance | 73 | 124 |

There have been no transfers between Stage 1, Stage 2 and Stage 3 during the year ended 31 March 2018 and 31 March 2019 and hence not shown separately in above tables.



Note 6.3 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- Definition of default

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Group may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the Company also considers a variety of instances that may indicate delay in or nonrepayment of the loan. When such events occur, the Company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

Classification of accounts into stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in stage 2.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

- Probability of default

The credit rating provided by the external rating agencies/account level delinquency/ internal matrix has been considered while assigning Probability of Default (PD) at a portfolio level. The PDs are computed for homogenous portfolio segments.

- Exposure at default

The outstanding balance as at the reporting date is considered as EAD by the Company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

- Loss given default (LGD)

The Company uses historical loss data/external agency LGD for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

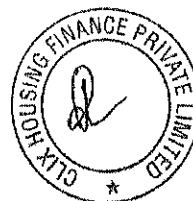
- Significant increase in credit risk

The Company evaluates the loans on an ongoing basis. The Company also assesses if there has been a significant increase in credit risk since the previously risk taking into consideration both qualitative and quantitative information. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

- Grouping financial assets measured on a collective basis

The Company calculates ECLs on collective basis on following asset class:-

- Housing portfolio
- Loan against property (LAP) portfolio



Clix Housing Finance Private Limited
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 (All amount in INR thousands, except for share data unless stated otherwise)
Note 6.4 Collateral

The Company holds collateral to mitigate credit risk associated with financial assets. The main types of collateral and the types of assets these are associated with are listed in the table below. The collateral presented relates to instruments that are measured at amortised cost.

| Particulars | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|--|------------------------|------------------------|-----------------------|
| Residential & Non-Residential Properties | 8,34,626 | 17,527 | - |
| | 8,34,626 | 17,527 | - |

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at March 31, 2018. There was no change in the Company's collateral policy or collateral quality during the period.

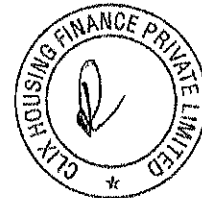
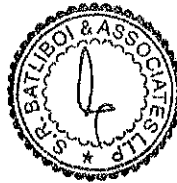
Refer Note 33.2.2 for risk concentration based on loan to value (LTV)



Clix Housing Finance Private Limited
 Notes to Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---|------------------------|------------------------|-----------------------|
| Note 7: Other financial assets | | | |
| Receivables from customers | 4,092 | - | - |
| Total | 4,092 | - | - |
| | | | |
| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
| Note 8: Other non financial assets | | | |
| Prepaid expenses | 1,755 | 725 | - |
| Balance with statutory/government authorities - GST input credit | 2,608 | 14 | - |
| Total | 4,363 | 739 | - |
| | | | |
| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
| Note 9: Payables | | | |
| Trade Payables* | 53,229 | 8,427 | 45 |
| Other Payables | 9,569 | 2,533 | - |
| | 62,798 | 10,960 | 45 |

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable to Micro and Small Enterprises as at 31 March 2019, 31 March 2018 and 1 April 2017.



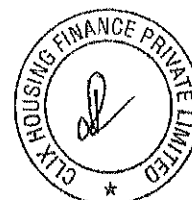
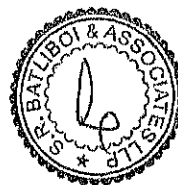
Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---|------------------------|------------------------|-----------------------|
| Note 10: Borrowings (other than debt securities) | | | |
| Secured | | | |
| Bank overdraft* | 19,517 | - | - |
| Unsecured | | | |
| Inter-Corporate Deposit # | 2,50,027 | - | - |
| Total gross (A) | 2,69,544 | - | - |
| Borrowings in India | 2,69,544 | - | - |
| Borrowings outside India | - | - | - |
| Total (B) to tally with (A) | 2,69,544 | - | - |

* Bank Overdraft is secured by first pari passu charge on all current and future standard book debts/receivable of the borrower excluding i) any moveable, fixed or immovable asset; ii) any investments in affiliate, group companies, joint venture or subsidiary; and iii) statutory liquid ratio investment of the borrower from time to time.

Terms of repayment of inter-corporate deposit as at March 31, 2019

| Repayments | Interest Rate | Due within 1 Year | |
|----------------------|---------------|---------------------|-----------------|
| | | No. of installments | Amount |
| At the end of tenure | 9%-10.5% | - | 2,50,000 |
| Total | | | 2,50,000 |



Clix Housing Finance Private Limited
 Notes to Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---|------------------------|------------------------|-----------------------|
| Note 11: Other financial liabilities | | | |
| Inter company payables | 26,178 | 11,029 | - |
| Total | 26,178 | 11,029 | - |

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---------------------------------|------------------------|------------------------|-----------------------|
| Note 12: Provisions | | | |
| Provision for employee benefits | | | |
| Leave encashment | 946 | 202 | - |
| Gratuity payable | 537 | - | - |
| Provision for Loan Commitment | 73 | 124 | - |
| Total | 1,556 | 326 | - |

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---|------------------------|------------------------|-----------------------|
| Note 13: Other non-financial liabilities | | | |
| Statutory dues payable | 1,312 | 1,445 | 5 |
| Total | 1,312 | 1,445 | 5 |



Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
|---|------------------------|------------------------|-----------------------|
| Note 14: Equity Share Capital | | | |
| Authorised : | | | |
| 55,000,000 (31 March 2018: 20,000,000 and 1 April 2017: 10,000,000) Equity Shares of Rs. 10/- each | 5,50,000 | 2,00,000 | 1,00,000 |
| | 5,50,000 | 2,00,000 | 1,00,000 |
| Issued, Subscribed and Paid-up: | | | |
| 55,000,000 (31 March 2018: 12,000,000 and 1 April 2017: 10,000,000) Equity Shares of Rs. 10/- each | 5,50,000 | 1,20,000 | 1,00,000 |
| Total | 5,50,000 | 1,20,000 | 1,00,000 |

Details of authorized, issued, subscribed and paid up share capital

| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April, 2017 |
|--|------------------------|------------------------|------------------------|
| Authorised Capital | | | |
| 55,000,000 (31 March 2018: 20,000,000 and 1 April 2017: 10,000,000) Equity Shares of Rs. 10/- each | 5,50,000 | 2,00,000 | 1,00,000 |
| | 5,50,000 | 2,00,000 | 1,00,000 |
| Issued , Subscribed & Paid up capital | | | |
| Issued and Subscribed Capital | | | |
| 55,000,000 (31 March 2018: 12,000,000 and 1 April 2017: 10,000,000) Equity Shares of Rs. 10/- each | 5,50,000 | 1,20,000 | 1,00,000 |
| Called-Up and Paid Up Capital | | | |
| Fully Paid-Up 55,000,000 (31 March 2018: 12,000,000 and 1 April 2017: 10,000,000) Equity Shares of Rs. 10/- each | 5,50,000 | 1,20,000 | 1,00,000 |
| Total | 5,50,000 | 1,20,000 | 1,00,000 |



Clix Housing Finance Private Limited
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The reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

| Name of the shareholder | As at 31 March 2019 | | As at 31 March 2018 | |
|---|---------------------|--------------|---------------------|--------------|
| | No. of shares | Rs. In 000's | No. of shares | Rs. In 000's |
| Equity Share at the beginning of period | 1,20,00,000 | 1,20,000 | 1,00,00,000 | 1,00,000 |
| Add: Shares issued during the period | 4,30,00,000 | 4,30,000 | 20,00,000 | 20,000 |
| Equity share at the end of period | 5,50,00,000 | 5,50,000 | 1,20,00,000 | 1,20,000 |

Shares held by holding Company, / ultimate holding company and/ or their subsidiaries/ associates

| Name of the shareholder | As at 31 March 2019 | | As at 31 March 2018 | | As at 1 April 2017 | |
|---|---------------------|----------------|---------------------|----------------|--------------------|----------------|
| | No. of shares | % of holding | No. of shares | % of holding | No. of shares | % of holding |
| Holding Company | | | | | | |
| Clix Capital Services Private Limited (Formerly known as GE Money Financial Services Private Limited) | 5,49,99,999 | 100.00% | 1,19,99,999 | 100.00% | 99,99,999 | 100.00% |
| Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | 1 | 0.00% | 1 | 0.00% | 1 | 0.00% |
| Total | 5,50,00,000 | 100.00% | 1,20,00,000 | 100.00% | 1,00,00,000 | 100.00% |

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2019
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Details of shareholders holding more than 5% shares in the Company

| Name of the shareholder | As at 31 March 2019 | | As at 31 March 2018 | | As at 1 April 2017 | |
|---|---------------------|----------------|---------------------|----------------|--------------------|----------------|
| | No. of shares | % of holding | No. of shares | % of holding | No. of shares | % of holding |
| Clix Capital Services Private Limited (Formerly known as GE Money Financial Services Private Limited) | 5,49,99,999 | 100.00% | 1,19,99,999 | 100.00% | 1,00,00,000 | 100.00% |
| Total | 5,49,99,999 | 100.00% | 1,19,99,999 | 100.00% | 1,00,00,000 | 100.00% |

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder of the Company is entitled to vote in proportion of the share of paid-up capital of the Company held by the shareholder. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividends proposed by the Board of Directors are paid when approved by the shareholders at annual general meeting.

In the event of liquidation, the Shareholders of the Company are entitled to receive the remaining assets of the Company after discharging all liabilities of the Company in proportion to their shareholdings.

Plutus Financials Pvt Ltd (Mauritius) is holding 100% equity share capital through its subsidiary, Clix Capital Services Private Limited.



Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2019
 (All amount in INR thousands, except for share data unless stated otherwise)

| | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Note 15: Other Equity | | |
| Share based payment reserve | | |
| Opening balance | 515 | - |
| Compensation options granted during the year | (441) | 515 |
| Closing balance | <u>74</u> | <u>515</u> |
| Retained earnings | | |
| Opening balance | (17,752) | 233 |
| Profit for the year | (49,850) | (17,985) |
| Items of other comprehensive income recognised directly in retained earnings | | |
| - Re-measurement (losses)/gains on defined benefit plans, net of tax | (71) | - |
| Closing balance | <u>(67,673)</u> | <u>(17,752)</u> |
| Total | <u>(67,599)</u> | <u>(17,237)</u> |

- (a) **Share based payment reserve:** The ultimate holding Company provides share based payment schemes to the employees of the Company. Share based payment reserve is used to recognise the value of equity settled share based payments provided to employees as a part of their remuneration.

- (b) **Retained earnings:** These represent the surplus in the profit and loss account and is free for distribution of dividend.



Clx Housing Finance Private Limited

Notes to Financial Statements for the year ended 31 March 2019

(All amount in INR thousands, except for share data unless stated otherwise)

| | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--|-----------------------------|-----------------------------|
| Note 16: Interest Income | | |
| <i>On financial assets measured at Amortised cost</i> | | |
| Interest on loans | 35,779 | 54 |
| Total (A) Gross | 35,779 | 54 |
| Note 17: Fees and commission income | | |
| Application fees and other charges | 3,019 | 57 |
| Total | 3,019 | 57 |
| Note 18: Net gain/ (loss) on fair value changes | | |
| (A) Net gain/ (loss) on financial instruments at fair value through profit or loss | | |
| (i) On trading portfolio | | |
| - Investments | 743 | - |
| (ii) On financial instruments designated at fair value through profit or loss | - | - |
| Total Net gain/(loss) on financial instruments | 743 | - |
| (B) Fair Value changes: | | |
| -Realised | - | - |
| -Unrealised | - | - |
| Total Net gain/(loss) on fair value changes(A) to tally with (B) | 743 | - |
| Note 19: Other income | | |
| Interest on fixed deposit | 276 | 5,491 |
| Total | 276 | 5,491 |



Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2019
(All amount in INR thousands, except for share data unless stated otherwise)

| | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| Note 20: Finance Costs | | |
| <i>On financial assets measured at amortised cost</i> | | |
| Interest on loans | | |
| - On term loan | 5,112 | - |
| Bank charges | 65 | 14 |
| Other Interest | 1,258 | - |
| Total | 6,435 | 14 |

| | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--|-----------------------------|-----------------------------|
| Note 22: Employee Benefits Expenses | | |
| Salaries and wages | 45,504 | 16,279 |
| Contribution to provident and other funds | 2,412 | 354 |
| Share Based Payments to employees | (441) | 515 |
| Staff welfare expenses | 434 | 160 |
| Training, relocation and recruitment | 1,303 | - |
| Total | 49,212 | 17,308 |

| | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--|-----------------------------|-----------------------------|
| Note 21: Impairment on financial instruments | | |
| <i>On financial instruments measured at amortised cost</i> | | |
| Loans | 2,586 | 42 |
| Loan Commitment | (51) | 124 |
| Total | 2,535 | 166 |

| | Year ended 31 March 2019 | Year ended 31 March 2018 |
|-----------------------------------|-----------------------------|-----------------------------|
| Note 23: Other expenses | | |
| Rent | 11,030 | 2,011 |
| Printing & stationary | 622 | - |
| Rates and taxes | 114 | 27 |
| Repairs and maintenance | 1,130 | 137 |
| Insurance | 1,260 | - |
| Electricity & Water Charges | 270 | - |
| Travelling and conveyance | 1,611 | 300 |
| Postage, telegrams and telephone | 1,355 | 750 |
| Legal and professional fees * | 13,290 | 2,733 |
| Outsourced service costs | 390 | 122 |
| Advertisement and sales promotion | 412 | - |
| Total | 31,485 | 6,080 |

* Legal and professional charges includes auditors remuneration (excluding goods and service tax) comprises the following:

| A. Payment to auditors | Year ended 31 March 2019 | Year ended 31 March 2018 |
|-------------------------------------|-----------------------------|-----------------------------|
| As auditor: | | |
| Audit fee | | |
| - Statutory audit | 450 | 273 |
| - Tax audit | 50 | - |
| In other capacity: | | |
| Other services (certification fees) | 100 | 109 |
| Reimbursement of expenses | - | 11 |
| Total | 600 | 393 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in thousands, except for share data unless stated otherwise)

Note 24: Income Tax

(a) Current tax

The components of income tax expense for the years ended 31 March 2019 and 2018 are:

| Profit or loss section | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| Current Income tax: | | |
| Current income tax charge | - | - |
| Adjustments in respect of current income tax of previous year | - | 19 |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | - | - |
| Income tax expense reported in the statement of profit or loss | - | 19 |
| Current tax | - | 19 |
| Deferred tax | - | - |

(b) Deferred Tax

* In view of the carried forward tax losses and pursuant to the policy of the Company on deferred tax mentioned in note no. 3.12, the deferred tax asset (net) not recognised by the Company for the year ended 31 March 2019 and 31 March 2018 is Rs. 19.60 and Rs. 6.31 (In Thousands) respectively.



Clix Housing Finance Private Limited

Notes to Standalone Financial Statements for the year ended 31 March 2019

(All amount in Rupees '000s, except for share data unless stated otherwise)

Note 25: Earning per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

| | Period ended March 31, 2019 | Period ended March 31, 2018 |
|--|--------------------------------|--------------------------------|
|--|--------------------------------|--------------------------------|

Following reflects the profit and share data used in EPS computations:

Basic

Weighted average number of equity shares for computation of

| | | |
|--|---------------|---------------|
| Basic EPS (Rs. In 000's) | 27,608 | 11,447 |
| Net profit for calculation of basic EPS (Rs. In 000's) | (49,850) | (17,985) |
| Basic earning per share | (1.81) | (1.57) |

Diluted

Weighted average number of equity shares for computation of

| | | |
|--|---------------|---------------|
| Diluted EPS (Rs. In 000's) | 27,608 | 11,447 |
| Net profit for calculation of Diluted EPS (Rs. In 000's) | (49,850) | (17,985) |
| Diluted earning per share | (1.81) | (1.57) |

| | | |
|---|-------|-------|
| Nominal value of equity shares (In Rs.) | 10.00 | 10.00 |
|---|-------|-------|

Reconciliation of weighted average number of equity shares for the year ended 31 March 2019 for basic and diluted earnings per share:

| Particulars | Weighted average no. of shares | |
|--|--------------------------------|---------------|
| | Basic | Diluted |
| <i>Equity shares of face value of Rs. 10 per share</i> | | |
| Opening | 12,000 | 12,000 |
| Additions | 15,608 | 15,608 |
| Closing | 27,608 | 27,608 |

Reconciliation of weighted average number of equity shares for the year ended 31 March 2018 for basic and diluted earnings per share:

| Particulars | Weighted average no. of shares | |
|--|--------------------------------|---------------|
| | Basic | Diluted |
| <i>Equity shares of face value of Rs. 10 per share</i> | | |
| Opening | 10,000 | 10,000 |
| Additions | 1,447 | 1,447 |
| Closing | 11,447 | 11,447 |



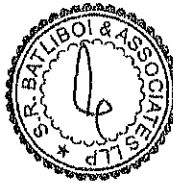
Clix Housing Finance Private Limited

Notes to Standalone Financial Statements for the year ended 31 March 2019

(All amount in Rupees '000s, except for share data unless stated otherwise)

Note 26: Segment information

The Company's primary business segment is reflected based on the principal business carried out, i.e. Housing Financing. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. The Company operates principally within India and does not have operations in economic environments with different risks and returns; hence, it is considered operating in single geographical segment.



Clx Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in Rupees '000s, except for share data unless stated otherwise)

Note 27: Retirement benefit plan

i) Defined contribution plan

During the year, the Company has recognised the following amounts in the Statement of profit and loss:

| | 31 March 2019 | 31 March 2018 |
|---|---------------|---------------|
| Employers' Contribution to Employee's Provident Fund* | 1,946 | 354 |
| | 1,946 | 354 |

* Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional Provident Fund Commissioner and is charged to Statement of Profit and Loss.

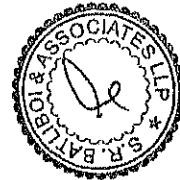
ii) Defined benefit plan

The Company accrues the liability for gratuity as per actuarial valuation. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company accrues the liability for gratuity as per actuarial valuation.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2019

| Particulars | 1 April 2018 | | Gratuity cost charged to profit or loss | | Benefits paid | Remeasurement gains/(losses) in other comprehensive income | | | | Contributions by employer | 31 March 2019 |
|----------------------------|--------------|----------------------|---|--|---------------|---|---|------------------------|---------------------------|---------------------------|---------------|
| | Service cost | Net interest expense | Sub-total included in profit or loss | Return on plan assets (excluding amounts included in net interest expense) | | Actuarial changes arising from changes in demographic assumptions | Actuarial changes arising from changes in financial assumptions | Experience adjustments | Sub-total included in OCI | | |
| Defined benefit obligation | 467 | - | 467 | - | - | -87 | 26 | 132 | 71 | - | 538 |
| Fair value of plan assets | - | - | - | - | - | - | - | - | - | - | - |
| Benefit liability | 467 | - | 467 | - | - | (87) | 26 | 132 | 71 | - | 538 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
(All amount in Rupees '000s, except for share data unless stated otherwise)

Actuarial Assumption

| | 31 March 2019 | 31 March 2018 |
|------------------------------|---------------|---------------|
| Discount rate (p.a) | 7.75% | 7.75% |
| Salary escalation rate (p.a) | 11.00% | 11.00% |

Sensitivity Analysis

| Assumptions | 31 March 2019 | | 31 March 2018 | |
|--------------------------------------|---------------|---------------|-------------------------|---------------|
| | 0.5% increase | 0.5% decrease | 0.5% increase | 0.5% decrease |
| Impact on defined benefit obligation | -25.61 | 27.41 | -24.88 | - |
| | | | Future salary increases | |
| | | | 0.5% increase | 0.5% increase |
| | | | 0.5% decrease | 0.5% decrease |

Expected payment for future years

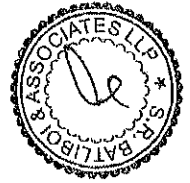
The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

| Expected payment for future years | 31 March 2019 | 31 March 2018 | 1 April 2017 |
|--|---------------|---------------|--------------|
| Within the next 12 months (next annual reporting period) | 1 | - | - |
| After 1st year upto 5th year | 141 | - | - |
| After 5th year upto 9 years | 305 | - | - |
| Year 10 and beyond | 782 | - | - |
| Total expected payments | 1,229 | - | - |

The Company expects to contribute INR Nil (2018: INR Nil) to the fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31 March 2019 is 9.85 years (2018: NA).

(iii) Compensated Absences

An actuarial valuation of compensated absences has been carried out by an independent actuary. The obligation of compensated absences in respect of employees of the Company as at 31 March 2019 amounts to Rs. 946 (2018: Rs. 202).



Clix Housing Finance Private Limited

Notes to Standalone Financial Statements for the year ended 31 March 2019

(All amount in Rupees '000s except for share data unless stated otherwise)

Note 28: Contingent liabilities, commitments

A) Contingent liabilities

There is no contingent liability as at year ended 31 March 2019 (Previous Year:NIL)

B) Commitment

(i) The Company has a commitment of Rs. 14,168 (previous year Rs.24,983) towards undrawn loan commitments as at 31 March 2019.



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR 000's, except for share data unless stated otherwise)

Note 29: Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below.

(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

| Particulars | Relationship |
|---|---------------------|
| Clix Capital Services Private Limited (Formerly known as GE Money Service Private Limited) | Holding Company |
| Clix Finance India Private Limited | Fellow Subsidiaries |
| Clix Analytics Private Limited (Incorporated on 27 February 2017) | Fellow Subsidiaries |
| Clix Loans Private Limited (Incorporated on 29 May 2017) | Fellow Subsidiaries |
| Key Managerial personnel | |
| Vikas Aggarwal (from May 2017) | Whole time director |
| Vineet Saigal (from March 2019) | Director |
| Shekhar Mohanlal Daga (from March 2019) | Director |
| Purva Arora | Company Secretary |

b The nature and volume of transactions carried out with the above related parties in the ordinary course of business are as follows :

| | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| 1. Remuneration to Key Managerial personnel* | | |
| Purva Arora - Company Secretary | | |
| Remuneration | 585 | 171 |
| Share based payments | - | - |
| | <u>585</u> | <u>171</u> |

* The remuneration given to key managerial personnel does not include the provisions made for gratuity and leave benefit, as they are determined on actuarial basis for the Company as a whole.



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
(All amount in INR,000's, except for share data unless stated otherwise)

2. Other Transactions

| Particulars | Year ended 31 March 2019 | | Year ended 31 March 2018 | |
|--|--------------------------|-------------|--------------------------|--------------|
| | Amount received | Amount paid | Amount received | Amount paid |
| Interest on iCD Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | | 5,112 | | |
| Proceed from Issue of Share Capital Clix Capital Services Private Limited (Formerly known as GE Money Service Private Limited) | 4,30,000 | | 20,000 | |
| Amount paid on behalf of the company Clix Capital Services Private Limited (Formerly known as GE Money Service Private Limited) Clix Finance India Private Limited | | | | 976 1,391 |
| Allocations received Clix Capital Services Private Limited (Formerly known as GE Money Financial Services Private Limited) Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | 24,185 313 | | | 8,021 |
| Inter Corporate deposits Taken Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | 3,30,000 | | | |
| Repaid Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | | 80,000 | | |

(c) Balance sheet -outstanding balances

| Particulars | 31 March 2019 | 31 March 2018 | 1 April 2017 |
|---|-----------------|---------------|--------------|
| Amounts Payable | | | |
| Inter Corporate deposits | | | |
| Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | 2,50,000 | - | - |
| Interest Accrued on Inter Corporate deposits | | | |
| Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | 27 | - | - |
| Inter company accounts | | | |
| Clix Finance India Private Limited (Formerly known as Clix Finance India Unlimited) | 313 | - | - |
| Clix Capital Services Private Limited (Formerly known as GE Money Financial Services Private Limited) | 25,855 | - | - |
| | <u>2,76,205</u> | <u>-</u> | <u>-</u> |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR 000's, except for share data unless stated otherwise)

Note 30: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is safety and security of share capital and maximize the shareholder value.

The Company manages its capital structure in light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital using a gearing ratio, which is total debt divided by net worth.

Debt to net to net worth ratio

| Particulars | (Rs. in Millions) | | |
|-------------------|------------------------|------------------------|-----------------------|
| | As at 31 March 2019 | As at 31 March 2018 | As at 1 April 2017 |
| Debt | 2,69,544 | - | - |
| Net worth | 4,82,401 | 1,02,763 | 1,00,233 |
| Debt to Net worth | 0.56 | 0.00 | 0.00 |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lender to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

31. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.



32 Fair value measurement

32.1 Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly/ indirectly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

32.2 Valuation governance

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by Asset Liability Committee (ALCO) which shall be reported to the Board of Director. The responsibility of ongoing measurement resides with business units. Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

32.3 Valuation methodologies of financial instruments not measured at fair value

The carrying amounts and fair value of the Company's financial instruments are reasonable approximations of fair values at financial statement level.



33 Risk Management

33.1 Introduction and risk profile

Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk, market risk and interest rate risk. It is also subject to various operating and business risks.

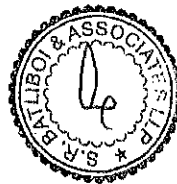
33.1.1 Risk management structure and policies

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Management Committee, to ensure that procedures are compliant with the overall framework.

The Unit is also responsible for monitoring compliance with risk principles, policies and limits across the Company. Each business group has its own unit which is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.



Clix Housing Finance Private Limited

Notes to Standalone Financial Statements for the year ended 31 March 2019

(All amount in INR 000's, except for share data unless stated otherwise)

33.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. Credit risk is monitored by the credit risk department of the Company's independent Risk management Unit. It is their responsibility to review and manage credit risk.

33.2.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 8,41,346 and Rs. 17,569 as of March'19 and March 31, 2018 respectively, being the total of the carrying amount of loan balances and other financial assets.

33.2.2 Analysis of risk concentration

The Company's concentrations of risk are managed based on Loan to value (LTV) segregation as well as geographical spread. The following tables stratify credit exposures from loans to customers by ranges of loan-to-value (LTV) ratio and on portfolio basis. LTV is calculated as the ratio of gross amount of the loan - or the amount committed for loan commitments - to the value of the collateral. The value of the collateral for loans is based on collateral value at origination.

31 March 2019

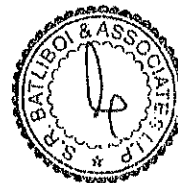
Loans to customers:

LTV wise bifurcation:

| LTV bucket | Amount |
|---------------|-----------------|
| 0%-40% | 1,16,489 |
| 41%-60% | 2,36,070 |
| 61%-80% | 4,47,507 |
| More than 80% | 34,560 |
| Total | 8,34,626 |

Customer profile

| Customer profile | Amount |
|-----------------------|-----------------|
| Housing loan | 5,52,088 |
| Loan against property | 2,82,538 |
| Total | 8,34,626 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR 000's, except for share data unless stated otherwise)

Loan Commitments:

LTV wise bifurcation:

| LTV bucket | Amount |
|---------------|---------------|
| 0%-40% | 2,920 |
| 41%-60% | 2,688 |
| 61%-80% | 8,083 |
| More than 80% | 477 |
| Total | 14,168 |

Customer profile:

| Customer profile | Amount |
|-----------------------|---------------|
| Housing loan | 9,932 |
| Loan against property | 4,236 |
| Total | 14,168 |

31 March 2018

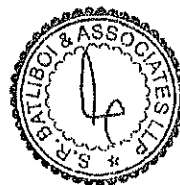
Loans to customers:

LTV wise bifurcation:

| LTV bucket | Amount |
|---------------|---------------|
| 0%-40% | - |
| 41%-60% | 12,968 |
| 61%-80% | 2,963 |
| More than 80% | 1,596 |
| Total | 17,527 |

Customer profile

| Customer profile | Amount |
|-----------------------|---------------|
| Housing loan | 2,964 |
| Loan against property | 14,563 |
| Total | 17,527 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
(All amount in INR 000's, except for share data unless stated otherwise)

Loan Commitments:

LTV wise bifurcation:

| LTV bucket | Amount |
|---------------|---------------|
| 0%-40% | 1,350 |
| 41%-60% | 6,450 |
| 61%-80% | 7,495 |
| More than 80% | 9,688 |
| Total | 24,983 |

Customer profile:

| Customer profile | Amount |
|-----------------------|---------------|
| Housing loan | 22,133 |
| Loan against property | 2,850 |
| Total | 24,983 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR,000's, except for share data unless stated otherwise)

33.3 Liquidity Risk

Liquidity Risk refers to the risk that the company can not meet its financial obligations. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. The unavailability of adequate amount of funds at optimum cost and co-terminus tenure to repay the financial liabilities and further growth of business resultantly may face an Asset Liability Management (ALM) mismatch caused by a difference in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. The Company manages liquidity risk by maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the un-discounted cash flows of the company's financial liabilities :

| Particulars | Maturity profile of Financial liabilities as on March 31, 2019 | | | Maturity profile of Financial liabilities as on March 31, 2018 | | | Maturity profile of Financial liabilities as on April 1, 2017 | | | | |
|------------------------|--|---------------|-----------------------------|--|--|---------------|---|------------------------|--|-----------|-----------------------------|
| | Borrowings (including debt securities) | Payables | Other Financial liabilities | Particulars | Borrowings (including debt securities) | Payables | Other Financial liabilities | Particulars | Borrowings (including debt securities) | Payables | Other Financial liabilities |
| Less than 1 year | 2,77,542 | 62,798 | 26,178 | Less than 1 year | - | 10,960 | 11,029 | Less than 1 year | - | 45 | - |
| Over 1 year to 3 years | - | - | - | Over 1 year to 3 years | - | - | - | Over 1 year to 3 years | - | - | - |
| Over 3 year to 5 years | - | - | - | Over 3 year to 5 years | - | - | - | Over 3 year to 5 years | - | - | - |
| Over 5 years | - | - | - | Over 5 years | - | - | - | Over 5 years | - | - | - |
| Total | 2,77,542 | 62,798 | 26,178 | Total | - | 10,960 | 11,029 | Total | - | 45 | - |



Clix Housing Finance Private Limited

Notes to Standalone Financial Statements for the year ended 31 March 2019

(All amount in INR 000's, except for share data unless stated otherwise)

33.4 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.



33.4.1 Interest Rate Risk

The company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the company seek to optimize borrowing profile between short-term and long-term loans. The company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

The company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

2017-18

| Particulars | Basis Points | Effect on Profit before tax |
|--------------------------|--------------|-----------------------------|
| Loans | | |
| Increase in basis points | 50 | 0.27 |
| Decrease in basis points | -50 | (0.27) |

2018-19

| Particulars | Basis Points | Effect on Profit before tax |
|--------------------------|--------------|-----------------------------|
| Loans | | |
| Increase in basis points | 50 | 978 |
| Decrease in basis points | -50 | (978) |



Note 34 : Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR:

| Assets | 31 March 2019 | | | 31 March 2018 | | | 1 April 2017 | | |
|--|-------------------|-----------------|-----------------|------------------|-----------------|-----------------|------------------|-----------------|-----------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Financial Assets | | | | | | | | | |
| Cash and cash equivalents | 2 | - | 2 | 1,07,709 | - | 1,07,709 | 1,00,344 | - | 1,00,344 |
| Loans | 25,446 | 8,09,181 | 8,34,627 | 405 | 17,122 | 17,527 | - | - | - |
| Other financial assets | 4,092 | - | 4,092 | 739 | - | 739 | - | - | - |
| Non-financial Assets | | | | | | | | | |
| Current tax asset | - | 704 | 704 | - | 549 | 549 | - | - | - |
| Other Non financial assets | 4,363 | - | 4,363 | - | - | - | - | - | - |
| Total Assets | 33,903 | 8,09,885 | 8,43,788 | 1,08,853 | 17,671 | 1,26,524 | 1,00,344 | - | 1,00,344 |
| LIABILITIES | | | | | | | | | |
| Financial Liabilities | | | | | | | | | |
| Trade Payables | | | | | | | | | |
| (i) total outstanding dues of creditors other than micro enterprises and small enterprises | 53,228 | - | 53,228 | 8,427 | - | 8,427 | 45 | - | 45 |
| Other Payables | | | | | | | | | |
| (i) total outstanding dues of creditors other than micro enterprises and small enterprises | 9,569 | - | 9,569 | 2,533 | - | 2,533 | - | - | - |
| Borrowings (Other than debt securities) | 2,69,544 | - | 2,69,544 | - | - | - | - | - | - |
| Other financial liabilities (to be specified) | 26,178 | - | 26,178 | 11,029 | - | 11,029 | - | - | - |
| Non-Financial Liabilities | | | | | | | | | |
| Current tax liability | - | - | - | - | - | - | - | 61 | 61 |
| Provisions | 48 | 1,508 | 1,556 | 155 | 171 | 326 | - | - | - |
| Other Non-financial Liabilities | 1,312 | - | 1,312 | 1,445 | - | 1,445 | 5 | - | 5 |
| Total liabilities | 3,59,879 | 1,508 | 3,61,387 | 23,589 | 171 | 23,760 | 50 | 61 | 111 |
| Net | (3,25,976) | 8,08,377 | 4,82,401 | 85,264 | 17,500 | 1,02,764 | 1,00,294 | (61) | 1,00,233 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR 000's, except for share data unless stated otherwise)

Note 35. Corporate social responsibility

Pursuant to Section 135 of the Companies Act, 2013 the Company is not required to incur any expenditure in respect of corporate social responsibility during the year ended 31 March 2019. (Previous year Rs. Nil)

Note 36. Expenditure in foreign currency

The company has not incurred any expenditure in foreign currency during current year and previous year.

Note 37. Un-hedged foreign currency exposure

The Company's exposure in respect of foreign currency denominated assets & liabilities (trade receivable & trade payables) not hedged as at 31 March 2019 by derivative instruments or otherwise (Previous year USD Nil (Rs. Nil)).

Note 38. Share-based payments

(i) Details of the plan are given below:

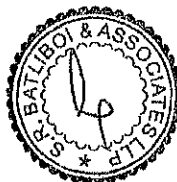
The Company does not provide any share-based compensation to its employees. However, the holding company, Clix Capital Services Private Limited has provided share-based payment schemes (Employee Stock Option Plan 2017 ("Plan")) to employees.

Details of all grants in operation during the year ended March 31, 2019 are as given below:

| Particulars | Grant-I | Grant-II |
|---|---|---|
| Scheme Name | Employee Stock Option Plan | Employee Stock Option Plan |
| Date of grant | 18-Oct-17 | 07-Dec-18 |
| No. of options approved | 12,97,08,445 | 12,97,08,445 |
| No. of options granted | 6,48,500 | 2,00,000 |
| Exercise price per option (In Rs.) | 13.10 | 15.10 |
| Method of settlement | Equity | Equity |
| Vesting period and conditions | A) 50% options to vest as per stipulated vesting schedule B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated | A) 50% options to vest as per stipulated vesting schedule B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated |
| Fixed vesting period is as: | | |
| - 1st vesting "3 years from the date of grant | 2,16,167 | 66,667 |
| - 2nd vesting "On expiry of one year from the 1st vesting date" | 2,16,167 | 66,667 |
| - 3rd vesting "On expiry of one year from the 2nd vesting date" | 2,16,166 | 66,667 |
| Conditional Vesting | Linked with conditions over the three years as stipulated in stock option plan | Linked with conditions over the three years as stipulated in stock option plan |
| Exercise period | Five years from the date of each vesting | Five years from the date of each vesting |

(ii) The expense recognised for employee services received during the year is shown in the following table:

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| Expense arising from share-based payment transactions | (441) | 515 |
| Total expense arising from share-based payment | (441) | 515 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
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(iii) Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements

| Particulars | 31 March 2019 | | 31 March 2018 | |
|---|---------------|-----------|---------------|-----------|
| | Number | Number | Number | Number |
| | Grant -I | Grant -II | Grant -I | Grant -II |
| Outstanding at 1 April | 6,48,500 | - | - | - |
| Granted during the year | - | 2,00,000 | 6,48,500 | - |
| Forfeited during the year | (6,48,500) | - | - | - |
| Exercised during the year | - | - | - | - |
| Expired during the year | - | - | - | - |
| Outstanding at 31 March | - | 2,00,000 | 6,48,500 | - |
| Exercisable at 31 March | - | - | - | - |
| Weighted average exercise prices (WAEP) | 13.10 | 15.10 | 13.10 | - |

¹ The weighted average remaining contractual life for the share options outstanding as at 31 March 2019 was 7.56 years (Grant-I), 8.69 years (Grant -II) and (31 March 2018 : 8.56 years (Grant-I)).

² The weighted average fair value of options granted during the year was 6.80 (31 March 2018: 6.83).

³ The range of exercise prices for options outstanding at the end of the year was Rs. 13.10 per option to Rs. 15.10 per option (31 March 2018: Rs. 13.10 per option).

The following tables list the inputs to the models used for the options granted during the year ended 31 March 2019 and 31 March 2018, respectively:

| Particulars | Year ended | Year ended |
|-------------------------------------|---------------------|---------------------|
| | 31 March 2019 | 31 March 2018 |
| Model used | Black-Scholes Model | Black-Scholes Model |
| Dividend yield (%) | 0% | 0% |
| Expected volatility (%) | 43.37% | 43.66% |
| - Tranche I | 43.43% | 43.99% |
| - Tranche II | 43.68% | 44.18% |
| - Tranche III | | |
| Risk-free interest rate (%) | | |
| - Tranche I | 7.39% | 6.77% |
| - Tranche II | 7.44% | 6.87% |
| - Tranche III | 7.47% | 6.95% |
| Life of the options granted (years) | | |
| - First vesting | 3 years | 3 years |
| - Second vesting | 4 years | 4 years |
| - Third vesting | 5 years | 5 years |
| Fair value of the option (Rs.) | | |
| - Tranche I | 6.18 | 6.25 |
| - Tranche II | 6.82 | 6.86 |
| - Tranche III | 7.40 | 7.39 |



Clix Housing Finance Private Limited

Notes to Standalone Financial Statements for the year ended 31 March 2019

(All amount in INR 000's, except for share data unless stated otherwise)

39. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2019, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2019, together with the comparative period data as at and for the year ended 31 March 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2017, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2017 and the financial statements as at and for the year ended 31 March 2018.

a Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions/exceptions:

i. Estimates

The estimates at 1 April 2017 and at 31 March 2018 are consistent with those made for the same dates in accordance with Indian GAAP apart from the following items where application of Indian GAAP did not require estimation:

- a) Impairment of financial assets based on expected credit loss (ECL) model.
- b) Determination of discounted value.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2017, the date of transition to Ind AS and as of 31 March 2018.

ii. Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

iii. Impairment of financial assets

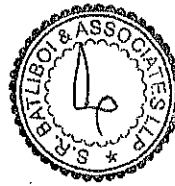
The Company has applied the exception related impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognized and compared that to the credit risk as at April 1, 2017.



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR 000's, except for share data unless stated otherwise)

b Equity reconciliation for 1 April 2017

| | Footnote | Previous GAAP | Adjustments | Ind AS |
|-------------------------------------|----------|------------------|-------------|-----------------|
| ASSETS | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | | 1,00,344 | - | 1,00,344 |
| Total assets | | 1,00,344 | - | 1,00,344 |
| LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| Financial liabilities | | | | |
| Payables | | | | |
| i) Trade Payables | | 45 | - | 45 |
| Non financial liabilities | | | | |
| Current tax liabilities (net) | | 61 | - | 61 |
| Other Non-financial Liabilities | | 5 | - | 5 |
| Total liabilities | | 111 | - | 111 |
| Equity | | | | |
| Equity share capital | | 1,00,000 | - | 1,00,000 |
| Other equity | | 233 | - | 233 |
| Total liabilities and equity | | 1,00,233 | - | 1,00,233 |
| TOTAL | | 1,00,344 | | 1,00,344 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR 000's, except for share data unless stated otherwise)

c Equity reconciliation as on 31 March 2018

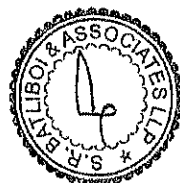
| | Footnote | Previous GAAP | Adjustments | Ind AS |
|-------------------------------------|----------|------------------|-------------|-----------------|
| ASSETS | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | | 1,07,708 | - | 1,07,708 |
| Loans | (i) | 17,480 | 47 | 17,527 |
| Non- financial assets | | | | |
| Current tax assets (net) | | 549 | - | 549 |
| Other non- financial assets | | 739 | - | 739 |
| Total assets | | 1,26,476 | 47 | 1,26,523 |
| LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| Financial liabilities | | | | |
| Payables | | | | |
| I) Trade Payables | | 8,427 | - | 8,427 |
| II) Other Payables | | 2,533 | - | 2,533 |
| Other financial liabilities | | 11,029 | - | 11,029 |
| Non financial liabilities | | | | |
| Provisions | (i) | 202 | 124 | 326 |
| Other Non-financial Liabilities | | 1,445 | - | 1,445 |
| Total liabilities | | 23,636 | 124 | 23,760 |
| Equity | | | | |
| Equity share capital | | 1,20,000 | - | 1,20,000 |
| Other equity | (i),(ii) | (17,160) | (77) | (17,237) |
| Total liabilities and equity | | 1,02,840 | (77) | 1,02,763 |
| TOTAL | | 1,26,476 | 47 | 1,26,523 |



Clix Housing Finance Private Limited
Notes to Standalone Financial Statements for the year ended 31 March 2019
 (All amount in INR 000's, except for share data unless stated otherwise)

d Profit reconciliation for the year ended 31 March 2018

| | Footnote | Previous GAAP | Adjustments | Ind AS |
|--|----------|------------------|--------------|-----------------|
| Revenue from operations | | | | |
| Interest Income | | 54 | - | 54 |
| Fees and commission Income | | 57 | - | 57 |
| Total revenue from operations | | 111 | - | 111 |
| Other Income | | 5,491 | - | 5,491 |
| Total Income | | 5,602 | - | 5,602 |
| Expenses | | | | |
| Finance Costs | | 14 | - | 14 |
| Impairment on financial instruments | (i) | 89 | 77 | 166 |
| Employee Benefits Expense | (ii) | 16,793 | 515 | 17,308 |
| Other expenses | | 6,080 | - | 6,080 |
| Total Expenses | | 22,976 | 592 | 23,568 |
| Profit/(loss) before tax | | (17,374) | (592) | (17,966) |
| Tax Expense: | | | | |
| (1) Current Tax | | 19 | - | 19 |
| (2) Deferred Tax | | - | - | - |
| Profit/(loss) for the period | | (17,393) | (592) | (17,985) |
| Other Comprehensive Income | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Remeasurements of defined benefit liability | | - | - | - |
| Income Tax Effect | | - | - | - |
| Other Comprehensive Income , net of income tax | | - | - | - |
| Total Comprehensive Income for the period | | (17,393) | (592) | (17,985) |



e Footnotes to the reconciliation of equity as at 1 April 2017 and 31 March 2018 and profit or loss for the year ended 31 March 2018

(i) Loans to customer

Under Indian GAAP, the Company has created provision for loans to customer consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the Company Impaired its loans to customer by INR 77 and for year ended on 31 March 2018 has been recognised in the statement of profit and loss.

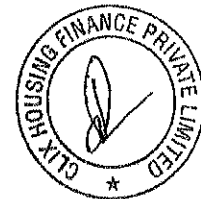
(ii) Share Based Payments

Under Indian GAAP, the Company recognised only the intrinsic value for the share based payments plans as an expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An expense of Rs. 515 thousands has been recognised in profit or loss for the period ended March 31, 2018 with corresponding impact in other equity for ESOP issued by Holding Company.

(iii) Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

(iv) Figures under previous GAAP have been regrouped/ reclassified for Ind AS purpose wherever applicable.



40 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises, for the year ended March 31, 2019 (no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED)

41. At the year end, the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

42. The Company's pending litigations comprise of claims against the Company primarily by the customers. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements of the Company as at March 31, 2019.

43. Additional Information required in terms of Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2018 NHB(ND)/DAS/REG/MC-07/2018, 02 July, 2018 have not been prepared as these directions will apply to every non-deposit accepting Housing Finance Company with asset size of Rs. 50 crores and above, as per the last audited balance sheet.

44. Previous year figures have been regrouped/ reclassified wherever applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICA Firm Registration No. 101049W/E300004



per Amit Kabra
Partner
Membership No. 094533

Place: Gurugram
Date: 28 June 2019



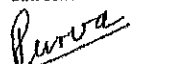
For and on behalf of the Board of Directors of
Clix Housing Finance Private Limited



Vinod Salgal
Director
DIN: 08205184



Vikas Aggarwal
Director
DIN: 07685833



Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 28 June 2019

