S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Clix Housing Finance Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Clix Housing Finance Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, 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 Ind AS 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 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, 2020, its profit 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 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 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 Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 34.2.3 to the Ind AS financial statement, which describes that the extent to which the COVID-19 pandemic will impact the Company's operations and its financial metrics, including the expected credit loss on financial assets, is dependent on highly uncertain future developments. Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements.

Responsibilities of Management for the 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 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

S. R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

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 the preparation and presentation of the 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 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- 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 Ind AS financial statements, including the disclosures, and whether the 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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

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.

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 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (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, 2020;

   (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 does not have any pending litigations which would impact its financial position Refer Note 41 in the financial statement;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 40 in the financial statement;

      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 Chirag Jain
Partner
Membership Number: 115385
UDIN: 20115385AAAABM5837
Place of Signature: Mumbai
Date: June 30, 2020

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, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been 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, undisputed dues in respect of provident fund, employees' state insurance, income-tax, goods and services tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs in thousands)	Period to which the amount relates	Date of Payment	Remarks
EPF Act, 1952	Provident Fund	3.40	Apr-19	Paid on 29-Jun-20	PF on other allowance as per Supreme Court Judgement dated 28-Feb-2019
EPF Act, 1952	Provident Fund	3.21	May-19	Paid on 29-Jun-20	PF on other allowance as per Supreme Court Judgement dated 28-Feb-2019
EPF Act, 1952	Provident Fund	2.57	Jun-19	Paid on 29-Jun-20	PF on other allowance as per Supreme Court Judgement dated 28-Feb-2019
EPF Act, 1952	Provident Fund	2.57	Jul-19	Paid on 29-Jun-20	PF on other allowance as per Supreme Court Judgement dated 28-Feb-2019
EPF Act, 1952	Provident Fund	2.57	Aug-19	Paid on 29-Jun-20	PF on other allowance as per Supreme Court Judgement dated 28-Feb-2019
EPF Act, 1952	Provident Fund	2.77	Sep-19	Paid on 29-Jun-20	PF on other allowance as per Supreme Court Judgement dated 28-Feb-2019

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

(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 and hence not commented upon. Further, monies raised by the Company by way of term loan were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid assets payable on demand.

(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.

(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 Chirag Jain
Partner
Membership Number: 115385
UDIN: 20115385AAAABM5837
Place of Signature: Mumbai
Date: June 30, 2020

S. R. BATLIBOI & ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★

Annexure 2 referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date

Report on Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of Clix Housing Finance Private Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per Chirag Jain
Partner
Membership Number: 115385
Place of Signature: Mumbai
Date: June 30, 2020

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

Clix Housing Finance Private Limited
Balance Sheet as at 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Financial assets			
Cash and cash equivalents	5	18,558	2
Loans	6	2,031,987	834,627
Other financial assets	7	7,888	4,092
Non- financial assets			
Current tax assets (net)		1,466	704
Other non- financial assets	8	13,118	4,363
Total assets		2,072,978	843,788
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables	9		
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		7,527	50,873
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		6,528	3,862
Borrowings (other than Debt Securities)	10	1,529,354	269,544
Other financial liabilities	11	36,327	34,141
Provisions	12	2,545	1,556
Other non-financial Liabilities	13	6,355	1,312
Total liabilities		1,588,636	361,387
Equity			
Equity share capital	14	550,000	550,000
Other equity	15	(65,658)	(67,599)
Total Equity		484,342	482,401
Total liabilities and Equity		2,072,978	843,788

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 Chirag Jain
Partner
Membership No.: 115385

Place: Mumbai
Date: 30 June 2020

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

Rashmi Mohanty
Whole-time director
DIN: 07072541

Shekhar Dags
Director
DIN: 07471871

Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 30 June 2020

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE

Clix Housing Finance Private Limited
Statement of Profit and loss for the period ending 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations			
Interest income	16	201,468	35,779
Net gain on derecognition of financial instruments under amortised cost category		20,563	-
Fees and commission income	17	8,631	3,019
Net gain on fair value changes	18	805	743
Total revenue from operations		231,467	39,541
Other Income	19	519	276
Total Income		231,986	39,817
Expenses			
Finance Costs	20	111,764	6,435
Fees and commission expense	21	409	-
Impairment on financial instruments	22	5,053	2,535
Employee Benefits Expense	23	51,741	49,212
Other expenses	24	56,920	31,485
Total Expenses		230,887	89,667
Profit/(Loss) before tax		1,099	(49,850)
Tax Expense:	25		
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Profit/(Loss) for the year		1,099	(49,850)
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		374	(71)
		-	-
B. Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income, net of income tax		374	(71)
Total Comprehensive Income for the year		1,473	(49,921)
Earnings per equity share of Rs. 10/- each	26		
Basic (INR)		0.02	(1.81)
Diluted (INR)		0.02	(1.81)
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 Charu Jain
Partner
Membership No.: 115385

Place: Mumbai
Date: 30 June 2020

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

Rashmi Mohanty
Whole-time director
DIN: 07072541

Shekhar Daga
Director
DIN: 07471871

Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 30 June 2020

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE *

Clix Housing Finance Private Limited
Statement of Changes in Equity for the year ended 31 March 2020
(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 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
Share issued during the year ended 31 March 2020	-	-
At 31 March 2020	55,000,000	550,000

b. Other Equity

Particulars	Reserves and surplus			Total
	Share based payment reserve	Statutory reserve	Retained earning	
Balance at 1st April 2019	74	-	(67,673)	(67,599)
Profit/(Loss) for the year	-	-	1,099	1,099
Other Comprehensive income for the year	-	-	374	374
ESOP cost for the year	467	-	-	467
Transfer out of Reserves	-	295	(295)	-
Balance at 31st March 2020	541	295	(66,494)	(65,658)

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

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 Chirag Jain
Partner
Membership No.: 115385

Place: Mumbai
Date: 30 June 2020

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

Rashmi Mohanty
Whole-time director
DIN: 07872541

Shekhar Daga
Director
DIN: 07471971

Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 30 June 2020

Clix Housing Finance Private Limited
Cash Flow Statement for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit/(loss) before tax	1,099	(49,850)
Adjusted for:		
Net gain on fair value changes	(805)	(743)
Share based payment	468	(441)
Provision for employee benefits expense	1,392	1,210
Provision for expected credit loss (ECL)	9,053	5,446
Operating profit/(loss) before working capital changes	**11,207**	**(44,378)**
Adjusted for net changes in working capital		
Increase in financial assets and other assets	(1,218,955)	(836,433)
Increase in financial liabilities and other liabilities	(33,422)	72,845
Taxes (paid)/refund received (net)	(889)	-
Net Cash used in operating activities	(1,242,059)	(807,966)
Cash flows from investing activities		
Purchase of Mutual fund	(512,500)	(891,500)
Sale of mutual Fund	513,305	892,243
Net Cash generated from investing activities	805	743
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	430,000
Proceeds from Overdraft Facility	339,785	19,517
Proceeds from inter Corporate Loan	910,000	330,000
Repayment of Inter Corporate Loan	(250,027)	(80,000)
Proceeds from term loan	280,000	-
Repayment of term loan	(19,948)	
Net Cash generated from financing activities	1,259,810	699,517
Net increase / (decrease) in cash and cash equivalents	18,556	(107,706)
Cash and cash equivalents at the beginning of the year	2	107,708
Cash and cash equivalents at the end of the year	18,558	2

Notes :
Cash and cash equivalents balance include:

Balances with banks:		
- Current accounts	18,558	2
Cash and cash equivalents at the end of the year (refer note 6A)	18,558	2

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 Chirag Jain
Partner
Membership No.: 115385

Place: Mumbai
Date: 30 June 2020

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

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

Rashmi Mohanty	Shekhar Daga
Whole-time Director	*Director*
DIN: 07072541	DIN: 07471871

Purva Arora
Company Secretary
Membership No: 53125

Place: Gurugram
Date: 30 June 2020

CLIX HOUSING FINANCE PRIVATE LIMITED *

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 is primarily engaged in lending activities. The Company's registered office is at 4th Floor, Kailash Building, Kasturba Gandhi Marg, Connaught 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).

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.

Additional information required in terms of Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 NHB(ND)/DRS/REG/MC-07/2018, 02 July, 2018 and Notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 09,2017 have been prepared on the basis of previous GAAP pursuant to the NHB circular no. NHB (ND)/ DRS/Policy Circular No.89/2017-18 dated June 14, 2018 is given in Annexure I, which have been presented solely based on the information compiled by the Management.

(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

(iii) Changes in accounting policies and disclosures

Implementation of new Indian Accounting Standards

The Company applied Ind AS 116 from 1 April 2019 for the first time. However, there is no impact of this standard on the Company as there are no leases in the Company which required to be recognised as right-of-use (ROU) asset as on 01 April 2019 and as on 31 March 2020. The Company has not yet adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3 Significant accounting policies

3.1 Use of estimates

The preparation of 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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

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 Company's 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 measured including how these are managed and compensated to the managers of the assets. 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 to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

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.

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 probability of default (PD).
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, Exposure at Default (EAD) and Loss given default (LGD)
VI. Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models
VII. Recognition of the potential impact of COVID-19 in the Company's collective provision as outlined in Note 34.2.3

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.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE

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 outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

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 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.

3.6 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.

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.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED *

3.7 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.

3.8 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.

3.9 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.

3.10 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.

S.R. Batliboi & Associates LLP Chartered Accountants

Clix Housing Finance Private Limited

3.11 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.

3.12 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.

3.13 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.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE

3.14 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.

3.14.1 Financial Assets

3.14.1.1 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.

3.14.1.2 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)

3.14.1.3 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 Company manages the assets in order to generate cash flows. That is, where the Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Company'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 FVTPL.

SPPI: Where the business model is to hold assets to collect and earn contractual cash flows (i.e. measured at amortized cost), the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company 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.

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.

3.14.1.4 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.

3.14.1.5 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 Company 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.

3.14.1.6 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.

3.14.2 <u>Financial Liabilities</u>

3.14.2.1 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 such 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.

3.14.2.2 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.

3.14.2.3 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.

3.14.3 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.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

3.14.4 De recognition of financial assets and liabilities

3.14.4.1 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.

3.14.4.2 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.

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.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

3.14.4.2 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.

3.15 Impairment of financial assets

3.15.1 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 FVTPL, 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 this is further explained in Note 34.2.

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 6). 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.

3.15.2 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.

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 mainly 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.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE

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 6.3) , 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.

3.15.3 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.

3.15.4 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.

3.15.5 Write-offs

Financial assets are written off either partially or in their entirety only when the Company 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.

3.16 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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED

3.17 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.

3.18 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

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

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

	As at 31 March 2020	As at 31 March 2019
Note 5: Cash and cash equivalents		
Balance with banks in current accounts	18,558	2
	18,558	2

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:	As at 31 March 2020	As at 31 March 2019
Balances in Current account with:		
Scheduled banks	18,558	2
	18,558	2

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
Note 6: Loans		
In India		
At Amortised Cost		
Loan assets	2,043,692	837,254
Total (A) Gross	**2,043,692**	**837,254**
Less: Impairment loss allowance	(11,695)	(2,627)
Total (A) Net	**2,031,997**	**834,627**
Secured by tangible assets (property including land and builiding)	2,043,692	837,254
Total (B) Gross	**2,043,692**	**837,254**
Less: Impairment loss allowance	(11,695)	(2,627)
Total (B) Net	**2,031,997**	**834,627**
Loans in India		
Public Sector	-	-
Others	2,043,692	837,254
Total (C) Gross	**2,043,692**	**837,254**
Less: Impairment loss allowance	(11,695)	(2,627)
Total (C) Net	**2,031,997**	**834,627**

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED *

(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

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties. The Company groups its exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics. The table below represents homogeneous pools determined by the Company for risk categorisation. Details of Company's risk assessment model are explained in Note 34 and policies whether ECL allowances are calculated on collective basis are set out in Note 6.3 and ECL allowances includes an additional impairment allowance of Rs. 1,549.53 the expected impact of COVID-19 on the collective provision as at March 31, 2020 as outlined in Note 34.2.3.

Risk Categorization	31 March 2020	31 March 2019
Housing portfolio	1,619,315	532,654
Loan against property portfolio	424,377	304,600
Grand Total	2,043,692	837,254

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:

	FY 2019-20				FY 2018-19			
Particulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	532,654	-	-	532,654	13,261	-	-	13,261
New assets originated	1,150,724	-	-	1,150,724	517,019	-	-	517,019
Assets derecognised or repaid	(64,063)	-	-	(64,063)	2,374	-	-	2,374
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(14,315)	14,315	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	1,605,000	14,315	-	1,619,315	532,654	-	-	532,654

Reconciliation of ECL balance is given below:

	FY 2019-20				FY 2018-19			
Particulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1,135	-	-	1,135	31	-	-	31
New assets originated	7,088	-	-	7,088	1,114	-	-	1,114
Assets derecognised or repaid	(240)	-	-	(240)	(10)	-	-	(10)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(30)	71	-	41	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
ECL on account of Covid and Management Overlay (refer note 34.2.3)	306	463	-	769	-	-	-	-
ECL allowance - closing balance	8,259	534	-	8,793	1,135	-	-	1,135

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

(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:

	FY 2019-20				FY 2018-19			
Particulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	304,600	-	-	304,600	4,308	-	-	4,308
New assets originated	374,608	-	-	374,608	297,713	-	-	297,713
Assets derecognised or repaid	(254,831)	-	-	(254,831)	2,579	-	-	2,579
Gross carrying amount closing balance	424,377	-	-	424,377	304,600	-	-	304,600

Reconciliation of ECL balance is given below:

	FY 2019-20				FY 2018-19			
Particulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1,492	-	-	1,492	10	-	-	10
New assets originated	1,752	-	-	1,752	1,482	-	-	1,482
Assets derecognised or repaid	(1,123)	-	-	(1,123)	-	-	-	-
ECL on account of Covid and Management Overlay (refer note 34.2.3)	780							
ECL allowance - closing balance	2,902	-	-	2,902	1,492	-	-	1,492

There have been no transfers between Stage 1, Stage 2 and Stage 3 during the year ended 31 March 2020 and 31 March 2019 and hence not shown separately in above tables

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited

Notes to Financial Statements for the year ended 31 March 2020

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

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 2019-20				FY 2018-19			
Particulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	14,168	-	-	14,168	24,983	-	-	24,983
New loan commitment given	8,825			8,825	14,168			14,168
Assets disbursed/cancelled	(14,168)			(14,168)	(24,983)			(24,983)
Gross carrying amount closing balance	8,825	-	-	8,825	14,168	-	-	14,168

6.2.2 Reconciliation of ECL balance is given below:

Particulars	FY 2019-20				FY 2018-19			
Particulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	73	-	-	73	124	-	-	124
New loan commitment given	44			44	73			73
Assets disbursed/cancelled	(73)			(73)	(124)			(124)
ECL allowance - closing balance	44			44	73			73

There have been no transfers between Stage 1, Stage 2 and Stage 3 during the year ended 31 March 2020 and 31 March 2019 and hence not shown separately in above tables.

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

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 Company 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.

In accordance with RBI guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the RBI, the Company has granted moratorium of upto three months on the payment of all instalments falling due between 1 March 2020 to 31 May 2020 to all eligible borrowers who have requested for the moratorium. The RBI via press release dated May 22, 2020 has permitted lending institutions to extend the moratorium by another three months, i.e., from June 1, 2020 to August 31, 2020. The Company will be providing option for extending the moratorium to its eligible borrowers' basis its approved board policy. For all such accounts where the moratorium is granted, the prudential assets classification and stage movement has been kept on stand still during the moratorium period.

- 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

S. R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(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 2020	As at 31 March 2019
Residential & Non-Residential Properties	2,031,997	834,627
	2,031,997	**834,627**

The Company periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at March 31, 2019. There was no change in the Company's collateral policy or collateral quality during the period.

Refer Note 34.2.2 for risk concentration based on loan to value (LTV)

Note 6.5 Transfer of Financial assets

Assignment:

During the year ended March 31, 2020, the Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet. The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the company business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition, per type of asset.

Loans and advances measured at amortised cost	31 March 2020	31 March 2019
Carrying amount of derecognised financial assets	229,669	-
Net gain on derecognition	20,563	-

Note 6.6 Risk assessment model

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. Depending upon the nature of products, the model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behavior.

Note 6.7 Risk assessment for COVID-19

The Company has used the principles of prudence in applying judgments, estimates and possible forward looking scenarios to assess and provide for the impact of the COVID-19 pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets by applying management overlays, approved by its Board of Directors. This has resulted in an additional provision of Rs. 15.50 lacs against financial assets. This impact is consistent with the outcomes from the base case scenario modelling that was performed by the Company. The base case scenario was modelled based on the facts and circumstances existing at 31 March 2020 and forecasts of future economic conditions and supportable information that was available at that date and includes significant management judgement.

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

	As at 31 March 2020	As at 31 March 2019
Note 7: Other financial assets		
Receivable from customers	7,749	4,092
Security deposit	90	-
Total	7,839	4,092

	As at 31 March 2020	As at 31 March 2019
Note 8: Other non financial assets		
Prepaid expenses	1,995	1,755
Capital Advances	307	-
Balance with statutory/government authorities		
- GST input credit	10,816	2,608
Total	13,118	4,363

	As at 31 March 2020	As at 31 March 2019
Note 9: Payables		
Trade Payables*	7,527	50,873
Total outsanding dues of Micro Enterprises and Small Enterprises*	-	-
Total outsanding dues of Creditors other than Micro Enterprises and Small Enterprises	7,527	50,873
Other Payables	6,528	3,861
Total outsanding dues of Micro Enterprises and Small Enterprises*	-	
Total outsanding dues of Creditors other than Micro Enterprises and Small Enterprises	6,528	3,861
	14,055	54,734

* 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 2020 and 31 March 2019.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED

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

	As at 31 March 2020	As at 31 March 2019
Note 10: Borrowings (other than debt securities)		
Secured		
Term loans*		
- from banks	260,052	-
Bank overdraft**	359,302	19,517
Unsecured		
Inter-Corporate Loans	910,000	250,027
Total gross (A)	1,529,354	269,544
Borrowings in India	1,529,354	269,544
Borrowings outside India	-	-
Total (B) to tally with (A)	1,529,354	269,544

* Term loan is secured by first pari passu charge on all current and future standard book debts/receivable of the borrower excluding i) any movable, 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.

** 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 term loans as at March 31, 2020

Repayments	Due within 1 Year		Due 1 to 3 Years		More than 3 years		Total	
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount
Quarterly repayment schedule	8	92,727	15	167,273	1	5,000	24	265,000
Total	8	92,727	15	167,273	1	5,000	24	265,000

- Interest rate is 8.8% p.a. and 9.4% p.a. as at 31 March 2020.

Terms of repayment of inter-corporate loans as at March 31, 2020

Repayments	Due within 1 Year		Due 1 to 3 Years		Total	
	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
At the end of tenure	-	720,000	-	190,000	-	910,000
Total	-	**720,000**	-	**190,000**	-	**910,000**

- Interest rate ranges from 10.5% p.a. to 11.75% p.a. as at 31 March 2020.

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

Repayments	Due within 1 Year		Due 1 to 3 Years		Total	
	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
At the end of tenure	-	250,000	-	-	-	250,000
Total	-	**250,000**	-	-	-	**250,000**

- Interest rate ranges from 9% p.a. to 10.5% p.a. as at 31 March 2019.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
Note 11: Other financial liabilities		
Interest accrued but not due		
- Term Loan	48	-
- Bank overdraft	403	-
Advanced received from customers	-	-
Employee payables	2,024	5,709
Due to assignee towards collection in derecognized assets	5,504	-
Inter company payables	25,464	26,178
Others	2,884	2,354
Total	36,327	34,241

	As at 31 March 2020	As at 31 March 2019
Note 12: Provisions		
Provision for employee benefits		
Leave encashment	1,530	946
Gratuity payable	971	537
Provision for Loan Commitment	44	73
Total	2,545	1,556

	As at 31 March 2020	As at 31 March 2019
Note 13: Other non-financial liabilities		
	6,355	1,312
Total	6,355	1,312

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

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

	As at 31 March 2020	As at 31 March 2019
Note 14: Equity Share Capital		
Authorised :		
55,000,000 (31 March 2019: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
	550,000	**550,000**
Issued, Subscribed and Paid-up:		
55,000,000 (31 March 2019: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
Total	**550,000**	**550,000**

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

	As at 31 March 2020	As at 31 March 2019
Authorised Capital		
55,000,000 (31 March 2019: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
	550,000	**550,000**
Issued , Subscribed & Paid up capital		
Issued and Subscribed Capital		
55,000,000 (31 March 2019: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
Called-Up and Paid Up Capital		
Fully Paid-Up	550,000	550,000
55,000,000 (31 March 2019: 55,000,000) Equity Shares of Rs. 10/- each		
Total	550,000	550,000

S. R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

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 2020		As at 31 March 2019	
	No. of shares	Rs. in 000's	No. of shares	Rs. in 000's
Equity Share at the beginning of period	55,000,000	550,000	12,000,000	120,000
Add: Shares issued during the period	-	-	43,000,000	430,000
Equity share at the end of period	55,000,000	550,000	55,000,000	550,000

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

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
Holding Company				
Clix Capital Services Private Limited	54,999,999	100.00%	54,999,999	100.00%
Clix Finance India Private Limited	1	0.00%	1	0.00%
Total	55,000,000	100.00%	55,000,000	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.

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
Clix Capital Services Private Limited	54,999,999	100.00%	54,999,999	100.00%
Total	54,999,999	100.00%	54,999,999	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 Capital Services Private Limited is a wholly owned subsidiary of Plutus Financials Pvt Ltd. (Mauritius)

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.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

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

	As at 31 March 2020	As at 31 March 2019
Note 15: Other Equity		
Share based payment reserve		
Opening balance	74	515
Compensation options granted during the year	467	(441)
Closing balance	541	74
Statutory reserve u/s 29C of The National Housing Bank Act, 1987		
Opening balance	-	-
Addition during the year	295	-
Closing balance	295	-
Retained earnings		
Opening balance	(67,673)	(17,752)
Profit for the year	1,099	(49,850)
-Transfer to statutory reserve	(295)	-
- Re-measurement (losses)/gains on defined benefit plans, net of tax	374	(71)
Closing balance	(66,494)	(67,673)
Total	(65,658)	(67,599)

(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) **Statutory reserve u/s 29C of The National Housing Bank Act, 1987:** Section 29C (i) of The National Housing Bank Act, 1987 defines that every housing finance institution which is a company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. Accordingly, during the year ended 31 March 2020, The Company has transferred an amount of INR 295 (P.Y. INR Nil) to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987.

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

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

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

	Year ended 31 March 2020	Year ended 31 March 2019
Note 16: Interest Income		
On financial assets measured at Amortised cost		
Interest on loans		
- Loans and advances	201,468	35,779
Total (A) Gross	201,468	35,779

	Year ended 31 March 2020	Year ended 31 March 2019
Note 17: Fees and commission income		
Application and other fees	8,437	3,019
Service fees on direct assignment	55	-
Other charges	139	-
Total	8,631	3,019

	Year ended 31 March 2020	Year ended 31 March 2019
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	805	743
(ii) On financial instruments designated at fair value through profit or loss	-	-
Total Net gain/(loss) on financial instruments	805	743
(B)Fair Value changes:		
-Realised	805	743
-Unrealised	-	-
Total Net gain/(loss) on fair value changes(A) to tally with (B)	805	743

	Year ended 31 March 2020	Year ended 31 March 2019
Note 19: Other income		
Interest income		
- on fixed deposits	-	276
- on income tax refund	44	-
Miscellaneous Income	475	-
	519	276

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

	Year ended 31 March 2020	Year ended 31 March 2019
Note 20: Finance Costs		
At amortised cost		
Interest on borrowings (other than debt securities)		
- Term loan from banks	17,575	-
- Bank overdraft	17,872	1,258
- Inter-corporate deposit	76,132	5,112
Bank charges	185	65
Total	111,764	6,435

	Year ended 31 March 2020	Year ended 31 March 2019
Note 21: Fees and commission expense		
Fees and commission expense	409	-
	409	-

	Year ended 31 March 2020	Year ended 31 March 2019
Note 22: Impairment on financial instruments		
At amortised cost		
ECL on loan assets	9,082	2,586
Loan Commitment	(29)	(51)
Total	9,053	2,535

	Year ended 31 March 2020	Year ended 31 March 2019
Note 23: Employee Benefits Expenses		
Salaries and wages	48,426	45,504
Contribution to provident and other funds	3,624	2,412
Share Based Payments to employees	468	(441)
Staff welfare expenses	223	1,737
Total	52,741	49,212

	Year ended 31 March 2020	Year ended 31 March 2019
Note 24: Other expenses		
Rent	591	11,030
Printing & stationary	1,011	622
	175	114
Repairs and maintenance	29,327	1,130
Insurance	2,267	1,260
Travelling and conveyance	2,581	1,611
Postage, telegrams and telephone	204	1,356
Legal and professional fees *	19,785	13,290
Outsourced service costs	325	390
Advertisement and sales promotion	549	412
Miscellaneous	105	270
Total	56,920	31,485

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

A. Payment to auditors	Year ended 31 March 2020	Year ended 31 March 2019
As auditor:		
Audit fee		
-Statutory audit	750	450
'-Tax audit	100	50
In other capacity:		
Other services (certification fees)	100	100
Reimbursement of expenses	57	-
Total	1,007	600

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED *

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

Note 25: Income Tax

(a) Current tax

Current tax for the year ended 31 March 2020 is INR Nil (PY: INR Nil) as per Income Tax Act 1961.

(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. 3.11, the deferred tax asset (net) not recognised by the Company for the year ended 31 March 2020 and 31 March 2019 is INR 15,996 and INR 19.60 respectively.

Note 26: 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, 2020	Period ended March 31, 2019
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)	55,000	27,608
Net profit for calculation of basic EPS (Rs. in 000's)	1,099	(49,850)
Basic earning per share	0.02	(1.81)
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (Rs. in 000's)	55,000	27,608
Net profit for calculation of Diluted EPS (Rs. in 000's)	1,099	(49,850)
Diluted earning per share	0.02	(1.81)
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 2020 for basic and diluted earnings per share:

Particulars	Weighted average no. of shares	
	Basic	Diluted
Equity shares of face value of Rs. 10 per share		
Opening	55,000	55,000
Additions	-	-
Closing	55,000	55,000

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
Equity shares of face value of Rs. 10 per share		
Opening	27,608	27,608
Additions	-	-
Closing	27,608	27,608

Note 27:Segment information

The Company's primary business segment is reflected based on the principal business carried out, i.e. Housing Finance. 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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

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

Note 28: 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 2020	31 March 2019
Employers' Contribution to Employee's Provident Fund*	2,815	1946
	2,815	1946

* 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 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 31March 2020

Particulars	1 April 2019	Gratuity cost charged to profit or loss			Benefits paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	31 March 2020
		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	538	768	39	807	-	-	-	(397)	23	(374)	-	971
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	538	768	39	807	-	-	-	(397)	23	(374)	-	971

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED *

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

Acturial Assumption

	31 March 2020	31 March 2019
Discount rate (p.a)	6.80%	7.75%
Salary escalation rate (p.a)	0.00% until year 1 inclusive, then 5.00% until year 2 inclusive, then 7.00% until year 4 inclusive, then 8.00%	11.00%

	31 March 2020		31 March 2019		31 March 2020		31 March 2019	
Assumptions	Discount rate				Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(40.23)	42.81	(25.93)	27.09	42.71	(40.53)	26.01	(25.20)

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 2020	31 March 2019
Within the next 12 months (next annual reporting period)	2	1
After 1st year upto 5th year	388	141
After 5th year upto 9 years	506	305
Year 10 and beyond	1,005	782
Total expected payments	**1,901**	**1,229**

The Company expects to contribute INR Nil (2019: INR Nil) to the fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31 March 2020 is 8.55 years (2019: 9.85 years).

(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 2020 amounts to INR 1,530 (2019: 946).

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

Note 29: Contingent liabilities, commitments

A) Contingent liabilities

There is no contingent liability as at year ended 31 March 2020 (Previous Year:NIL)

B) Commitment

(i) The Company has a commitment of INR 8,825 (previous year INR 14,168) towards undrawn loan sanctions.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED *

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

Note 30: 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	Holding Company
Clix Finance India Private Limited	Fellow Subsidiaries
Clix Analytics Private Limited	Fellow Subsidiaries
Clix Loans Private Limited	Fellow Subsidiaries
Key Managerial personnel	
Rashmi Mohanty (From March 2020)	Whole-time director
Vikas Aggarwal (Till September 2019)	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 :

1. Remuneration to Key Managerial personnel*

	Year ended 31 March 2020	Year ended 31 March 2019
Purva Arora - Company Secretary		
Remuneration	645	585
Share based payments	-	-
	645	585

* 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.

** No remuneration has been paid by the Company to its directors during the year (2019: Nil)

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

2. Other Transactions

Particulars	Year ended 31 March 2020		Year ended 31 March 2019	
	Amount received	Amount paid	Amount received	Amount paid
Interest on ICD				
Clix Finance India Private Limited		76,132		5,112
Excess interest spread on Loan Assignment				
Clix Capital Services Private Limited	20,563		-	
Proceeds from Transfer of Financial assets (assignment)				
Clix Capital Services Private Limited	250,232		-	
Proceed from Issue of Share Capital				
Clix Capital Services Private Limited	-		430,000	-
Amount paid by the Company				
Clix Finance India Private Limited		15		-
Allocations made				
Clix Capital Services Private Limited	14,325		-	
Allocations received				
Clix Capital Services Private Limited	25,171		24,185	
Clix Finance India Private Limited	12,689		313	
Payment made on behalf of the Company				
Clix capital Service Private Limited	122		-	
Inter Corporate loans				
Taken				
Clix Finance India Private Limited	910,000		330,000	
Repaid				
Clix Finance India Private Limited		250,000		80,000

(c) **Balance sheet -outstanding balances**

Particulars	31 March 2020	31 March 2019
Amounts Payable		
Inter Corporate loans		
Clix Finance India Private Limited	910,000	250,000
Interest Accrued on Inter Corporate loans		
Clix Finance India Private Limited	-	27
Inter company accounts		
Clix Finance India Private Limited	13,557	313
Clix Capital Services Private Limited	11,906	25,865
	935,464	276,205

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

Note 31: 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

(Rs. in thousands)

Particulars	As at 31 March 2020	As at 31 March 2019
Debts	1,529,402	269,544
Net worth	484,342	482,401
Debt to Net woth (times)	3.16	0.56

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 2020 and 31 March 2019.

32. 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, 2020 (no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED)

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

33 Fair value measurement

33.1 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.

33.2 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.

33.3 Valuation methodologies of financial instruments not measured at fair value

Loans - Most of the loans are repriced frequently, with interest rate of loans reflecting current market pricing. Hence carrying value of loans is deemed to be equivalent of fair value.

Borrowings other than debt securities -

- The Company's most of the borrowings are at floating rate which approximates the fair value.
- Fair value of fixed rate borrowings is detemined by discounting expected future contractual cash flows using current market interest rate charged for similar new borrowing and carrying value of such borrowing approximates fair value at financial statement level.

Other Financial Assets and Liabilities - The management assessed that cash and cash equivalents, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED

34 Risk Management

34.1 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.

34.1.1 Risk management struture 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.

34.2 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 mangament Unit. It is their responsibility to review and manage credit risk. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

34.2.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 2,051,531 and Rs. 841,346 as of March 31, 2020 and March 31, 2019 respectively, being the total of the carrying amount of loan balances and other financial assets.

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE LIMITED *

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

34.2.2 Analysis of risk concentration

The Company's concentrations of risk are managed based on Loan to value (LTV) segregation as well as the purpose of loan i.e. where it is a loan for house purchase or loan again property for business purposes. The following tables stratify credit exposures from loans to customers by ranges of loan-to-value (LTV) ratio and on product 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 2020

Loans to customers:

LTV wise bifurcation:

LTV bucket	Stage 1	Stage 2	Stage 3	Amount
0%-40%	241,776	-	-	241,776
More than 40%- upto 60%	498,181	1,948	-	500,129
More than 60%- upto 80%	1,111,602	9,332	-	1,120,934
More than 80%	177,818	3,035	-	180,853
Total	2,029,377	14,315	-	2,043,692

Customer profile

Customer profile	Stage 1	Stage 2	Stage 3	Amount
Housing loan	1,605,000	14,315	-	1,619,315
Loan against property	424,377	-	-	424,377
Total	2,029,377	14,315	-	2,043,692

Loan Commitments:

LTV wise bifurcation:

LTV bucket	Stage 1	Stage 2	Stage 3	Amount
0%-40%	1,926	-	-	1,926
More than 40%- upto 60%	3,299	-	-	3,299
More than 60%- upto 80%	3,034	-	-	3,034
More than 80%	566	-	-	566
Total	8,825	-	-	8,825

Customer profile:

Customer profile	Stage 1	Stage 2	Stage 3	Amount
Housing loan	8,825	-	-	8,825
	-	-	-	-
Total	8,825	-	-	8,825

31 March 2019

Loans to customers:

LTV wise bifurcation:

LTV bucket	Stage 1	Stage 2	Stage 3	Amount
0%-40%	116,855	-	-	116,855
More than 40%- upto 60%	236,814	-	-	236,814
More than 60%- upto 80%	448,916	-	-	448,916
More than 80%	34,669	-	-	34,669
Total	837,254	-	-	837,254

Customer profile

Customer profile	Stage 1	Stage 2	Stage 3	Amount
Housing loan	532,654	-	-	532,654
Loan against property	304,600	-	-	304,600
Total	837,254	-	-	837,254

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

Loan Commitments:

LTV wise bifurcation:

LTV bucket	Stage 1	Stage 2	Stage 3	Amount
0%-40%	2,920	-	-	2,920
More than 40%- upto 60%	2,688	-	-	2,688
More than 60%- upto 80%	8,083	-	-	8,083
More than 80%	477	-	-	477
Total	14,168	-	-	14,168

Customer profile:

Customer profile	Stage 1	Stage 2	Stage 3	Amount
Housing loan	9,932	-	-	9,932
Loan against property	4,236	-	-	4,236
Total	14,168	-	-	14,168

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE

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

34.2.3 Impact of COVID-19

The outbreak of COVID–19 virus continues to spread across the globe including India, resulting into a significant decline and volatility in financial markets and a significant decrease in global and local India's economic activities. The Company is mainly engaged in providing housing loans and loans against property. All of these segments will be significantly impacted by reduced income and/or job losses of the borrowers, reduced economic activities due to the disruption caused by the pandemic. All these will lead to major cash flow constraints and erosion in the asset values.

To deal with this disruption and in accordance with RBI guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the RBI, the Company has granted moratorium of upto three months on the payment of all instalments falling due between 1 March 2020 to 31 May 2020 to all eligible borrowers who have requested for the moratorium. The RBI via press release dated May 22, 2020 has permitted lending institutions to extend the moratorium by another three months, i.e., from June 1, 2020 to August 31, 2020. The Company will be providing option for extending the moratorium to its eligible borrowers' basis its approved board policy.

There were fewer loan disbursements during the lockdown period and the timeline for the resumption and normalization of the Company's lending activity will be affected by several factors including, but not limited to, including the pace of easing of the lockdown restrictions.

The management has performed a detailed assessment of its monthly cash inflows and outflows for next 12 months and concluded that it will be able to meet its obligations even though its monthly collections remain below normal due to continuation of lockdown.

The Company has recorded an expected credit loss provision of INR 1,550 at 31 March 2020 in respect of its loans and advances as Covid and management overlay. In accordance with the guidance from ICAI, extension of the moratorium to borrowers by the Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press conference, by itself is not considered to result in a SICR for a borrower. Given the unique nature and scale of the economic impact of this pandemic, the credit performance and repayment behaviour of the customers need to be monitored closely. The expected credit loss estimate is based on various highly uncertain and unobservable factors. In the event the impact of pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets, results of operation and the financial position of the Company.

34.2.4 Disclosure pursuant to Reserve Bank of India Circular no. RBI/2019-20/220 DOR.No.BP. BC.63/21.04.048/2019-20:		As at 31 March 2020
S.no.	Particulars	Amount
(i)	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended (Granted a moratorium of upto three months on payment of all term loan instalments falling due between March 1, 2020 and May 31, 2020 ('moratorium period)	32,925
(ii)	Respective amount where asset classification benefits is extended (Loan assets which were classified as standard assets instead of Stage 3 assets due to moratorium.)	-
(iii)	Provision created	1,550

S. R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE

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

34.3 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 undrwan credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity risk is managed by periodic reviews by ALCO relating to the liquidity position and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company. Liquidity risk is managed by the Company's treasury team under the guidance of ALCO.

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, 2020			Maturity profile of Financial liabilities as on March 31, 2019		
	Borrowings	Payables	Other Financial liabilities	Borrowings	Payables	Other Financial liabilities
Less than 1 year	1,251,548	14,055	36,327	277,542	54,734	34,241
Over 1 year to 3 years	412,238	-	-	-	-	-
Over 3 year to 5 years	5,005	-	-	-	-	-
Total	1,668,791	14,055	36,327	277,542	54,734	34,241

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

CLIX HOUSING FINANCE PRIVATE L

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

34.4 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.

34.4.1 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 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:

2019-20

Particulars	Basis Points	Effect on Profit before tax
Borrowings		
Increase in basis points	50	3,122
	-50	(3,122)

2019-20

Particulars	Basis Points	Effect on Profit before tax
Loans		
Increase in basis points	50	9,476
Decrease in basis points	-50	(9,476)

2018-19

Particulars	Basis Points	Effect on Profit before tax
Loans		
Increase in basis points	50	3,443
Decrease in basis points	-50	(3,443)

S. R. Batliboi & Associates LLP * Chartered Accountants *

Clix Housing Finance Private Limited

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

Note 35 : Maturity analysis of assets and liabilities

The table below shows contractual maturity profile of carrying value of assets and liabilities:

Assets	31 March 2020			31 March 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	18,558	-	18,558	2	-	2
Loans	64,146	1,967,851	2,031,997	25,446	809,181	834,627
Other financial assets	7,839	-	7,839	4,092	-	4,092
Non-financial Assets						
Current tax asset	-	1,466	1,466	-	704	704
Other Non financial assets	13,118	-	13,118	4,363	-	4,363
Total Assets	103,661	1,969,317	2,072,978	33,903	809,885	843,788
LIABILITIES						
Financial Liabilities						
Trade Payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	7,527	-	7,527	50,873	-	50,873
Other Payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	6,528	-	6,528	3,861	-	3,861
Borrowings (Other than debt securities)	1,168,919	360,435	1,529,354	269,544	-	269,544
Other financial liabilities(to be specified)	36,327	-	36,327	34,241	-	34,241
Non-Financial Liabilities						
Current tax liability	-	-	-	-	-	-
	360	2,185	2,545	48	1,508	1,556
Other Non-financial Liabilities	6,355	-	6,355	1,312	-	1,312
Total liabilities	1,226,016	362,620	1,588,636	359,879	1,508	361,387
Net	(1,122,355)	1,606,697	484,342	(325,976)	808,377	482,401

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS *

FINANCE PRIVATE LIMI

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

Note 36. 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 2020. (Previous year Rs. NIL)

Note 37. Expenditure in foreign currency

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

Note 38. 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 2020 by derivative instruments or otherwise. (Previous year Nil.)

Note 39. Employee Stock Option Plan

(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, 2020 are as given below:

Particulars	Grant-I	Grant-II	Grant -III	Grant-IV
Scheme Name	Employee Stock Option Plan	Employee Stock Option Plan 2017	Employee Stock Option Plan	Employee Stock Option Plan 2017
Date of grant	18-Oct-17	7-Dec-18	1-Jun-19	1-Jan-20
No. of options approved	129,708,445	129,708,445	129,708,445	129,708,445
No. of options granted	648,500	200,000	-	645,000
Exercise price per option (in Rs.)	13.10	15.10	15.10	14.00
Method of settlement	Equity	Equity	Equity	Equity
Vesting period and conditions	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
Fixed vesting period is as:				
- 1st vesting "3 years from the date of grant	216,167	66,667	-	161,250
- 2nd vesting "On expiry of one year from the 1st vesting date"	216,167	66,667	-	225,750
- 3rd vesting "On expiry of one year from the 2nd vesting date"	216,166	66,667	-	258,000
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	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	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 2020	Year ended 31 March 2019
Expense arising from share-based payment transactions	467	(441)
Total expense arising from share-based payment	467	(441)

S. R. Batliboi & Associates LLP Chartered Accountants

Clix Housing Finance Private Limited

Clix Housing Finance Private Limited
Notes to Financial Statements for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

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

41 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, 2020.

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

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

per Chirag Jain
Partner
Membership No.: 115385

Place: Mumbai
Date: 30 June 2020

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

Rashmi Mohanty
Whole-time director
DIN: 07072541

Shekhar Daga
Director
DIN: 07471871

Purva Arora
Company Secretary
Membership No: 53126

Place: Gurugram
Date: 30 June 2020

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

(iii) Movements during the year

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

Particulars	31 March 2020				31 March 2019	
	Number	Number	Number	Number	Number	Number
	Grant -I	Grant -II	Grant -III	Grant -IV	Grant -I	Grant -II
Outstanding at 1 April	-	200,000	-	-	648,500	-
Granted during the year	-	-	-	645,000	-	200,000
Forfeited during the year	-	-	-	-	(648,500)	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at 31 March	-	200,000	-	645,000	-	200,000
Exercisable at 31 March	-	-	-	-	-	-
Weighted average exercise prices (WAEP)	13.10	15.10	15.10	14.00	13.10	15.10

1 The weighted average remaining contractual life for the share options outstanding as at 31 March 2020 was 6.56 years (Grant-I), 7.69 years (Grant -II), 8.17 years (Grant-III), 7.91 years (Grant-IV) and (31 March 2019 : 7.56 years (Grant-I), 8.69 years (Grant-II))

2 The weighted average fair value of options granted during the year was 7.94 (Grant- III), 6.48 (Grant- IV) (31 March 2019: 6.83 (Grant-II)).

3 The range of exercise prices for options outstanding at the end of the year was INR 13.10 per option to INR 15.10 per option (31 March 2019: INR 13.10 per option to INR 15.10).

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 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2018
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Dividend yield (%)	0%	0%	0%
Expected volatility (%)			
- Tranche I	40%	43.37%	43.60%
- Tranche II	40%	43.43%	43.95%
- Tranche III	40%	43.60%	44.18%
Risk-free interest rate (%)			
- Tranche I	6.80% - 6.90%	7.39%	6.77%
- Tranche II	6.80% - 6.90%	7.44%	6.87%
- Tranche III	6.80% - 6.90%	7.47%	6.95%
Life of the options granted (years)			
- First vesting	3 years (Grant-III) and 2 Years (Grant-IV)	3 years	3 years
- Second vesting	4 years (Grant-III) and 3 Years (Grant-IV)	4 years	4 years
- Third vesting	5 years (Grant-III) and 4 Years (Grant-IV)	5 years	5 years
Fair value of the option (INR)			
- Tranche I	7.29 (Grant-III) and 5.70 (Grant-IV)	6.18	6.25
- Tranche II	7.96 (Grant-III) and 6.41 (Grant-IV)	6.82	6.86
- Tranche III	8.57 (Grant-III) and 7.03 (Grant-IV)	7.40	7.39

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Annexure 1 to Notes to financial statement for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

I Disclosures required by National Housing Bank

A Minimum disclosures

The following additional disclosures have been given in terms of Notification no. NHB.HFC.CG-DIR.1/ MD&CEO/2016 dated February 9, 2017 issued by the National Housing Bank.

B Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as note 1 of Accounting policy to the Standalone Financial Statement for the year ended March 31, 2020.

C Disclosure:

C1 Capital

Particulars		As at 31-03-2020	As at 31-03-2019
i)	CRAR (%)	42.23%	90.88%
ii)	CRAR - Tier I capital (%)	41.14%	90.06%
iii)	CRAR - Tier II capital (%)	1.09%	0.82%
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

C2. Reserve Fund u/s 29C of NHB Act, 1987

Particulars	As at 31-03-2020	As at 31-03-2019
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	-	-
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	-	-
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	295	-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	295	-
a) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	295	-

Clix Housing Finance Private Limited
Annexure 1 to Notes to financial statement for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

C3. Investment

Particulars	As at 31 March 2020	As at 31 March 2019
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	-	-
(b) Outside India,	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	-	-
(b) Outside India.	-	-
(2) Movement of provisions held towards		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess	-	-
(iv) Closing balance	-	-

C4. Derivatives

a) There are no forward rate agreement/ Interest rate swap entered into by the Company during the year ended 31 March 2020 and 31 March 2019.

b) There are no exchange traded interest rate derivatives entered into by the Company during the year ended 31 March 2020 and 31 March 2019.

c) The Company does not have any risk management policy pertaining to derivatives, associated risks and business purpose served as the Company does not take any of the derivatives mentioned in a and b above during the year ended 31 March 2020 and 31 March 2019.

C5. There are no securitisation transactions during the year end as at 31 March 2020 and 31 March 2019.

C6. Details of Assignment transactions undertaken.

Particulars	As at 31 March 2020	As at 31 March 2019
(i) No. of accounts	107	-
(ii) Aggregate value (net of provisions) of accounts assigned	229,669	-
(iii) Aggregate consideration	250,232	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-

S. R. Batliboi & Associates LLP * Chartered Accountants *

Clix Housing Finance

Clix Housing Finance Private Limited
Annexure 1 to Notes to financial statement for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

C7. **Details of non-performing financial assets purchased/ sold**

(a) Details of non-performing financial assets purchased:

Particulars			Year ended 31 March 2020	Year ended 31 March 2019
1	(a)	No. of accounts purchased during the	-	-
	(b)	Aggregate outstanding	-	-
2	(a)	Of these, number of accounts	-	-
	(b)	Aggregate outstanding	-	-

(b) Details of non-performing financial assets sold:

Particulars		Year ended 31 March 2020	Year ended 31 March 2019
1	No. of accounts sold	-	-
2	Aggregate outstanding	-	-
3	Aggregate consideration received	-	-

C8. **Asset Liability Management maturity pattern of certain items of assets and liabilities as at 31 March 2020**

Particulars	Upto to 30-31 days	Over 1 & up to 2 months	Over 2 & up to 3 months	Over 3 & up to 6 months	Over 6 months & up to 1 year	Over 1 & up to 3 years	Over 3 & up to 5 years	Over 5 & up to 7 years	Over 7 & up to 10 years	Over 10 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	23,182	-	-	23,182	405,666	167,272	5,000	-	-	-	624,302
Market borrowing	-	200,000	200,000	310,000	10,000	190,000	-	-	-	-	910,000
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances*	4,901	1,812	3,727	28,398	23,648	111,189	141,579	176,977	338,621	1,186,534	2,017,386
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-

* Net of contingent provision against standard assets and provision on non-performing assets.

S. R. BATLIBOI & ASSOCIATES LLP • CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Annexure 1 to Notes to financial statement for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

C9. **Exposures**

Exposure to Real Estate Sector

Category	As at 31 March 2020	As at 31 March 2019
1) Direct exposure		
(a) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	1,987,341	805,751
(b) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	41,740	24,275
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
2) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	2,029,081	830,026

C10. **Exposure to Capital Market**

Category	As at 31 March 2020	As at 31 March 2019
a) direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
b) advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
c) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
d) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	-	-
e) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
f) loans sanctioned to corporates against the security of shares / bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
g) bridge loans to companies against expected equity flows/issues;	-	-
h) all exposures to Venture Capital Funds (both registered and unregistered).	-	-
Total Exposure to Capital Market Sector	-	-

S. R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE

Clix Housing Finance Private Limited
Annexure 1 to Notes to financial statement for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

C11. Details of financing of parent company products

There has been no financing made by the Company of parent company's products during the year ended 31 March 2020 and 31 March 2019

C12. Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL)

During the year ended 31 March 2020 and 31 March 2019 the Company's credit exposures to single borrowers and group borrowers were within the prudential exposure limits.

C13. Unsecured Advances

No unsecured loans and advances as at 31 March 2020 and 31 March 2019.

C14. Registration obtained from other financial sector regulators

No registrations obtained from any other financial sector regulator as at March 31, 2020.

C15. Disclosure of Penalties imposed by NHB and other regulators

No penalty has been imposed by the NHB or any other regulator during the year.

C16. Related party transactions

Please refer Note 30 for detailed note on Related party tranactions.

C17. Ratings assigned by credit rating agencies and migration of ratings during the year

As of 31 March 2020, no ratings were assigned to the Company by credit rating agencies.

C18. Remuneration of directors

Please refer Note 30 for detailed note on Related party tranactions.

C19. Management

Refer to the Management Discussion and Analysis report for the relevant disclosures.

C20. Net Profit or Loss for the period, prior period items and changes inaccounting policies

During the year there were no prior period items which had an impact on current year's profit and loss

C21. Revenue Recognition

There have been no instances where revenue recognition has been postponed pending the resolution of significant uncertainties. Please refer Note 3.3 for revenue recognition policy.

C22. Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended 31 March 2020	For the year ended 31 March 2019
Provision for depreciation on investment	-	-
Provision made towards Income Tax	-	-
Provision towards NPA	-	-
Provision for standard assets	11,695	4,150
Other Provision and Contingencies (with details)		
Provision for loan commitment	44	71

Clix Housing Finance Private Limited

Annexure 1 to Notes to financial statement for the year ended 31 March 2020

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

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	For the year ended 31-03-20	For the year ended 31-03-19	For the year ended 31-03-20	For the year ended 31-03-19
Standard assets				
(a) Total Outstanding Amount	1,549,680	512,052	479,401	317,974
(b) Provision made	8,518	2,560	3,177	1,590
Sub-Standard assets				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
Doubtful assets - Category I				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
Doubtful assets - Category II				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
Doubtful assets - Category III				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
Loss assets				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
Total				
(a) Total Outstanding Amount	1,549,680	512,052	479,401	317,974
(b) Provision made	8,518	2,560	3,177	1,590

C23. Draw Down from Reserves

There has been no draw down from reserves during the financial year ended 31 March 2020 and 31 March 2019.

C24. Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of Advances *

Particulars	As at 31 March 2020	As at 31 March 2019
Total Advances to twenty largest borrowers	179,825	148,208
Percentage of Advances to twenty largest borrowers to Total Advances of the HFC	9%	18%

b. Concentration of Exposures *

Particulars	As at 31 March 2020	As at 31 March 2019
Total Exposure to twenty largest borrowers/ customers	180,325	149,400
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	9%	18%

*Gross of contingent provision against standard assets and provision on non-performing assets.

c. Concentration of NPAs

There are no NPA accounts as at 31 March 2020 and 31 March 2019.

S. R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE LIMITED

Clix Housing Finance Private Limited
Annexure 1 to Notes to financial statement for the year ended 31 March 2020
(All amount in INR thousands, except for share data unless stated otherwise)

C25. **Sector-wise NPAs**

There are no NPA accounts as at 31 March 2020 and 31 March 2019

C26. **Movement of NPAs**

There are no NPA accounts as at 31 March 2020 and 31 March 2019

C27. **Disclosure of Complaints**

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	3	-
(c)	No. of complaints redressed during the year	3	-
(d)	No. of complaints pending at the end of the year	-	-

C28. **Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**

There were no overseas assets as at 31 March 2020 and 31 March 2019.

C29. **Off-balance Sheet SPVs sponsored**

There were no off-balance sheet SPVs sponsored by the company during the year ended 31 March 2020 and 31 March 2019.

C30. There has been no fraud reported during the year ended 31 March 2020 and 31 March 2019.

C31. The previous year figures have been regrouped / reclassified in the current year as compared to the previous year, wherever necessary.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS

CLIX HOUSING FINANCE PRIVATE