

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Clix Housing Finance 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 Limited (formerly known as "Clix Housing Finance Private Limited") ("the Company"), which comprise the Balance sheet as at March 31, 2021, 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, 2021, 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 6.7 to the Ind AS financial statement, which describes the continuing impact of the COVID-19 pandemic on the Company's operations and its financial metrics, particularly on the expected credit loss on financial assets, which are dependent on uncertain future events. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

# S.R. BATLIBOI & ASSOCIATES LLP

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Key audit matters	How our audit addressed the key audit matter
<b>Impairment of Financial assets (as described in Note 6 of the Ind AS financial statements)</b>	
<p>The Company's Impairment provision for financial assets is based on the expected credit loss (ECL) approach laid down under 'Ind AS 109 Financial Instruments'. ECL involves an estimation of probability-weighted loss on the financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of its financial assets (loans and advances). In the process, a significant degree of judgement has been applied by the management in respect of following matters:</p> <ol style="list-style-type: none"><li>Defining thresholds for significant increase in credit risk ('SICR') and 'default'.</li><li>Grouping of loans under homogenous pools to determine probability of default on a collective basis and calculation of past default rates.</li><li>Estimation of management overlay for macro-economic factors which could impact the credit quality of the loans.</li></ol> <p>Considering the evolving nature of the COVID-19 pandemic, which has continued to impact the Company's business operations, resulting in higher loan losses, the Company has considered management overlay as part of its ECL, to reflect among other things the increased risk of deterioration in macro-economic factors</p> <p>Given the unique nature of the pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory measures and the Company's responses thereto, the actual credit loss can be different than that being estimated.</p> <p>In view of the high degree of management's judgement involved in estimation of impairment allowance it is considered as a key audit matter.</p>	<ul style="list-style-type: none"><li>Our audit procedures included considering the Company's accounting policies for Impairment of financial instruments and assessing compliance with the policies in terms of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on February 17, 2021.</li><li>Read and assessed the Company's policy with respect to one-time restructuring offered to customers pursuant to the "Resolution Framework for COVID-19-related Stress" issued by RBI on August 6, 2020 and tested the implementation of such policy on a sample basis.</li><li>Assessed the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and loss-given default (LGD) rates.</li><li>Tested controls for staging of loans based on their past-due status. Also tested samples of stage 1 and Stage 2 loans to assess whether any loss indicators were present requiring them to be classified under higher stages.</li><li>Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of Company's policy on one-time restructuring.</li><li>Tested samples of the input data used for determining the PD and LGD rates and agreed the data with the underlying books of account and records.</li><li>Tested assumptions used by the management in determining the overlay for macro-economic factors (including CoVID-19 pandemic).</li><li>Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets.</li><li>Compared the disclosures included in the ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.</li><li>Assessed specific disclosures made in the Ind AS financial statements with regards to the impact of COVID-19 on ECL estimation.</li></ul>

# **S.R. BATLIBOI & ASSOCIATES LLP**

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## **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 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

# **S.R. BATLIBOI & ASSOCIATES LLP**

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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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **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;

# **S.R. BATLIBOI & ASSOCIATES LLP**

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- (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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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
- (g) Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;
- (i) 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;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - 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



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per **Bharath N S**  
Partner  
Membership Number: 210934  
UDIN: 21210934AAAACT2015  
Place of Signature: Chennai  
Date: June 04, 2021

# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**

**Re: Clix Housing Finance Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company does not have any tangible fixed assets, accordingly the provisions of this clause are not applicable to the Company and hence not commented upon.
- (c) The Company does not have any immovable property, accordingly the provisions of this clause 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 clause 3 (ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) 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 Act 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 Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited 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) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans and debt instruments in the nature of Non-convertible debentures for the purposes for which they were raised.

# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

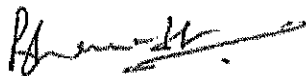
Further, monies raised by the Company by way of term loans and debt instruments were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid investments payable on demand. The maximum amount of idle/surplus funds invested during the year was Rs 3,420 lakhs, of which Rs. 3,420 lakhs was outstanding at the end of the year.

- (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 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 managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year 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 the directors as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-1A of the Reserve Bank of India Act, 1934.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



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per **Bharath N S**

Partner

Membership Number: 210934

UDIN: 21210934AAAACT2015

Place of Signature: Chennai

Date: June 04, 2021

# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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

**Report on the 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 Limited (formerly known as "Clix Housing Finance Private Limited") ("the Company") as of March 31, 2021 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 With Reference to these Financial Statements**

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



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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 With Reference to these Financial Statements**

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.

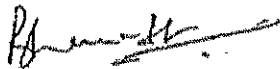
## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, 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



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per **Bharath N S**

Partner

Membership Number: 210934

Place of Signature: Chennai

Date: June 04, 2021

Clix Housing Finance Limited  
Balance Sheet as at 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

	Notes	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5	35,757	18,558
Loans	6	2,230,764	2,031,997
Investments	7	342,041	-
Other financial assets	9	54,492	7,839
<b>Non-financial assets</b>			
Current tax assets (net)		2,770	1,466
Intangible assets	8	12,192	-
Other non-financial assets	10	12,905	13,118
<b>Total assets</b>		<b>2,690,921</b>	<b>2,072,978</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Payables	11		
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		133,152	13,031
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		18,100	6,528
Debt Securities	12	99,737	-
Borrowings (other than Debt Securities)	13	1,863,870	1,529,354
Other financial liabilities	14	49,436	30,823
Provisions	15	3,794	2,545
Other non-financial liabilities	16	6,740	6,355
<b>Total liabilities</b>		<b>2,174,829</b>	<b>1,588,636</b>
<b>Equity</b>			
Equity share capital	17	550,000	550,000
Other equity	18	(33,908)	(65,658)
<b>Total Equity</b>		<b>516,092</b>	<b>484,342</b>
<b>Total liabilities and Equity</b>		<b>2,690,921</b>	<b>2,072,978</b>

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 Bharath N S  
Partner  
Membership No.: 210934

Place: Chennai  
Date: 04 June 2021

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

Rashmi Mohanty      K Ramakrishnan  
Whole-time director      Director  
DIN: 07072541      DIN: 08303198

Place: Gurugram  
Date: 04 June 2021



Gaurav Pawra  
Chief Executive officer.

Clix Housing Finance Limited  
Statement of Profit and loss for the period ending 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
<b>Revenue from operations</b>			
Interest Income	19	259,585	201,468
Net gain on derecognition of financial instruments under amortised cost category		53,718	20,563
Fees and commission Income	20	3,701	8,631
Net gain on fair value changes	21	238	805
<b>Total revenue from operations</b>		<b>317,242</b>	<b>231,467</b>
Other Income	22	2,322	519
<b>Total Income</b>		<b>319,564</b>	<b>231,986</b>
<b>Expenses</b>			
Finance Costs	23	163,650	111,764
Fees and commission expense	24	5,053	409
Impairment on financial instruments	25	16,878	9,053
Employee Benefits Expense	26	51,683	52,741
Depreciation, amortization and impairment	8	420	-
Other expenses	27	50,981	56,920
<b>Total Expenses</b>		<b>288,665</b>	<b>230,887</b>
<b>Profit/(Loss) before tax</b>		<b>30,899</b>	<b>1,099</b>
Tax Expense:	28		
(1) Current Tax		-	-
(2) Deferred Tax		-	-
<b>Profit/(Loss) for the year</b>		<b>30,899</b>	<b>1,099</b>
<b>Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit liability		410	374
<b>B. Items that will be reclassified to profit or loss</b>			
		-	-
<b>Other Comprehensive Income, net of income tax</b>		<b>410</b>	<b>374</b>
<b>Total Comprehensive Income for the year</b>		<b>31,309</b>	<b>1,473</b>
Earnings per equity share of Rs. 10/- each	29		
Basic (INR)		0.56	0.02
Diluted (INR)		0.56	0.02
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 Bharath N S  
Partner  
Membership No.: 210934

Place: Chennai  
Date: 04 June 2021

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



Rashmi Mohanty  
Whole-time director  
DIN: 07072541



K Ramakrishnan  
Director  
DIN: 08303198

Place: Gurugram  
Date: 04 June 2021



Gaurav Pawra  
Chief Executive Officer

Clix Housing Finance Limited  
Statement of Changes In Equity for the year ended 31 March 2021  
(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 2019	55,000,000	550,000
Share issued during the year ended 31 March 2020	-	-
At 31 March 2020	55,000,000	550,000
Share Issued during the year ended 31 March 2021	-	-
At 31 March 2021	55,000,000	550,000

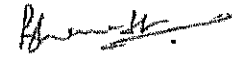
b. Other Equity

Particulars	Reserves and surplus			Total
	Share based payment reserve	Statutory reserve	Retained earning	
Balance at 1st April 2020	341	295	(65,825)	(64,989)
Profit for the year	-	-	30,899	30,899
Other Comprehensive Income for the year	-	-	410	410
ESOP cost for the year	440	-	-	440
Transfer out of Reserves	-	6,262	410	6,672
Balance at 31st March 2021	982	6,557	(34,106)	(26,567)

Particulars	Reserves and surplus			Total
	Share based payment reserve	Statutory reserve	Retained earning	
Balance at 1st April 2019	74	-	(67,673)	(67,599)
Profit 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	374	669
Balance at 31st March 2020	541	295	(65,825)	(64,989)

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

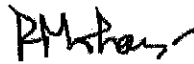
For S.R. Batlibool & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W/E300004



per Bharath N S  
Partner  
Membership No.: 210934

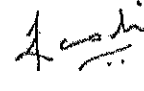
Place: Chennai  
Date: 04 June 2021

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



Rashmi Mohanty  
Whole-time director  
DIN: 07072541

Place: Gurugram  
Date: 04 June 2021



K Ramakrishnan  
Director  
DIN: 08303198



Sd/-  
Gaurav Pawra  
Chief Executive Officer.

Clix Housing Finance Limited  
Cash Flow Statement for the year ended 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax	30,899	1,099
Adjusted for:		
Net gain on fair value changes	(238)	(805)
Share based payment	440	468
Provision for employee benefits expense	1,202	1,392
Impairment on financial instruments	16,877	9,053.38
Depreciation, amortization and impairment	420	-
Interest on income-tax refund	(88)	-
<b>Operating profit/(loss) before working capital changes</b>	<b>49,514</b>	<b>11,207</b>
<b>Adjusted for net changes in working capital</b>		
Increase in financial assets and other assets	(261,621)	(1,218,955)
Increase in financial liabilities and other liabilities	150,690	(33,422)
Taxes (paid)/refund received (net)	(1,217)	(889)
<b>Net Cash used in operating activities</b>	<b>(62,634)</b>	<b>(1,242,059)</b>
<b>Cash flows from investing activities</b>		
Purchase of Mutual fund	(433,478)	(512,500)
Sale of mutual Fund	91,675	513,305
Purchase of property, plant and equipment	(12,612)	-
<b>Net Cash generated from investing activities</b>	<b>(354,415)</b>	<b>805</b>
<b>Cash flows from financing activities</b>		
Proceeds/ (repayment) from/of Overdraft Facility	(139,712)	339,785
Proceeds from Inter Corporate Loan	1,690,000	910,000
Repayment of Inter Corporate Loan	(1,550,000)	(250,027)
Proceeds from term loan	433,910	280,000
Repayment of term loan	(99,687)	(19,948)
Proceeds from Non Convertible Debentures	99,737	-
<b>Net Cash generated from financing activities</b>	<b>434,249</b>	<b>1,759,810</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>17,200</b>	<b>18,556</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>18,558</b>	<b>2</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>35,757</b>	<b>18,558</b>
<b>Notes :</b>		
<b>Cash and cash equivalents balance include:</b>		
Balances with banks:		
- Current accounts	35,757	18,558
<b>Cash and cash equivalents at the end of the year (refer note 5)</b>	<b>35,757</b>	<b>18,558</b>

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

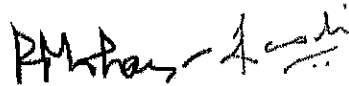
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
(CAI Firm Registration No.: 101049W/E300004)



per Bharath N S  
Partner  
Membership No.: 210934

Place: Chennai  
Date: 04 June 2021

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



Rashmi Mohanty      K Ramakrishnan  
Whole-time director      Director  
DIN: 07072541      DIN: 08303198

Place: Gurugram  
Date: 04 June 2021



sc/-  
Gaurav Pawra  
Chief Executive officer.

## 1 Corporate information

Clix Housing Finance 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, Kalash Building, Kasturba Gandhi Marg, Connaught Place, New Delhi - 110001, India.

## 2 (i) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

### (ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for 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.

### (iii) 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 the Company has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, and the parties also intend to settle on a net basis.

## 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.

#### 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 credit reviews by ALCO relating to the liquidity position and stress tests assuming varied

#### 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.



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### 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 6.7.

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 escalations and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### 3.1.6 Share based payments

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

### 3.1.7 Provisions and other contingent liabilities

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

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such 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.

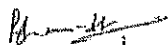
### 3.2 Cash and cash equivalents

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.



**b) Foreclosure charges and other fees**

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

**c) Dividend income**

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

**3.4 Foreign currency**

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

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

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

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

**3.5 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.



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### 3.6 Depreciation and amortization

#### Depreciation

(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.

#### 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:

- A present obligation arising from past events, when it is not probable that an 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 has chosen not to fund the gratuity liabilities of the plan but instead carry a provision based on actuarial valuation in its books of accounts. Remeasurements arising from defined benefit plans comprises of actuarial gains and losses on benefit obligations. The Company recognizes these items of remeasurements immediately in other comprehensive income and all the other expenses related to defined benefit plans as employee benefit expenses in their profit and loss account.

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

#### Other long-term benefits – Compensated absences

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

### 3.11 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 asset-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.

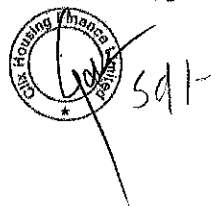
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences,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

### 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)



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**Clix Housing Finance Limited**

**Notes to Financial Statements for the year ended 31 March 2021**

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

**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 Financial Liabilities**

#### **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.

### **3.14.4 Derecognition 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.

#### 3.14.4.3 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 36.2.

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



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

**Stage 3:** For loans considered credit-impaired (as defined in Note 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.





**3.17 Dividend**

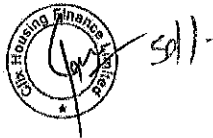
The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends 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, 2021.

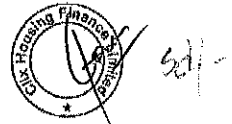


Clix Housing Finance Limited  
 Notes to Financial Statements for the year ended 31 March 2021  
 (All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020
<b>Note 5: Cash and cash equivalents</b>		
Balance with banks in current accounts	35,757	18,558
	<u>35,757</u>	<u>18,558</u>

<b>For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:</b>	As at 31 March 2021	As at 31 March 2020
<b>Balances in Current account with:</b>		
Scheduled banks	35,757	18,558
	<u>35,757</u>	<u>18,558</u>

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**Clix Housing Finance Limited**

**Notes to Financial Statements for the year ended 31 March 2021**

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

	As at 31 March 2021	As at 31 March 2020
<b>Note 6: Loans</b>		
<i>In India</i>		
<i>At Amortised Cost</i>		
Loan assets	2,258,620	2,043,692
<b>Total (A) Gross</b>	<b>2,258,620</b>	<b>2,043,692</b>
Less: Impairment loss allowance	(27,856)	(11,695)
<b>Total (A) Net</b>	<b>2,230,764</b>	<b>2,031,997</b>
Secured by tangible assets (property including land and building)		
	2,258,620	2,043,692
<b>Total (B) Gross</b>	<b>2,258,620</b>	<b>2,043,692</b>
Less: Impairment loss allowance	(27,856)	(11,695)
<b>Total (B) Net</b>	<b>2,230,764</b>	<b>2,031,997</b>
Loans in India		
Public Sector	-	-
Others	2,258,620	2,043,692
<b>Total (C) Gross</b>	<b>2,258,620</b>	<b>2,043,692</b>
Less: Impairment loss allowance	(27,856)	(11,695)
<b>Total (C) Net</b>	<b>2,230,764</b>	<b>2,031,997</b>





**Note 5.1 Impairment allowances for loans and advances to customers**

**5.1.1 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, namely, housing and loan against property portfolio. Details of Company's risk assessment model are explained in Note 36 and policies whether ECL allowances are calculated on collective basis are set out in Note 6.3. The expected impact of COVID-19 on the collective provision as at March 31, 2021 is outlined in Note 6.7.

**5.1.2 Portfolio**

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

Particulars	FY 2020-21				FY 2019-20			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	2,029,377	14,315	-	2,043,692	837,254	-	-	837,254
New assets originated or purchased	940,570	1,126	-	941,696	1,525,332	-	-	1,525,332
Assets derecognised or repaid	(726,768)	-	-	(726,768)	(318,894)	-	-	(318,894)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(222,236)	222,236	-	-	(14,315)	14,315	-	-
Transfers to Stage 3	(9,228)	(3,347)	12,575	-	-	-	-	-
Gross carrying amount closing balance	2,011,715	234,330	12,575	2,258,620	2,029,377	14,315	-	2,043,692

**Reconciliation of ECL balance is given below:**

Particulars	FY 2020-21				FY 2019-20			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	11,162	534	-	11,696	4,150	-	-	4,150
New assets originated and changes to models and inputs used for ECL calculations	4,654	11	-	4,665	8,514	463	-	8,977
Assets derecognised or repaid	(3,896)	-	-	(3,896)	(1,433)	-	-	(1,433)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(1,738)	13,578	-	11,840	(71)	71	-	-
Transfers to Stage 3	(202)	(19)	3,772	3,552	-	-	-	-
ECL allowance - closing balance	9,979	14,105	3,772	27,857	11,162	534	-	11,696

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**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 2020-21				FY 2019-20			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	8,825	-	-	8,825	14,168	-	-	24,983
New loan commitment given	95,647	605	-	96,252	8,825	-	-	8,825
Assets disbursed/cancelled	(8,825)	-	-	(8,825)	(14,168)	-	-	(14,168)
Gross carrying amount closing balance	95,647	605	-	96,252	8,825	-	-	19,640

**6.2.2 Reconciliation of ECL balance is given below:**

Particulars	FY 2020-21				FY 2019-20			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	44	-	-	44	73	-	-	73
New loan commitment given	495	7	-	501	44	-	-	44
Assets disbursed/cancelled	(44)	-	-	(44)	(73)	-	-	(73)
ECL allowance - closing balance	495	7	-	501	44	-	-	44

**Modified Financial Assets**

The Company renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to improve the potential of repayment by the borrower maximize collection opportunities and to minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms. The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. The Senior team Risk Management Committee regularly reviews reports on forbearance activities and performance. Upon renegotiation, such accounts are downgraded based management assessment and are subsequently upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Pursuant to RBI Covid restructuring policy, accounts for which Covid restructuring facility were given have been classified to Stage 2 and corresponding staging wise ECL provision was done.

**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 more than 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 or where existing terms are renegotiated.

In accordance with the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, the Company has offered moratorium upto six months on the payment of all installments and/or interest, as applicable, falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers and accordingly with RBI guidelines, the moratorium period, wherever granted, is excluded by the Company from the number of days past-due for the purpose of asset classification.

**- 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



**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	As at
	31 March 2021	31 March 2020
Residential & Non-Residential Properties	2,258,620	2,043,692
	2,258,620	2,043,692

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, 2021. There was no change in the Company's collateral policy or collateral quality during the period.

Refer Note 36.2.2 for risk concentration based on loan to value (LTV)

**Note 6.5 Transfer of Financial assets**

**Assignment:**

During the year ended March 31, 2021, 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 carrying amount of the derecognised financial assets measured at amortised cost as on date of transfer during year is INR 382,423 (Previous year: 229,669) and consideration received for such transfer is INR 382,423 (Previous year: 250,232) respectively.

**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 Impact of COVID-19**

COVID-19 is a global pandemic, which continues to spread across the world with India not being an exception and has contributed to a significant volatility in global and Indian financial markets and a unprecedented level of disruption on socio-economic activities. Based on the information available till date, the Company has used the principles of prudence to provide for the impact of the pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets. This has resulted in an overall impairment loss allowance of INR 27,856 (including management overlay) as of March 31, 2021. The extent to which the COVID-19 pandemic will impact the Company's operations and financial metrics including the expected credit losses on financial assets will depend on future developments, which are highly uncertain.




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 Notes to Financial Statements for the year ended 31 March 2021  
 (All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2021				As at 31 March 2020			
	Amortised Cost	Fair value through profit or loss	Others	Total	Amortised Cost	Fair value through profit or loss	Others	Total
<b>Note 7: Investments</b>								
Mutual funds	-	342,041	-	342,041	-	-	-	-
<b>Total gross (A)</b>	-	342,041	-	342,041	-	-	-	-
Investments in India	-	342,041	-	342,041	-	-	-	-
<b>Total (B)</b>	-	342,041	-	342,041	-	-	-	-
<b>Total (A) to tally with (B)</b>	-	342,041	-	342,041	-	-	-	-
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-	-
<b>Total Net D = (A) - (C)</b>	-	342,041	-	342,041	-	-	-	-

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Note B: Intangibles

S. No.	Particulars	GROSS BLOCK			DEPRECIATION				Net Block	
		Cost as at 1 April 2020	Addition during the year	Adjustments/ Deductions during the year	Cost as at 31 March 2021	As at 1 April 2020	For the period	Adjustments/ Deductions during the year	As at 31 March 2021	As at 31 March 2021
1	Intangibles(Software)	-	12,612	-	12,612	-	420	-	420	12,192
	Total	-	12,612	-	12,612	-	420	-	420	12,192

S. No.	Particulars	GROSS BLOCK			DEPRECIATION				Net Block	
		Cost as at 1 April 2019	Addition during the year	Adjustments/ Deductions during the year	Cost as at 31 March 2020	As at 1 April 2019	For the period	Adjustments/ Deductions during the year	As at 31 March 2020	As at 31 March 2020
1	Intangibles(Software)	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-

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Clix Housing Finance Limited  
 Notes to Financial Statements for the year ended 31 March 2021  
 (All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020
<b>Note 9: Other financial assets</b>		
Exgratia receivables	2,721	-
Security deposit	29	90
Other financial assets	52,001	7,749
Less: Impairment loss allowance	(260)	-
<b>Total</b>	<b>54,492</b>	<b>7,839</b>

	As at 31 March 2021	As at 31 March 2020
<b>Note 10: Other non financial assets</b>		
Prepaid expenses	2,243	1,995
Advance to suppliers	84	307
Balance with statutory/government authorities - GST input credit	10,577	10,816
<b>Total</b>	<b>12,905</b>	<b>13,118</b>

	As at 31 March 2021	As at 31 March 2020
<b>Note 11: Payables</b>		
Trade Payables	133,152	13,031
Other Payables	18,100	6,528
	<b>151,252</b>	<b>19,559</b>

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Clix Housing Finance Limited  
Notes to Financial Statements for the year ended 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)


	As at 31 March 2021	As at 31 March 2020
<b>Note 12: Debt Securities</b>		
<b>At Amortised Cost</b>		
<b>Secured</b>		
Non-convertible debentures #		
- From Bank	99,737	-
<b>Total gross (A)</b>	<b>99,737</b>	<b>-</b>
Debt securities in India	99,737	-
Debt securities outside India	-	-
<b>Total (B) to tally with (A)</b>	<b>99,737</b>	<b>-</b>

# NCD is secured by first pari passu and continuing charge on all current and future standard book debts/receivables of the company.

1 Non-convertible debentures as at 31 March 2021 are repayable at par as follows:

Original maturity of NCDs (In no. of days)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par	-	-	-	-	-
365 - 730	-	-	-	-	-
731 - 1095	-	-	100,000	-	100,000
1096 - 1460	-	-	-	-	-
More than 1460	-	-	-	-	-
					<b>100,000</b>

- Interest rate is 10.75% p.a. as at 31 March 2021.





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Clk Housing Finance Limited  
 Notes to Financial Statements for the year ended 31 March 2021  
 (All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020
<b>Note 13: Borrowings (other than debt securities)</b>		
<b>Secured</b>		
Term loans*		
- from banks	170,453	260,052
- from financial institutions	424,257	-
Bank overdraft**	219,160	359,302
<b>Unsecured</b>		
Inter-Corporate Loans	1,050,000	910,000
<b>Total gross (A)</b>	<b>1,863,870</b>	<b>1,529,354</b>
Borrowings in India	1,863,870	1,529,354
Borrowings outside India	-	-
<b>Total (B) to tally with (A)</b>	<b>1,863,870</b>	<b>1,529,354</b>

\* 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 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.

Terms of repayment of term loans as at March 31, 2021

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	17	163,750	32	273,680	17	164,843	66	602,273
<b>Total</b>	<b>17</b>	<b>163,750</b>	<b>32</b>	<b>273,680</b>	<b>17</b>	<b>164,843</b>	<b>66</b>	<b>602,273</b>

- Interest rate ranges from 7.9% p.a. to 10.5% p.a. as at 31 March 2021.





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 Installments	Amount	No. of Installments	Amount	No. of Installments	Amount	No. of Installments	Amount
Quarterly repayment schedule	8	92,727	15	167,273	1	5,000	24	265,000
<b>Total</b>	<b>8</b>	<b>92,727</b>	<b>15</b>	<b>167,273</b>	<b>1</b>	<b>5,000</b>	<b>24</b>	<b>265,000</b>

- Interest rate ranges from 8.8% p.a. to 9.4% p.a. as at 31 March 2020.

Terms of repayment of inter-corporate loans as at March 31, 2021

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	-	-	12	1,050,000	12	1,050,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>1,050,000</b>	<b>12</b>	<b>1,050,000</b>

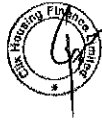
- Interest rate ranges from 10.5% p.a. to 11.00% p.a. as at 31 March 2021.

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	14	720,000	9	190,000	23	910,000
<b>Total</b>	<b>14</b>	<b>720,000</b>	<b>9</b>	<b>190,000</b>	<b>23</b>	<b>910,000</b>

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

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Clx Housing Finance Limited  
**Notes to Financial Statements for the year ended 31 March 2021**  
 (All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020
<b>Note 14: Other financial liabilities</b>		
<b>Interest accrued but not due</b>		
- On term Loan and non convertible debentures	7,464	48
- On bank overdraft from bank	44	403
Employee benefit payables	5,582	2,024
Inter company payables	18,986	25,464
Others	17,359	2,884
<b>Total</b>	<b>49,435</b>	<b>30,823</b>

	As at 31 March 2021	As at 31 March 2020
<b>Note 15: Provisions</b>		
<b>Provision for employee benefits</b>		
Leave encashment	1,957	1,530
Gratuity payable	1,336	971
Impairment loss allowance on Loan Commitment	501	44
<b>Total</b>	<b>3,794</b>	<b>2,545</b>

	As at 31 March 2021	As at 31 March 2020
<b>Note 16: Other non-financial liabilities</b>		
Statutory dues payable	6,740	6,355
<b>Total</b>	<b>6,740</b>	<b>6,355</b>

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*Sd/-*

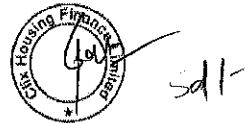
Clix Housing Finance Limited  
 Notes to Financial Statements for the year ended 31 March 2021  
 (All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020
<b>Note 17: Equity Share Capital</b>		
<b>Authorised :</b>		
55,000,000 (31 March 2020: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
	<b>550,000</b>	<b>550,000</b>
<b>Issued, Subscribed and Paid-up:</b>		
55,000,000 (31 March 2020: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
<b>Total</b>	<b>550,000</b>	<b>550,000</b>

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

	As at 31 March 2021	As at 31 March 2020
<b>Authorised Capital</b>		
55,000,000 (31 March 2020: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
	<b>550,000</b>	<b>550,000</b>
<b>Issued , Subscribed &amp; Paid up capital</b>		
<b>Issued and Subscribed Capital</b>		
55,000,000 (31 March 2020: 55,000,000) Equity Shares of Rs. 10/- each	550,000	550,000
<b>Called-Up and Paid Up Capital</b>		
Fully Paid-Up	550,000	550,000
55,000,000 (31 March 2020: 55,000,000) Equity Shares of Rs. 10/- each		
<b>Total</b>	<b>550,000</b>	<b>550,000</b>

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**Clx Housing Finance Limited**  
**Notes to Financial Statements for the year ended 31 March 2021**  
 (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 2021		As at 31 March 2020	
	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	55,000,000	550,000
Add: Shares issued during the period	-	-	-	-
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 2021		As at 31 March 2020	
	No. of shares	% of holding	No. of shares	% of holding
<b>Holding Company</b>				
Clx Capital Services Private Limited	54,999,999	100.00%	54,999,999	100.00%
Clx Finance India Private Limited	1	0.00%	1	0.00%
<b>Total</b>	<b>55,000,000</b>	<b>100.00%</b>	<b>55,000,000</b>	<b>100.00%</b>

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 2021		As at 31 March 2020	
	No. of shares	% of holding	No. of shares	% of holding
Clx Capital Services Private Limited	54,999,999	100.00%	54,999,999	100.00%
<b>Total</b>	<b>54,999,999</b>	<b>100.00%</b>	<b>54,999,999</b>	<b>100.00%</b>

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.

Clx 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.







Clix Housing Finance Limited  
Notes to Financial Statements for the year ended 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020
<b>Note 18: Other Equity</b>		
<b>Share based payment reserve</b>		
Opening balance	541	74
Compensation options granted during the year	440	467
Closing balance	<u>981</u>	<u>541</u>
<b>Statutory reserve u/s 29C of The National Housing Bank Act, 1987</b>		
Opening balance	295	-
Addition during the year	6,262	295
Closing balance	<u>6,557</u>	<u>295</u>
<b>Retained earnings</b>		
Opening balance	(66,494)	(67,673)
Profit for the year	30,899	1,099
- Re-measurement gains on defined Benefit plans, net of tax	410	374
-Transfer to statutory reserve	(6,262)	(295)
Closing balance	<u>(41,446)</u>	<u>(66,494)</u>
<b>Total</b>	<u><u>(33,908)</u></u>	<u><u>(65,658)</u></u>

- (a) **Share based payment reserve:** The 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 2021, The Company has transferred an amount of INR 6262 (P.Y. INR 295) 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.





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**Clx Housing Finance Limited**

**Notes to Financial Statements for the year ended 31 March 2021**

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

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Note 19: Interest Income</b>		
<i>On financial assets measured at Amortised cost</i>		
Interest on loans	259,585	201,468
<b>Total</b>	<b>259,585</b>	<b>201,468</b>
<b>Note 20: Fees and commission Income</b>		
Application and other fees	2,472	8,437
Service fees on direct assignment	-	55
Other charges	1,229	139
<b>Total</b>	<b>3,701</b>	<b>8,631</b>
<b>Note 21: Net gain on fair value changes</b>		
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	238	805
(ii) On financial instruments designated at fair value through profit or loss		
-	-	-
<b>Total Net gain/(loss) on financial instruments</b>	<b>238</b>	<b>805</b>
(B) Fair Value changes:		
-Realised	180	805
-Unrealised - MTM gain	58	-
<b>Total Net gain/(loss) on fair value changes(A) to tally with (B)</b>	<b>238</b>	<b>805</b>
<b>Note 22: Other income</b>		
Interest income		
- on fixed deposits	37	-
- on income tax refund	88	44
Miscellaneous Income	2,198	475
<b>Total</b>	<b>2,323</b>	<b>519</b>

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Clix Housing Finance Limited  
Notes to Financial Statements for the year ended 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Note 23: Finance Costs</b>		
<i>At amortised cost</i>		
<b>Interest on borrowings (including debt securities)</b>		
- Term loans from banks	20,823	17,575
- Term loans from Fis	6,845	-
- Bank overdraft	24,321	17,872
- Non convertible debentures	7,500	-
- Inter-corporate loans	103,604	76,132
Bank charges	557	185
<b>Total</b>	<b>163,650</b>	<b>111,764</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Note 24: Fees and commission expense</b>		
Fees and commission expense	5,053	409
<b>Total</b>	<b>5,053</b>	<b>409</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Note 25: Impairment on financial instruments</b>		
<i>At amortised cost</i>		
ECL on loan assets	16,161	9,082
Loan Commitment	457	(29)
ECL on other financial assets	260	-
<b>Total</b>	<b>16,878</b>	<b>9,053</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Note 26: Employee Benefits Expenses</b>		
Salaries and wages	47,739	48,426
Contribution to provident and other funds	3,367	3,624
Share based expense	440	468
Staff welfare expenses	137	223
<b>Total</b>	<b>51,683</b>	<b>52,741</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Note 27: Other expenses</b>		
Rent	54	591
Printing & stationary	637	1,011
Rates and taxes	298	175
Repairs and maintenance	27,302	29,327
Insurance	1,948	2,267
Travelling and conveyance	445	2,581
Postage, telegrams and telephone	48	204
Legal and professional fees *	18,765	19,785
Outsourced service costs	1,118	325
Advertisement and sales promotion	210	549
Miscellaneous	155	105
<b>Total</b>	<b>50,981</b>	<b>56,920</b>

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

A. Payment to auditors	Year ended 31 March 2021	Year ended 31 March 2020
<b>As auditor:</b>		
<b>Audit fee</b>		
- Statutory audit	800	750
- Limited review	200	-
- Tax audit	100	100
<b>In other capacity:</b>		
Other services (certification fees)	790	100
Reimbursement of expenses	65	57
<b>Total</b>	<b>1,955</b>	<b>1,007</b>

*[Signature]*



*Sd/-*

**Clx Housing Finance Limited**  
**Notes to Financial Statements for the year ended 31 March 2021**  
 (All amount in INR thousands, except for share data unless stated otherwise)

**Note 28: Income Tax**

(a) **Current tax**

Current tax for the year ended 31 March 2021 is INR Nil (Previous year: 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 2021 and 31 March 2020 is INR 8,531 and INR 15,996 respectively.

**Note 29: 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 equity shares into equity shares.

	Period ended March 31, 2021	Period ended March 31, 2020
Following reflects the profit and share data used in EPS computations:		
<b>Basic</b>		
Weighted average number of equity shares for computation of Basic EPS (in 000's)	55,000	55,000
Net profit for calculation of basic EPS (Rs. In 000's)	30,899	1,099
<b>Basic earning per share</b>	<b>0.56</b>	<b>0.02</b>
<b>Diluted</b>		
Weighted average number of equity shares for computation of Diluted EPS (In 000's)	55,000	55,000
Net profit for calculation of Diluted EPS (Rs. In 000's)	30,899	1,099
<b>Diluted earning per share</b>	<b>0.56</b>	<b>0.02</b>
<b>Nominal value of equity shares (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>

Reconciliation of weighted average number of equity shares for the year ended 31 March 2021 for basic and diluted earnings per share:

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

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
<i>Equity shares of face value of Rs. 10 per share</i>		
Opening	55,000	55,000
Additions	-	-
<b>Closing</b>	<b>55,000</b>	<b>55,000</b>

**Note 30: 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.





Note 31) Retirement benefit plan

1) Defined contribution plan

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

	31 March 2021	31 March 2020
Employers' Contribution to Employees' Provident Fund*	2,692	2,015
	2,592	2015

\* 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 summarises the components of net benefit expense recognised in the statement of profit or loss:

Changes in the defined benefit obligation as at 31 March 2021

Particulars	1 April 2020	Gratuity cost charged to profit or loss			Benefits paid	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	31 March 2021
		Service cost	Net interest expense	Sub-total included in profit or loss		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	971	209	66	775	-	(149)	53	(112)	(63)	-	1,684
Benefit liability	971	709	66	775	-	(349)	53	(112)	(63)	-	1,684

Changes in the defined benefit obligation as at 31 March 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		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	-	-	(192)	23	(374)	-	971
Benefit liability	538	768	39	807	-	-	(192)	23	(374)	-	971

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City Housing Finance Limited  
 Notes to Financial Statements for the year ended 31 March 2021  
 (All amount in INR thousands, except for share data unless stated otherwise)

**Actual Assumptions**

	31 March 2021	31 March 2020
Discount rate (p.a)	4.85%	6.80%
Salary escalation rate (p.a)	6.00%	0.00% until year 1 Inclusive, then 5.00% until year 2 inclusive, then 7.00% until year 4 Inclusive, then 8.00%

Assumptions	31 March 2021		31 March 2020		31 March 2021		31 March 2020	
	Discount rate				Salary escalation rate			
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	(35.62)	(311.55)	(40.23)	42.81	(312.30)	(384.30)	42.21	(40.53)

**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 2021	31 March 2020
Within the next 12 months (next annual reporting period)	3	2
After 1st year upto 5th year	845	388
After 5th year upto 9 years	512	506
Year 10 and beyond	329	1,005
Total expected payments	1,799	1,901

The weighted average duration of the defined benefit obligation as at 31 March 2021 is 5.45 years (2020: 9.85 years).

**(H) 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 2021 amounts to INR 1,927 (2020: 1,530).

**(I) Code of Social Security, 2020**

The Indian Parliament has approved the Code of Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 33 November 2020, and has invited suggestions from stakeholders which are under active consideration of the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

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Clix Housing Finance Limited

Notes to Financial Statements for the year ended 31 March 2021

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

**Note 32: Contingent liabilities, commitments**

**A) Contingent liabilities**

There is no contingent liability as at year ended 31 March 2021 (Previous Year: NIL)

**B) Commitment**

(i) The Company has a commitment of INR 96,252 (previous year INR 8,825) towards undrawn loan sanctions.



Sd/-

**Clix Housing Finance Limited**  
**Notes to Financial Statements for the year ended 31 March 2021**  
 (All amount in INR thousands, except for share data unless stated otherwise)

**Note 33: 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 Subsidiary
Clix Analytics Private Limited	Fellow Subsidiary
Clix Loans Private Limited	Fellow Subsidiary
<b>Key Managerial personnel</b>	
Rashmi Mohanty (From 11 March, 2020)	Whole-time director
Kaushik Ramkrishna (from 17 February, 2021)	Director
Venkat Ramani Bharatwaj (from 12 November, 2020)	Director
Shekhar Mohanlal Daga (from March 2019 to 17 February, 2021)	Director
Purva Arora (Till 23 April, 2021)	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\***

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Purva Arora - Company Secretary		
Remuneration	560	645
Share based payments	-	-
	<u>560</u>	<u>645</u>

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

\*\* No remuneration has been paid by the Company to its directors during the year (2020: Nil)

**2. Other Transactions**

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Amount received	Amount paid	Amount received	Amount paid
<b>Interest on ICL</b>				
Clix Finance India Private Limited	-	54,806	-	76,132
Clix Capital Services Private Limited	-	45,685	-	-
Clix Analytics Private Limited	-	3,113	-	-
<b>Excess interest spread on Loan Assignment</b>				
Clix Capital Services Private Limited	-	-	20,563	-
<b>Proceeds from Transfer of Financial assets (assignment)</b>				
Clix Capital Services Private Limited	-	-	250,232	-
<b>Amount paid by the Company</b>				
Clix Capital Services Private Limited	-	807	-	-
Clix Finance India Private Limited	-	92	-	15
<b>Allocations made</b>				
Clix Capital Services Private Limited	14,421	-	14,325	-
<b>Allocations received</b>				
Clix Capital Services Private Limited	-	18,419	-	25,171
Clix Finance India Private Limited	-	20,039	-	12,689
<b>Payment made on behalf of the Company</b>				
Clix Capital Services Private Limited	-	-	122	-
<b>Inter Corporate loans</b>				
<b>Taken</b>				
Clix Capital Services Private Limited	1,050,000	-	-	-
Clix Finance India Private Limited	560,000	-	910,000	-
Clix Analytics Private Limited	80,000	-	-	-
<b>Repaid</b>				
Clix Finance India Private Limited	-	1,470,000	-	250,000
Clix Analytics Private Limited	-	80,000	-	-

(c) Balance sheet - outstanding balances

Particulars	31 March 2021	31 March 2020
<b>Amounts Payable</b>		
<b>Inter Corporate loans</b>		
Clix Capital Services Private Limited	1,050,000	-
Clix Finance India Private Limited	-	910,000
<b>Inter company accounts</b>		
Clix Finance India Private Limited	10,825	13,557
Clix Capital Services Private Limited	8,161	11,905
	<u>1,068,986</u>	<u>935,464</u>

*[Signature]*





**Clif Housing Finance Limited**  
**Notes to Financial Statements for the year ended 31 March 2021**  
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**Note 34: 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 worth ratio

Particulars	(Rs. in thousands)	
	As at 31 March 2021	As at 31 March 2020
Debts	1,971,115	1,529,402
Net worth	516,092	484,342
Debt to Net worth (times)	3.82	3.16

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 2021 and 31 March 2020.



### 35 Fair value measurement

#### 35.1 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.

#### 35.2 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 Directors. The responsibility of ongoing measurement resides with business units. Once submitted, fair value estimates are also reviewed by the Risk and Finance functions.

#### 35.3 Assets and liabilities by fair value hierarchy

The company's investment in Mutual Fund is the only financial asset measured at fair value through Profit & Loss. The fair value of units held in mutual funds are measured based on their published net asset value (NAV) taking into account redemption and/or any other restrictions. Such instruments are classified under Level 1. Fair value of such investments held at 31 March 21 is INR 342,041 (2020: Nil).

#### 35.4 Valuation techniques

##### Mutual funds

Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

#### 35.5 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 determined 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.



## 36 Risk Management

### 36.1 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.

#### 36.1.1 Risk management structure and policies

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

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

The Unit is also responsible for monitoring compliance with risk principles, policies and limits across the Company. Each business group has its own unit which is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

### 36.2 Credit Risk

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

#### 36.2.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 2,313,371 and Rs. 2,051,531 as of March 31, 2021 and March 31, 2020 respectively, being the total of the gross carrying amount of loan balances and other financial assets.



**Click Housing Finance Limited**  
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**36.2.2 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 against 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 carrying amount - 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 2021**

**Loans to customers:**

**LTV wise bifurcation:**

LTV bucket	Stage 1	Stage 2	Stage 3	Amount
0%-40%	379,631	12,879	347	392,857
More than 40%- upto 60%	441,394	33,528	-	474,923
More than 60%- upto 80%	816,874	63,471	-	880,345
More than 80%	407,839	124,453	12,227	544,519
<b>Total</b>	<b>2,045,738</b>	<b>234,330</b>	<b>12,575</b>	<b>2,292,643</b>

**Customer profile**

Customer profile	Stage 1	Stage 2	Stage 3	Amount
Housing loan	1,355,435	162,472	12,575	1,530,481
Loan against property	656,280	71,859	-	728,139
<b>Total</b>	<b>2,011,715</b>	<b>234,330</b>	<b>12,575</b>	<b>2,258,620</b>

**Loan Commitments:**

**LTV wise bifurcation:**

LTV bucket	Stage 1	Stage 2	Stage 3	Amount
0%-40%	13,820	-	-	13,820
More than 40%- upto 60%	33,302	100	-	33,402
More than 60%- upto 80%	37,726	505	-	38,231
More than 80%	10,799	-	-	10,799
<b>Total</b>	<b>95,647</b>	<b>605</b>	<b>-</b>	<b>96,252</b>

**Customer profile:**

Customer profile	Stage 1	Stage 2	Stage 3	Amount
Housing loan	80,566	605	-	81,170
Loan against property	15,082	-	-	15,082
<b>Total</b>	<b>95,647</b>	<b>605</b>	<b>-</b>	<b>96,252</b>

**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
<b>Total</b>	<b>2,029,377</b>	<b>14,315</b>	<b>-</b>	<b>2,043,692</b>

**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
<b>Total</b>	<b>2,029,377</b>	<b>14,315</b>	<b>-</b>	<b>2,043,692</b>

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**Clix Housing Finance Limited**  
**Notes to Financial Statements for the year ended 31 March 2021**  
 (All amount in INR thousands, except for share data unless stated otherwise)

**Loan Commitments:**

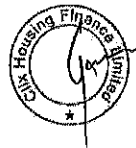
**LTV wise bifurcation:**

LTV bucket	Stage 1	Stage 2	Stage 3	Amount
0%-40%	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
<b>Total</b>	<b>8,825</b>	-	-	<b>8,825</b>

**Customer profile:**

Customer profile	Stage 1	Stage 2	Stage 3	Amount
Housing loan	8,825	-	-	8,825
Loan against property	-	-	-	-
<b>Total</b>	<b>8,825</b>	-	-	<b>8,825</b>

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**36.3 Liquidity Risk**

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

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, 2021			Maturity profile of Financial liabilities as on March 31, 2020		
	Borrowings (including debt securities)	Payables	Other Financial liabilities	Borrowings (including debt securities)	Payables	Other Financial liabilities
Less than 1 year	572,325	151,252	49,436	1,251,548	19,559	30,823
Over 1 year to 3 years	1,678,299	-	-	412,238	-	-
Over 3 year to 5 years	181,764	-	-	5,005	-	-
<b>Total</b>	<b>2,432,388</b>	<b>151,252</b>	<b>49,436</b>	<b>1,668,791</b>	<b>19,559</b>	<b>30,823</b>

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**Clix Housing Finance Limited**  
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**36.4 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.

**36.4.1 Interest Rate Risk**

The company is subject to Interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and International economic and political conditions, inflation and other factors. In order to manage interest rate risk, the company seek to optimize borrowing profile between short-term and long-term borrowings. 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:

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Basis Points	Effect on Profit before tax	Basis Points	Effect on Profit before tax
<b>Loans</b>				
Increase in basis points	50	8,624	50	9,476
Decrease in basis points	-50	(8,624)	-50	(9,476)

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Basis Points	Effect on Profit before tax	Basis Points	Effect on Profit before tax
<b>Borrowings</b>				
Increase in basis points	50	7,611	50	2,226
Decrease in basis points	-50	(7,611)	-50	(2,226)

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Clix Housing Finance Limited

Notes to Financial Statements for the year ended 31 March 2021

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

**Note 37 : Maturity analysis of assets and liabilities**

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

Assets	31 March 2021			31 March 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and cash equivalents	35,757	-	35,757	18,558	-	18,558
Loans	77,610	2,153,155	2,230,764	64,146	1,967,851	2,031,997
Investments	342,041	-	342,041			
Other financial assets	7,061	47,431	54,492	7,839	-	7,839
<b>Non-financial Assets</b>						
Current tax asset	-	2,770	2,770	-	1,466	1,466
Other Non financial assets	12,905	-	12,905	13,118	-	13,118
Other intangible assets	-	12,192	12,192			
<b>Total Assets</b>	<b>475,373</b>	<b>2,215,548</b>	<b>2,690,920</b>	<b>103,661</b>	<b>1,969,316</b>	<b>2,072,977</b>
<b>LIABILITIES</b>						
<b>Financial Liabilities</b>						
<b>Trade Payables</b>						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	133,152	-	133,152	13,031	-	13,031
<b>Other Payables</b>						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	18,100	-	18,100	6,528	-	6,528
Debt Securities	-	99,737	99,737			
Borrowings (Other than debt securities)	379,376	1,484,494	1,863,870	1,168,919	360,435	1,529,354
Other financial liabilities	49,436	-	49,436	30,823	-	30,823
<b>Non-Financial Liabilities</b>						
Provisions	734	3,060	3,794	316	2,229	2,545
Other Non-financial Liabilities	6,740	-	6,740	6,355	-	6,355
<b>Total liabilities</b>	<b>587,537</b>	<b>1,587,291</b>	<b>2,174,828</b>	<b>1,225,972</b>	<b>362,664</b>	<b>1,588,636</b>
<b>Net</b>	<b>(112,163)</b>	<b>628,257</b>	<b>516,093</b>	<b>(1,122,311)</b>	<b>1,606,652</b>	<b>484,341</b>

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**Clix Housing Finance Limited**

**Notes to Financial Statements for the year ended 31 March 2021.**

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

**Note 38. 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 2021. (Previous year : NIL)

**Note 39. Expenditure in foreign currency**


The company has not incurred any expenditure in foreign currency during the year ended 31 March 2021. (Previous year Rs. NIL)

**Note 40. Un-hedged foreign currency exposure**

The Company's exposure in respect of foreign currency denominated assets & liabilities not hedged as at 31 March 2021 by derivative instruments or otherwise is Nil (Previous year : NIL)

**Note 41. 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, 2021 (no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED)



CLX Housing Finance Limited  
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**Note 42. Employee Stock Option Plan**

(i) Details of the plan are given below:  
The Company has not formulated any share based payment schemes for its employees. However, the holding company, CLX Capital Services Private Limited has formulated share based payment schemes for its own employees and employees of subsidiary company

Details of all share based payment schemes of CLX Capital Services Private Limited (Holding Company) in operation during the year ended March 31, 2021 are as given below:

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Scheme Name	Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017	Employee Stock Option Plan 2017	Employee Stock Option Plan 2017	Employee Stock Option Plan 2017	Employee Stock Option Plan 2017
Date of grant	18-Oct-17	7-Dec-18	1-Jun-19	1-Jan-20	1-May-20	1-Jan-20
No. of options approved	129,708,445	129,708,445	129,708,445	129,708,445	129,708,445	129,708,445
No. of options granted	25,658,650	7,739,006	10,550,000	12,885,000	4,656,000	5,635,000
Exercise price per option (in INR)	33.10	35.10	35.10	34.00	34.00	34.00
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period and conditions	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting")
	B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated conditions ("Conditional Vesting")	B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated conditions ("Conditional Vesting")	B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated conditions ("Conditional Vesting")	B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated conditions ("Conditional Vesting")	B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated conditions ("Conditional Vesting")	B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated conditions ("Conditional Vesting")
Fixed vesting period is as						
- 1st vesting "3 years from the date of grant (in case of 1st, 4th and 5th tranche- 1st vesting will be 2 years from the date of grant)	8,552,883	2,578,333	3,516,667	3,224,250	2,328,000	1,458,750
- 2nd vesting "On expiry of one year from the 1st vesting date"	8,552,883	2,578,333	3,516,667	4,509,750	2,328,000	1,922,250
- 3rd vesting "On expiry of one year from the 2nd vesting date"	8,552,883	2,578,333	3,516,667	5,154,000		2,254,000
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 two years as stipulated in stock option plan	Linked with conditions over the two years as stipulated in stock option plan	Linked with conditions over the two 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	Five years from the date of each vesting	Five years from the date of each vesting

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Expense arising from equity-settled share-based payment transactions	440	468
Total expense arising from share-based payment	440	468

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

Particulars	31 March 2021						31 March 2020			
	Number	Number	Number	Number	Number	Number	Number	Number	Number	
Outstanding at 1 April										
Granted during the year	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-I	Grant-II	Grant-III	Grant-IV	
Forfeited during the year										
Exercised during the year										
Expired during the year										
Outstanding at 31 March	8,633,740	4,435,000	1,550,000	9,310,000	3,121,000	3,710,000	18,567,280	6,810,000	9,450,000	
Exercisable at 31 March										
Weighted average exercise prices (WAEPP)	13.10	15.10	15.10	14.00	14.00	14.00	13.10	15.10	15.10	

- The weighted average remaining contractual life for the share options outstanding as at 31 March 2021 was 5.55 years (Grant-I), 5.69 years (Grant-II), 2.17 years (Grant-III), 6.91 years (Grant-IV), 6.59 years (Grant-V), 7.32 years (Grant-VI) and (31 March 2020: 5.50 years (Grant-I), 7.69 years (Grant-II), 8.17 years (Grant-III), 7.91 years (Grant-IV)).
- The weighted average fair value of options granted during the year was 7.93 (Grant-V), 8.34 (Grant-VI).
- 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 2020: 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 2021, 31 March 2020, 31 March 2019 and 31 March 2018 respectively:

Particulars	Year ended 31 March 2021	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	Black-Scholes Model
Dividend yield (%)	0%	0%	0%	0%
Expected volatility (%)				
- Tranche I	60%	40%	43.37%	43.66%
- Tranche II	60%	40%	43.43%	43.99%
- Tranche III	60%	40%	41.65%	41.18%
Risk-free interest rate (%)				
- Tranche I	Grant V (5.50% - 5.70%), Grant VI (5.10% - 5.80%)	6.80% - 6.90%	7.39%	6.77%
- Tranche II	Grant V (5.30% - 5.70%), Grant VI (5.10% - 5.80%)	6.80% - 6.90%	7.46%	6.87%
- Tranche III	Grant V (5.50% - 5.70%), Grant VI (5.10% - 5.80%)	6.80% - 6.90%	7.47%	6.95%
Life of the options granted (years)				
- First vesting	2 years (Grant-V) and (Grant-VI)	3 years (Grant-III) and 2 Years (Grant-IV)	3 years	3 years
- Second vesting	3 years (Grant-V) and (Grant-VI)	4 years (Grant-III) and 3 Years (Grant-IV)	4 years	4 years
- Third vesting	4 years (Grant-VI)	5 years (Grant-III) and 4 Years (Grant-IV)	5 years	5 years
Fair value of the option (THB)				
- Tranche I	7.56 (Grant-V) and 7.50 (Grant-VI)	7.29 (Grant-III) and 5.70 (Grant-IV)	6.28	6.25
- Tranche II	8.30 (Grant-V) and 8.28 (Grant-VI)	7.96 (Grant-III) and 5.71 (Grant-IV)	6.82	6.86
- Tranche III	8.92 (Grant-VI)	8.57 (Grant-III) and 7.03 (Grant-IV)	7.40	7.39

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City Housing Finance Limited  
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Note 43. Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NDFC), C.C.PD.No.109/22.10.106/2019-20 Dated 13 March 2020 -  
 A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and Impairment allowances as per Ind AS 109 'Financial Instruments':

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (5)
<b>Performing Assets</b>						
Standard	Stage 1	2,011,715	9,978	2,001,737	6,089	3,889
	Stage 2	234,330	14,105	220,225	7,756	6,349
<b>Subtotal</b>		<b>2,246,046</b>	<b>24,083</b>	<b>2,221,963</b>	<b>13,845</b>	<b>10,238</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	12,575	3,772	8,802	1,886	1,886
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>12,575</b>	<b>3,772</b>	<b>8,802</b>	<b>1,886</b>	<b>1,886</b>
<b>Other items such as EIS, loan commitments, which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms</b>						
	Stage 1	147,566	734	146,832	-	734
	Stage 2	605	7	598	-	7
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>148,170</b>	<b>741</b>	<b>147,429</b>	<b>-</b>	<b>741</b>
<b>Total</b>						
	Stage 1	2,159,281	10,712	2,148,569	6,089	4,643
	Stage 2	234,935	14,112	220,823	7,756	6,356
	Stage 3	12,575	3,772	8,802	1,886	1,886
	<b>Total</b>	<b>2,406,791</b>	<b>28,617</b>	<b>2,378,174</b>	<b>15,731</b>	<b>12,885</b>

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Note 44: Public Disclosure on Liquidity Risk as required by RBI circular DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019 for Clix Housing Finance Limited as of March 31, 2021

(i) Funding Concentration based on significant counterparty (both deposits and borrowings):

Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
8	1,964,569	NA	90%

(ii) Top 20 large deposits (amount and % of total deposits):

Not Applicable.

(iii) Total of top 10 borrowings (amount and % of total borrowings):

Amount	% of Total Borrowings
1,964,569	100%

(iv) Funding Concentration based on significant instrument / products:

Sr. No.	Name of the Instrument/product	Amount	% of Total Liabilities
1	Non-Convertible Debentures	99,737	5%
2	Term Loan from banks	170,453	8%
3	Term Loan from others	1,474,257	68%
4	Overdraft from banks	219,160	10%

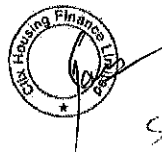
(v) Stock Ratios:

Sr. No.	Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
1	Commercial papers	-	-	-
2	Non-convertible debentures (original maturity of less than one year)	-	-	-
3	Other short-term liabilities	30%	27%	22%

(vi) Institutional set-up for liquidity risk management:

The Board of Directors has the overall responsibility for establishing the risk management framework for the Company. The Board, in turn has established an ALM Committee (ALCO) for evaluating, monitoring, and reviewing liquidity and interest rate risk arising in the Company on both sides of the Balance sheet. The Board based on recommendations from the ALCO has prescribed policies and the risk limits for the management of liquidity risk. ALCO committee is responsible for managing the risks arising out of Asset Liability mismatches consistent with the regulatory requirements and Internal risk tolerances established by the Board. Amongst other responsibilities, ALCO has been empowered to decide the funding mix for the Company in light of the future business strategy and prevailing market conditions. ALCO committee meeting is conducted at least once in a quarter and the ALCO minutes are reviewed by the Board from time to time.





*Celli*

**Clx Housing Finance Limited**

**Notes to Financial Statements for the year ended 31 March 2021**

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

**Note 45: Disclosure pursuant to Reserve Bank of India Circular no. RBI/2019-20/220 DOR.No.BP. BC.63/21.04,048/2019-20:**

S.no.	Particulars	As at	As at
		31 March 2021	31 March 2020
		Amount	Amount
(i)	Advances outstanding in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular (as of 29 February 2020)	47,285	32,925
(ii)	Respective amount where asset classification benefit is extended (as of 31 March 2021)	-*	-
(iii)	Provision made in terms of paragraph 5 of the circular (As per para 4, applicable to HFCs covered under Ind AS)	3,035	1,550
(iv)	Provisions adjusted against slippages in terms of paragraph 6 of the circular	325	-
(v)	Residual provisions in terms of paragraph 6 of the circular	-**	1,550

\* There are Nil accounts where asset classification benefit is extended till 31 March 2021. Post the moratorium period, the movement of aging has been at actuals.

\*\* The Company has made adequate provision for impairment loss allowance (as per ECL model) for the year ended 31 March 2021. The residual provision of INR 2711 has been written back/adjusted by the Company in March 2021 as per the circular.



46 Disclosures as per format prescribed under notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 for the year ended 31 March 2021:

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	30	71,935	-	-	6,855
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	30	71,935	-	-	6,855

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

47 In accordance with the instructions in the RBI circular dated April 7, 2021, all lending institutions shall refund/ adjust 'interest on interest/ penal interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount of such 'interest on interest/ penal interest' has been published by the Indian Banks Association (IBA). Accordingly, the Company has estimated the amount of INR 197 and made provision for refund/ adjustment for the same.

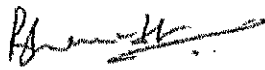
48 At the year end, the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

49 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 as at March 31, 2021.

50 For periods ended up to the year ended 31 March 2020, the Company had prepared the disclosures as required in accordance with 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&CEG/2016 dated February 09, 2017, and NHB circular dated June 14, 2018 and subsequent amendments thereof (refer Annexure 3 to Notes to Standalone financial statement), in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) which have been presented solely based on the information compiled by the management.

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

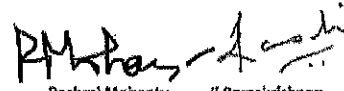
For S.R. Batlibal & Associates LLP  
 Chartered Accountants  
 ICAI Firm Registration No. 101049W/E300004



per Bharathi N S  
 Partner  
 Membership No.: 210994

Place: Chennai  
 Date: 04 June 2021

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



Rashmi Mohanty      K Ramakrishnan  
 Whole-time director      Director  
 DIN: 07072541      DIN: 08303198

Place: Gurugram  
 Date: 04 June 2021



Sd/-

Gaurav Pawra  
 Chief Executive Officer.

**Clx Housing Finance Private Limited**  
**Annexure 1 to Notes to financial statement for the year ended 31 March 2021**  
 (All amount in INR thousands, except for share data unless stated otherwise)

**I Disclosures required by Reserve Bank of India**

**A Minimum disclosures**

The following additional disclosures have been given in terms of Notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 issued by the Reserve Bank of India.

**B Summary of Significant Accounting Policies**

The accounting policies regarding key areas of operations are disclosed as note 1 of Accounting policy to the Financial Statement for the year ended March 31, 2021.

**C Disclosure:**

**C1. Capital**

Particulars	As at 31-03-2021	As at 31-03-2020
i) CRAR (%)	25.93%	42.23%
ii) CRAR - Tier I capital (%)	25.42%	41.14%
iii) CRAR - Tier II capital (%)	0.51%	1.09%
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 31-03-2021	As at 31-03-2020
<b>Balance at the beginning of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank 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	-	-
c) Total	-	-
<b>Addition / Appropriation / Withdrawal during the year</b>		
<b>Add:</b>		
a) Amount transferred u/s 29C of the NHB Act, 1987	6,262	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	-	-
<b>Less:</b>		
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	-	-
<b>Balance at the end of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	6,557	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	-	-
<b>c) Total</b>	<b>6,557</b>	<b>295</b>





**Clix Housing Finance Private Limited****Annexure 1 to Notes to financial statement for the year ended 31 March 2021**

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

**C3. Investment**

Particulars	As at 31 March 2021	As at 31 March 2020
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	342,041	-
(b) Outside India,	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	342,041	-
(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**

- There are no forward rate agreement/ Interest rate swap entered into by the Company during the year ended 31 March 2021 and 31 March 2020.
- There are no exchange traded interest rate derivatives entered into by the Company during the year ended 31 March 2021 and 31 March 2020.
- The Company has not formulated risk management policies pertaining to derivatives, associated risks and business purpose served as the Company has not entered into any derivative transaction mentioned in (a) and (b) above during the year ended 31 March 2021 and 31 March 2020.

**C5.1** There are no securitisation transactions during the year ended 31 March 2021 and 31 March 2020.**C5.2** There are no non performing financial assets sold/purchased during the year ended 31 March 2021 and 31 March 2020.**C6. Details of Assignment transactions undertaken.**

Particulars	As at 31 March 2021	As at 31 March 2020
(i) No. of accounts	201	107
(ii) Aggregate value (net of provisions) of accounts assigned	382,423	229,669
(iii) Aggregate consideration	382,423	250,232
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-



Self

C7. Asset Liability Management maturity pattern of certain items of assets and liabilities as at 31 March 2021.

Particulars	1 day to 7 days	8 to 14 days	15 days 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
<b>Liabilities</b>													
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks**	22,149	-	-	-	-	264,970	92,257	370,416	163,215	-	-	-	913,607
Market borrowing	-	-	-	-	-	-	-	1,050,000	-	-	-	-	1,050,000
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>													
Advances*	1,392	3,541	150	4,178	5,081	35,588	27,879	127,805	159,910	198,403	379,005	1,288,030	2,230,764
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-	-	-

\* Net of impairment loss allowance

\*\* Borrowings from banks includes borrowings from banks and FIs.

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Clix Housing Finance Private Limited  
Annexure 1 to Notes to financial statement for the year ended 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

C8. (i) Exposures

Exposure to Real Estate Sector

Category	As at 31 March 2021	As at 31 March 2020
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;	2,257,365	2,027,896
(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;	1,256	1,186
(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)	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>2,258,620</b>	<b>2,029,081</b>

(ii) Exposure to Capital Market

Category	As at 31 March 2021	As at 31 March 2020
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).	-	-
<b>Total Exposure to Capital Market Sector</b>	<b>-</b>	<b>-</b>

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**Clx Housing Finance Private Limited**  
**Annexure 1 to Notes to financial statement for the year ended 31 March 2021**  
 (All amount in INR thousands, except for share data unless stated otherwise)

**(iii) 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 2021 and 31 March 2020

**(iv) Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL)**

During the year ended 31 March 2021 and 31 March 2020 the Company's credit exposures to single borrowers and group borrowers were within the prudential exposure limits.

**(v) Unsecured Advances**

No unsecured loans and advances, or advances secured by rights, licenses, authorisations, etc., as at 31 March 2021 and 31 March 2020.

**(vi) Exposure to group companies engaged in real estate business**

S.No.	Description	Amount	% of owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	-	0.00%
(ii)	Exposure to all entities in a group engaged in real estate business	-	0.00%

**(vii) Registration obtained from other financial sector regulators**

The Company has not obtained registration from any other financial regulators as at March 31, 2021

**C9. Disclosure of Penalties imposed by NHB/RBI and other regulators**

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

**C10. Related party transactions**

Please refer Note 33 for Related party transactions.

**C11. Group Structure**

Please refer Note 33 for Related party transactions.

**C12. Ratings assigned by credit rating agencies and migration of ratings during the year**

Instrument	Rating agency	Rating assigned	
		As at 31 March 2021	As at 31 March 2020
Bank loans	Brickwork Ratings	BWR AA-	NA
Long term debt programme	Brickwork Ratings	BWR AA-	NA

**C13. Remuneration of directors**

Please refer Note 33 for detailed note on Related party transactions.

**C14. Management**

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

**C15. Net Profit or Loss for the period, prior period items and changes in accounting policies**

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

**C16. 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.

**C17. Consolidated Financial Statements (CFS)**

The Company does not have any investment in subsidiary/associate/joint venture and hence requirement of consolidated financial statements is not applicable.

**C18. Provisions and Contingencies**

(i) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended 31 March 2021	For the year ended 31 March 2020
Provision for depreciation on investment	-	-
Provision made towards Income Tax	-	-
Provision towards NPA	3,772	-
Provision for standard assets*	12,988	9,082
Other provisions and contingencies**	717	(29)

\* Includes ECL on CRE of INR 13 (Previous year: INR 12)

\*\* Other provisions and contingencies includes ECL on loan commitment amounting to INR 457 (Previous year: INR (29)) and ECL on other financial assets amounting to INR 260 (Previous year: NIL)

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Clix Housing Finance Private Limited  
Annexure 1 to Notes to financial statement for the year ended 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

(ii) Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	For the year ended 31-03-21	For the year ended 31-03-20	For the year ended 31-03-21	For the year ended 31-03-20
<b>Standard assets</b>				
(a) Total Outstanding Amount	1,466,314	1,549,680	779,731	479,401
(b) Provision made	14,407	8,518	9,676	3,177
<b>Sub-Standard assets</b>				
(a) Total Outstanding Amount	12,198	-	376	-
(b) Provision made	3,659	-	113	-
<b>Doubtful assets - Category I</b>				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
<b>Doubtful assets - Category II</b>				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
<b>Doubtful assets - Category III</b>				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
<b>Loss assets</b>				
(a) Total Outstanding Amount	-	-	-	-
(b) Provision made	-	-	-	-
<b>Total</b>				
(a) Total Outstanding Amount	1,478,512	1,549,680	780,108	479,401
(b) Provision made	18,067	8,518	9,789	3,177

**C19. Draw Down from Reserves**

There has been no draw down from reserves during the financial year ended 31 March 2021 and 31 March 2020.

**C20. Concentration of Deposits, Advances, Exposures and NPAs**

**a. Concentration of Advances \***

Particulars	As at 31 March 2021	As at 31 March 2020
Total Advances to twenty largest borrowers	218,403	179,825
Percentage of Advances to twenty largest borrowers to Total Advances of the HFC	10%	9%

**b. Concentration of Exposures \***

Particulars	As at 31 March 2021	As at 31 March 2020
Total Exposure to twenty largest borrowers/ customers	230,179	180,325
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	10%	9%

\*Gross of Impairment loss allowance.

**c. Concentration of NPAs**

Particulars	Current Year	Previous Year
Total exposure to top ten NPA accounts	12,575	-

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Clix Housing Finance Private Limited  
Annexure 1 to Notes to financial statement for the year ended 31 March 2021  
(All amount in INR thousands, except for share data unless stated otherwise)

C21. Sector-wise NPAs

Sr. No.	Sector	Percentage of NPAs to Total Advances In that sector
<b>A.</b>	<b>Housing Loans</b>	
1	Individuals	0.83%
2	Bullders/Project loans	-
3	Corporates	-
4	Others (specify)	-
<b>B.</b>	<b>Non Housing Loans</b>	
1	Individuals	0.05%
2	Bullders/Project loans	-
3	Corporates	-
4	Others (specify)	-

C22. Movement of NPAs

Particulars		Current Year	Previous Year
(i)	Net NPAs to Net Advances (%)	0.39%	0%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	-	-
	(b) Additions during the year	12,575	-
	(c) Reductions during the year	-	-
	(d) Closing balance	12,575	-
(iii)	Movement of Net NPAs		
	(a) Opening balance	-	-
	(b) Additions during the year	8,803	-
	(c) Reductions during the year	-	-
	(d) Closing balance	8,803	-
(iii)	Movement of Provision for NPAs (excluding provision on standard assets)		
	(a) Opening balance	-	-
	(b) Provisions made during the year	3,772	-
	(c) Write-off / write-back of excess provisions	-	-
	(d) Closing balance	3,772	-

C23. Disclosure of Complaints

Sl. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	11	3
(c)	No. of complaints redressed during the year	11	3
(d)	No. of complaints pending at the end of the year	-	-

C24. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There were no overseas assets as at 31 March 2021 and 31 March 2020.





**C25. Off-balance Sheet SPVs sponsored**

There were no off-balance sheet SPVs sponsored by the company during the year ended 31 March 2021 and 31 March 2020.

**C26. Loans against security of single product - gold jewellery:**

The company has not granted any loans against gold jewellery as collateral.

**C27.** There has been no fraud reported during the year ended 31 March 2021 and 31 March 2020.

**C28.** The previous year figures have been regrouped / reclassified in the current year as compared to the previous year,

**C29. Principal Business Criteria for HFCs**

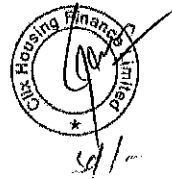
"Housing finance company" shall mean a company incorporated under the Companies Act, 2013 that fulfils the following conditions:

- a) It is an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets).
- b) Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing financing for individuals.

The Company meets the aforesaid principal business criteria for HFCs.

Particulars	As at March 31, 2021
Total Assets	2,690,921
Less: Intangible assets	(12,192)
Net total Assets	2,678,728
Housing Finance	1,478,512
Individual Housing Finance	1,471,430
Percentage of housing finance to total assets (netted off intangible assets)**	55%
Percentage of individual housing finance to total assets (netted off intangible assets)**	55%

\*\* Registered HFCs who do not fulfill the criteria given in a) and b) above but wish to continue as HFCs shall maintain a minimum of 50% towards housing finance and 40% towards housing finance for individuals by March 31, 2022, and, a minimum of 55% towards housing finance and 45% towards housing finance for individuals by March 31, 2023.



**CLX Housing Finance Private Limited**  
**Annexure 1 to Notes to financial statement for the year ended 31 March 2021**  
 (All amount in INR thousands, except for share data unless stated otherwise)

**Schedule to Balance Sheet of a Housing Finance Company as required in terms of Paragraph 16 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021:**

Particulars		31-Mar-21		31-Mar-20	
Liabilities side:		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the NBFC's inclusive of interest accrued thereon but not paid:				
	a) Debentures : Secured	107,139	-	-	-
	: Unsecured	-	-	-	-
	(Other than falling within the meaning of public deposits)				
	b) Deferred Credits	-	-	-	-
	c) Term Loans	1,644,752	-	260,100	-
	d) Inter-corporate loans and borrowing	-	-	-	-
	e) Commercial Paper	-	-	-	-
	f) Public Deposit	-	-	-	-
	g) Other Loans:-				
	Bank overdraft	219,204	-	359,705	-

Assets side:		Amount outstanding 31 March 2021	Amount outstanding 31 March 2020
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (3) below]:		
	Secured	2,258,620	2,043,692
	Unsecured	-	-
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	i) Lease assets including lease rentals under sundry		
	a) Financial lease	-	-
	b) Operating lease	-	-
	ii) Stock on hire including hire charges under sundry debtors:		
	a) Assets on hire	-	-
	b) Repossessed Assets	-	-
	iii) Other loans counting towards AFC activities		
	a) Loans where assets have been repossessed	-	-
	b) Loans other than (a) above	-	-
(4)	Break-up of Investments:		
	Current Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	342,041	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	Long Term Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-

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Clix Housing Finance Private Limited  
 Annexure 1 to Notes to financial statement for the year ended 31 March 2021  
 (All amount in INR thousands, except for share data unless stated otherwise)

(5)	Borrower group-wise classification of assets financed as in (2) and (3) above:	Amount net of provisions#					
		31-Mar-21			31-Mar-20		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1. Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	2. Other than related parties	2,230,764	-	2,230,764	2,031,997	-	2,031,997
	<b>Total</b>	<b>2,230,764</b>	<b>-</b>	<b>2,230,764</b>	<b>2,031,997</b>	<b>-</b>	<b>2,031,997</b>

(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):	31-Mar-21				31-Mar-20	
		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)		
	1. Related Parties:-						
	(a) Subsidiaries	-	-	-	-	-	
	(b) Companies in the same group	-	-	-	-	-	
	(c) Other related parties	-	-	-	-	-	
	2. Other than related parties	342,041	342,041	-	-	-	
	<b>Total</b>	<b>342,041</b>	<b>342,041</b>	<b>-</b>	<b>-</b>	<b>-</b>	

(7)	Other information	31-Mar-21	31-Mar-20
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	12,575	-
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	8,803	-
(iii)	Assets acquired in satisfaction of debt	-	-

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