

**Aviom India Housing Private Limited**

**Statutory Audit**

**For the year ended 31 March 2019**

# B S R & Associates LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurugram - 122 002, India

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## INDEPENDENT AUDITORS' REPORT

**To the Members of Aviom India Housing Finance Private Limited**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Aviom India Housing Finance Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the 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 financial statements give the information required by the Companies Act, 2013 ("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 31 March 2019, and profit and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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



### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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, and statement of cash flows dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any 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.
  - iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.



(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, the provisions of section 197 read with schedule V to the Act is not applicable to the Company, as it is a private company.

*For B S R & Associates LLP*

*Chartered Accountants*

Firm's Registration No.: 116231W/ W-100024



**Manish Gupta**

*Partner*

Membership No.095037

UDIN: 19095037AAAACG9619

Place: Gurugram

Date: 23 July 2019



**Annexure A referred to in our Independent Auditor's Report to the members of Aviom India Housing Finance Private Limited on the financial statements for the year ended 31 March 2019**

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified annually. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. As explained to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of books of accounts, no immovable properties are owned by the Company. Hence, the provision of paragraph 3(i)(c) of the Order are not applicable.
- (ii) The Company is a housing finance company, primarily in the business of providing loans to its customers. Accordingly it does not hold any physical inventories. Thus, the provision of clause 3(ii) of the Order is not applicable to the Company.
- (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 Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not undertaken any transaction in respect of loan, guarantees and securities covered under section 185 of the Act. The Company has not made any investment as referred in section 186 (1) of the Act, other requirements relating to section 186 of the Act do not apply to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act, for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service tax, Employee's State Insurance and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, though there were slight delays in few cases in depositions of Provident Fund and Employee's State Insurance with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and services tax, Provident Fund, Employees' State Insurance and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.





- (b) According to the information and explanations given to us, there are no dues in respect of Income-tax, Goods and service tax, Provident Fund and Employees' State Insurance which have not been deposited with the appropriate authorities on account of any dispute. As mentioned.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. Further, the Company did not have any outstanding loans or borrowings from the government or debenture holder during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us, the provisions of section 197 read with schedule V to the Act is not applicable to the Company, accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of section 177 of the Act are not applicable to the Company. According to information and explanations given to us, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us, the Company has made private placement of compulsory convertible preference shares during the year. As informed, the Company has complied with requirement of section 42 of the Companies Act, 2013. Further, we have been informed that amount raised have been used for purpose for which funds have been raised. Further, according to the information and explanation given to us the Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3(xv) of the Order is not applicable.



**B S R & Associates LLP**

- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 accordingly, paragraph 3(vi) of the Order is not applicable.

*For B S R & Associates LLP*

*Chartered Accountants*

Firm's Registration No.: 116231W/W-100024



**Manish Gupta**

*Partner*

Membership No.: 095037

UDIN: 19095037AAAACG9619

Place: Gurugram

Date : 23 July 2019



**Annexure B to the Independent Auditors' report on the financial statements of Aviom India Housing Finance Private Limited for the year ended 31 March 2019.**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of Aviom India Housing Finance Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.



**Meaning of Internal Financial controls with Reference to Financial Statements**

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

**Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.: 116231W/ W-100024



**Manish Gupta**

*Partner*

Membership No.095037

UDIN: 19095037AAAACG9619

Place: Gurugram

Date: 23 July 2019



**Aviom India Housing Finance Private Limited**  
**Balance Sheet as on 31 March 2019**  
(All amounts are in Indian Rupees)

	Note	As at 31 March 2019	As at 31 March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	193,059,490	162,434,740
Reserves and surplus	2.2	61,277,445	2,368,005
		<b>254,336,935</b>	<b>164,802,745</b>
<b>Non-current liabilities</b>			
Long-term borrowings	2.3	1,024,647,588	195,795,332
Other long term liabilities	2.4	200,000	-
Long-term provisions	2.5	4,203,645	1,126,142
		<b>1,029,051,233</b>	<b>196,921,474</b>
<b>Current liabilities</b>			
Short-term borrowings	2.6	-	67,195
Trade payables	2.7	-	-
total outstanding due of micro enterprise and small enterprises ;		-	-
total outstanding due of creditors other than micro enterprise and small enterprises		1,804,884	3,106,959
Other current liabilities	2.8	253,859,167	101,376,771
Short-term provisions	2.5	1,274,328	244,011
		<b>256,938,379</b>	<b>104,794,936</b>
<b>TOTAL</b>		<b>1,540,326,547</b>	<b>466,519,155</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
- Property, plant and equipment	2.9	4,922,149	2,745,549
- Intangible assets		4,957,815	4,716,192
Deferred tax asset (net)	2.10	8,586,212	-
Long-term loans and advances	2.11	1,244,418,926	300,846,418
Other non-current assets	2.12	-	500,000
		<b>1,262,885,102</b>	<b>308,808,159</b>
<b>Current assets</b>			
Current investments	2.13	46,584,928	37,578,838
Trade receivables		-	-
Cash and cash equivalents	2.14	135,006,868	50,862,023
Short-term loans and advances	2.11	79,551,409	65,791,105
Other current assets	2.12	16,298,240	3,479,030
		<b>277,441,445</b>	<b>157,710,996</b>
<b>TOTAL</b>		<b>1,540,326,547</b>	<b>466,519,155</b>

**Significant accounting policies**

1

**Notes to the financial statements**

1 to 2.47

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

**As per our report of even date attached**

**For BSR & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/ W-100024

**Manish Gupta**

Partner

Membership No.: 095037

UDIN:19095037AAAACG9619

**For and on behalf of the Board of Directors of  
Aviom India Housing Finance Private Limited**



**Kaajal Aijaz Ilmi**

Director

DIN No.: 01390771

**Om Parkash Sikka**

Director

DIN No.: 05138374

**Ramandeep Singh Gill**

Financial Controller

**Divyani Chaud**

Company Secretary

Membership No.-ACS- 52153

Place: Gurugram

Date: 23 July 2019

Place: New Delhi

Date: 23 July 2019

**Aviom India Housing Finance Private Limited**  
**Statement of Profit & Loss for the year ended 31 March 2019**  
(All amounts are in Indian Rupees)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue</b>			
Revenue from operations	2.14	206,590,856	41,296,450
Other income	2.15	3,899,063	1,443,304
<b>Total revenue</b>		<b>210,489,919</b>	<b>42,739,754</b>
<b>Expenses</b>			
Employee benefits	2.16	71,214,207	33,861,581
Finance costs	2.18	89,893,216	9,419,864
Depreciation and amortisation	2.9	6,341,128	2,883,741
Other expenses	2.19	37,093,403	25,519,172
<b>Total expenses</b>		<b>204,541,954</b>	<b>71,684,358</b>
<b>Profit/(loss) before tax</b>		<b>5,947,965</b>	<b>(28,944,604)</b>
<b>Tax expense</b>			
Current tax		(1,211,208)	-
MAT credit entitlement		1,211,208	-
Deferred tax credit		8,586,212	-
<b>Profit/(Loss) after tax</b>		<b>14,534,177</b>	<b>(28,944,604)</b>
<b>Earning per share (face value of Rs. 10 each)</b>	2.25		
Basic earnings/(loss) per share		1.10	(2.22)
Diluted earnings/(loss) per share		0.79	(2.22)

**Significant accounting policies**

1

**Notes to the financial statements**

1 to 2.47

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

As per our report of even date attached

For **BSR & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/ W-100024



**Manish Gupta**

Partner

Membership No.: 095037

UDIN:19095037AAAACG9619

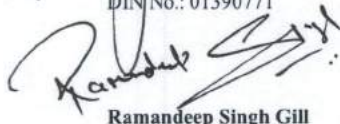
For and on behalf of the Board of Directors of  
**Aviom India Housing Finance Private Limited**




**Kaajal Aijaz Ilmi**

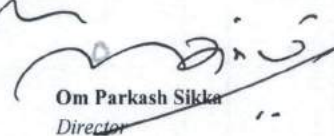
Director

DIN No.: 01390771



**Ramandeep Singh Gill**

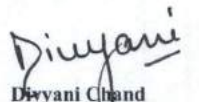
Financial Controller



**Om Parkash Sikka**

Director

DIN No.: 05138374



**Divyani Chand**

Company Secretary

Membership No.-ACS- 52153

Place: Gurugram

Date: 23 July 2019

Place: New Delhi

Date: 23 July 2019



**Aviom India Housing Finance Private Limited**  
**Cash Flow statement for the year ended 31 March 2019**  
(All amounts are in Indian Rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax	5,947,965	(28,944,604)
<b>Adjustments :</b>		
Depreciation and amortisation	6,341,128	2,883,741
Contingent provision against standard assets (Housing loans)	1,379,709	1,103,207
Contingent provision against standard assets (Non Housing loans)	1,563,344	163,959
Profit on sale of mutual fund (net)	(1,705,243)	-
Unrealised gain on mutual fund	(300,847)	(78,838)
Interest income on cash collateral against borrowing	(1,821,936)	(1,015,480)
Interest on fixed deposit	(18,837)	(348,986)
Rates & Taxes ( stamp duty for increase in authorised share capital)	-	1,173,809
<b>Operating cash flow before working capital changes</b>	<b>11,385,283</b>	<b>(25,063,192)</b>
Increase in long term loans and advances	(944,614,109)	(275,169,052)
(Increase)/decrease in short-term loans and advances	(13,960,303)	(63,297,727)
(Increase)/decrease in other assets	(11,285,446)	1,698,455
Increase in current liabilities	2,274,189	29,346,286
Increase in long term and short-term provisions	137,090	(134,534)
Increase in trade payables	(1,302,074)	1,826,579
<b>Cash (used in) operating activities</b>	<b>(957,365,370)</b>	<b>(330,793,185)</b>
Income tax paid (net of refund)	512,504	(1,198,015)
<b>Net cash (used) in operating activities (A)</b>	<b>(956,852,866)</b>	<b>(331,991,199)</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets	(8,759,339)	(8,149,226)
Profit on investment		
Purchase of investments	(327,000,000)	(37,500,000)
Sale of investments	320,000,000	
Interest income on cash collateral against borrowing	1,173,330	348,986
Proceeds from fixed deposit	500,000	46,878,243
Interest received on fixed deposits	38,202	1,015,480
<b>Net cash provided by/ (used in) investing activities (B)</b>	<b>(14,047,807)</b>	<b>2,593,483</b>
<b>Cash flows from financing activities</b>		
Proceeds from preference share capital (including securities premium)	75,000,013	84,999,988
Payment of stamp duty for increase in authorised share capital	-	(1,173,809)
Interest expense paid	7,016,515	-
Repayment of borrowing	(91,971,009)	(10,689,781)
Proceeds from other borrowings	1,065,000,000	270,000,000
<b>Net cash generated by financing activities (C)</b>	<b>1,055,045,519</b>	<b>343,136,398</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A + B +C)</b>	<b>84,144,846</b>	<b>13,738,681</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>50,862,023</b>	<b>37,123,342</b>
<b>Cash and cash equivalents at the end of year</b>	<b>135,006,868</b>	<b>50,862,023</b>



**Aviom India Housing Finance Private Limited**  
**Cash Flow statement for the year ended 31 March 2019**  
 (All amounts are in Indian Rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Notes:</b>		
<b>Cash and bank balances include</b>		
Cash on hand	4,333,577	1,165,295
Bank balances with scheduled banks		
- on current accounts	130,673,291	49,696,728
- on deposit accounts (with original maturity of 3 months or less)		
<b>Cash and cash equivalents at the end of the year</b>	<b>135,006,868</b>	<b>50,862,023</b>

**Notes:**


- a) The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow'  
 b) Negative figures have been shown in brackets.

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

Firm registration number: 116231W/ W-100024



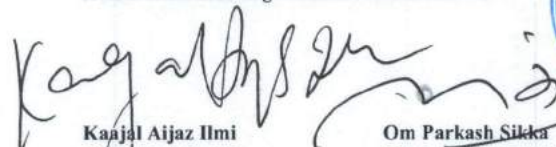
**Manish Gupta**

Partner

Membership No.: 095037

UDIN:19095037AAAACG9619

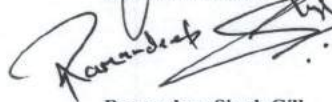
For and on behalf of the Board of Directors of  
 Aviom India Housing Finance Private Limited



**Kaajal Aijaz Ilmi**

Director

DIN No.: 01390771



**Ramandeep Singh Gill**

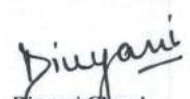
Financial Controller



**Om Parkash Silka**

Director

DIN No.: 05138374



**Divyani Chand**

Company Secretary

Membership No.-ACS- 52153

Place: Gurugram

Date: 23 July 2019

Place: New Delhi

Date: 23 July 2019



## 1A. Background

Aviom India Housing Finance Company Private Limited (the 'Company') was incorporated in India on 18 February 2016 as a private limited company under the Companies Act 2013. The Company is registered with the National Housing Bank (NHB) as a Housing Finance Company vide Certificate No. 08.0140.16 dated 16 August 2016. The Company is in the business of providing housing and non-housing loans.

## 1B. Significant accounting policies

### a) Basis of preparation and presentation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, in accordance with the Indian Generally Accepted Accounting Principles (GAAP), Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder and the provisions of the Companies Act, 2013, as adopted consistently by the Company.

The Company complies with the prudential norms relating to income recognition, accounting standards, asset classification and the minimum provisioning for standard assets, substandard assets, doubtful assets and loss assets, specified in the directions issued by the NHB in terms of The Housing Finance Companies (NHB) Directions, 2010, as applicable to it.

### b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Any changes in estimates are adjusted prospectively.

### c) Current/ Non-current classification

All assets and liabilities are classified into current and non-current.

#### *Assets*

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

#### *Liabilities*

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.





Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

*Operating cycle*

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

**d) Revenue recognition**

The Company follows the Housing Finance Companies (NHB) Directions, 2010 issued by the NHB and Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 for income recognition. Reversal of income on non-performing assets necessitated by these guidelines, are netted-off from the income from operations.

Interest is accounted on accrual basis except for non-performing assets in respect of which income is recognised on receipt. No income is accrued on accounts delinquent for more than 90 days.

*Income from loan transactions*

- i. Interest income on loans disbursed is accounted for by applying the Internal Rate of Return (IRR), implicit in the agreement, on the diminishing balance of the financed amount, over the period of the agreement so as to provide a constant periodic rate of return on the net amount outstanding on the contracts.

*Processing fee and other charges*

- i. Loan processing fees is recognized on upfront basis.
- ii. Other charges (penal interest, cheque bouncing charges etc.) are recognised on receipt basis.

*Interest income on fixed deposits*

- i. Interest on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the fixed deposit.

**e) Expenditure**

*Interest expense*

Interest on borrowings is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowing.

*Processing fees on borrowings*

The Company pays processing fees and arranger fees to obtain borrowings from banks and other companies. Fee so incurred is recognised as expense over the tenor. The unamortised balance is disclosed as part of other current/non-current assets.

**f) Provision for standard and non-performing assets**

Provision for standard assets and non-performing assets are created in accordance with prudential norms and guidelines issued by NHB. Also, specific provisions in respect of standard assets and non-performing assets are created based on the management's best estimates, which are determined having regard to overall loan portfolio quality, asset growth, economic conditions and other risk factors.

In accordance with Para 29 of The Housing Finance Company (NHB) Directions, 2010, the Company has separately shown provision for loans under short-term/long-term provisions (as applicable) without netting off from loans.





**Aviom India Housing Finance Private Limited**  
**Notes to the financial statements for the year ended 31 March 2019**  
(All amounts are in Indian Rupees)

The Company policy for identification and provisioning in respect of standard assets and provision for non-performing assets is detailed in the table below:

Asset classification	Criteria	Rate(%) of provision on total loan outstanding)
<b>Standard assets</b>		
Standard assets- Housing loan	An asset, in respect of which, no default in repayment of principal or payment of interest is perceived (for loans disbursed upto 31 March 2018 % of provision on the total outstanding- 0.40%)	0.25
Standard assets- Housing loan	An asset, in respect of which, no default in repayment of principal or payment of interest is perceived	0.40
<b>Non-performing assets (NPA)</b> - An asset, in respect of which, principal/interest has remained overdue for a period of more than 90 days.		
Sub-standard assets	NPA for less than or equal to 12 months	15
Doubtful assets #	NPA for more than 12 months	
	Doubtful for up to 1 year	25
	Doubtful for more than 1 year but less than or equal to 3 years	40
	Doubtful for more than 3 years	100
Loss assets	As identified	Written off from books
	If the assets are permitted to remain in the books for any reason	100

**g) Fixed Assets**

**Property, plant and equipment/ intangible assets and depreciation/ amortisation**

**Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

**Intangible assets**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price and any cost directly attributable to bringing the asset to its working condition for the intended use.

Intangible assets which are not ready for their intended use are shown as Intangible Assets under development.

**Depreciation**

Property, plant and equipment are depreciated on written down value method basis useful life specified in Part 'C' of Schedule II to the Act.

Depreciation on additions is being provided on pro rata basis from the date of such additions. Similarly, depreciation on assets sold / disposed off during the year is being provided up to the dates on which such assets are sold / disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

**Leasehold improvements**

Leasehold improvements are depreciated on a straight line basis over the non-cancellable period of lease or management estimates to useful life, whichever is lower





### Intangible Amortisation Policy

Intangible assets are amortised over the estimated useful life of 5 years on a straight-line basis from the date of Capitalisation.

The useful life of assets and their related depreciation/ amortisation period and depreciation/ amortisation method is reviewed by the management in each financial year, respectively

### h) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long-term investments" in consonance with the current/ non-current classification scheme of Schedule III of the Companies Act, 2013.

Current investments are carried at the lower of cost and fair value, except for mutual funds carried at fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, mutual funds, preference shares, convertible debentures etc. Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

### i) Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each Balance Sheet date. An impairment loss is recognised whenever the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

### j) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares, if any, except when the results will be anti-dilutive.

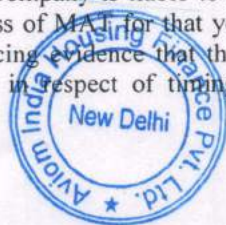
### k) Operating Leases

Leases where the lessor effectively retains substantially all the risk and rewards of ownership over the lease term are classified as operating leases. Lease payments for assets taken on operating lease are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

### l) Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax laws) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. In accordance with the provisions of Section 115JAA of the Income-tax Act, 1961, the Company is allowed to avail credit equal to the excess of Minimum Alternate Tax (MAT) over normal income tax for the assessment year for which MAT is paid. MAT credit so determined can be carried forward for set-off for ten succeeding assessment years from the year in which such credit becomes allowable. MAT credit can be set-off only in the year in which the Company is liable to pay tax as per the normal provisions of the Income-tax Act, 1961 and such tax is in excess of MAT for that year. Accordingly, MAT credit entitlement is recognised only to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Deferred tax is recognised in respect of timing differences between taxable income and





accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

**m) Employee benefits**

*Short term employee benefits*

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 plans*

The Company's employee provident fund scheme is a defined contribution plan. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the year when the employee renders the related service. The contribution towards provident fund has been deposited with Regional provident fund commissioner and is charged to Statement of Profit and Loss.

*Defined benefit plans:*

A defined benefit plan i.e. gratuity is a post-employment benefit plan other than defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employee have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. The calculation is performed annually by an independent actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognized past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

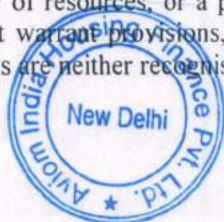
The Company has taken group policy with Life Insurance Corporation of India (LIC) to meet its obligation towards gratuity. Liability with respect to the gratuity plan is determined based on an actuarial valuation done by an independent actuary at the year end. Any difference between amount transferred to the LIC for gratuity plan and liability determined by independent actuary is shown on net basis at year-end balance sheet.

**n) Provisions and contingencies**

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.





However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

**o) Cash and cash equivalents**

Cash and cash equivalents comprises of cash balance with bank and highly liquid investments with maturity period of three months or less from the date of investment.





	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
<b>2.1 Share capital</b>				
<b>Authorised</b>				
Equity shares of Rs. 10 each	21,000,000	210,000,000	21,000,000	210,000,000
Preference shares of Rs. 10 each	6,200,000	62,000,000	6,200,000	62,000,000
	<b>27,200,000</b>	<b>272,000,000</b>	<b>27,200,000</b>	<b>272,000,000</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs. 10 each	13,181,010	131,810,100	13,181,010	131,810,100
<b>Preference shares</b>				
Series A-compulsory convertible preference shares of Rs.10 each	6,124,939	61,249,390	3,062,464	30,624,640
	<b>19,305,949</b>	<b>193,059,490</b>	<b>16,243,474</b>	<b>162,434,740</b>

(a) (i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
<b>Equity Shares</b>				
Balance as at beginning of the year	13,181,010	131,810,100	12,181,000	121,810,000
Add: Share issued during the year	-	-	1,000,010	10,000,100
Outstanding at the end of the year	<b>13,181,010</b>	<b>131,810,100</b>	<b>13,181,010</b>	<b>131,810,100</b>
<b>Preference shares</b>				
Balance as at beginning of the year	3,062,464	30,624,640	-	-
Add: preference shares issued during the year	3,062,475	30,624,750	3,062,464	30,624,640
Balance as at end of the year	<b>6,124,939</b>	<b>61,249,390</b>	<b>3,062,464</b>	<b>30,624,640</b>

(ii) Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having the par value of the each share is Rs.10. Each shareholder shall have voting right equal to shareholding percentage of the total of the shares issued. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholdings.

(iii) Rights, preference and restrictions attached to preference shares

The Company issued Series-A compulsory convertible preference shares (CCPS) during the year ended 31 March 2019 and 31 March 2018. The CCPS are convertible at any time into equity shares of face value of INR 10 each by the holder by notice in writing to the promoters and the company, and which date shall not be later than 19 years from the issuance of the Series-A CCPS ( i.e 05 February 2018 and 31 July 2018). Each Series-A CCPS shall convert into 1 equity share and dividend of 0.001% to be given subject to anti-dilution adjustment and conversion adjustments as stated in share holders agreement entered on 15 December 2017.

(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Shareholders	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% holding in the class	Number of shares	% holding in the class
<b>Equity shares</b>				
Ms. Kajal Aijaz Iimi	9,721,667	73.76%	9,721,667	73.76%
Insitor Impact Asia fund Pte Ltd	750,010	5.69%	-	-
Mr. Samir Malik	-	-	750,000	5.69%
Mr. Kunal Sikka	2,000,000	15.17%	2,000,000	15.17%
<b>Preference shares</b>				
Insitor Impact Asia fund Pte Ltd	6,124,939	100%	3,062,464	100%

2.2 Reserves and surplus

(a) Securities premium account

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	44,375,248	-
Add: Amounts received during the year	44,375,263	44,375,248
Balance as at the end of the year	<b>88,750,511</b>	<b>44,375,248</b>

(b) Reserve fund u/s 29C of NHB act,1987 (refer note 2.28)

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	-	-
Add: Amounts transferred to deficit in the statement of profit and loss	2,906,835	-
Balance as at the end of the year	<b>2,906,835</b>	<b>-</b>

(c) Deficit in the statement of profit and loss

	As at 31 March 2019	As at 31 March 2018
Balance as at the beginning of the year	(42,007,243)	(13,062,638)
Add: Profit/(loss) during the year	14,534,177	(28,944,605)
Less: Amounts transferred to reserve fund u/s 29C of NHB act,1987	(2,906,835)	-
Balance as at the end of the year	<b>(30,379,901)</b>	<b>(42,007,243)</b>

Total

61,277,445 2,368,005



2.3 Long term borrowings

	Footnote	Non-current		Current maturities*		Total	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Secured							
1) Term loans	2.3 (1)	477,166,682	14,000,006	21,999,996	3,999,996	499,166,678	18,000,002
- From banks		547,480,906	181,795,326	185,758,834	59,447,694	733,239,740	241,243,020
- From other parties	2.3 (2)	1,024,647,588	195,795,332	207,758,830	63,447,690	1,232,406,418	259,243,022

\*Current portion of long-term borrowings have been disclosed under 'Other current liabilities'.

Nature of security and terms of repayment for secured borrowings:

Note No. 2.3 (1): Security for term loans from banks		Repayment terms			
No.	Lender	Loan outstanding as at 31 March 2019	Loan outstanding as at 31 March 2018	Details of security /guarantee	Start date
1	AU Small Finance Bank Ltd	14,000,010	18,000,002	(1) Exclusive hypothecation of present and future home loan of standard receivable (net of financial charge, NPAs and other charges etc.) (2) 110 % for the loan outstanding during the currency of the loan. (3) Personal guarantee also given by managing director.	14-Sep-2017
2	AU Small Finance Bank Ltd	45,833,335	-	(1) Exclusive hypothecation of present and future home loan of standard receivable (net of financial charge, NPAs and other charges etc.) (2) 110 % for the loan outstanding during the currency of the loan. (3) Personal guarantee also given by managing director.	27-Sep-2018
3	AU Small Financial Bank Limited	39,333,333	-	(1) Exclusive hypothecation of present and future home loan of standard receivable (net of financial charge, NPAs and other charges etc.) (2) 110 % for the loan outstanding during the currency of the loan. (3) Personal guarantee also given by managing director.	30-Jan-2019
4	IDFC First Ltd	400,000,000	-	(1) Hypothecation by way of first exclusive charge (floating) over loan receivables and book debts of the borrower so as to provide a security (Principal amount) cover of 1.10 times on Principal outstanding. (2) Personal guarantee also given by managing director.	3-May-2018
Total		499,166,678	18,000,002		





Note No. 2.3 (2): Security for term loans from other parties				Repayment terms				
No.	Lender	Loan outstanding as at 31 March 2019	Loan outstanding as at 31 March 2018	Details of security /guarantee	Installments	Rate of Interest (p.a)	Periodicity	Start date
1	ESSEL Finance Business Loans Limited	17,732,837	23,013,853	(1) The facility shall be secured by the receivables that meet the portfolio origination criteria, with a minimum security cover of 110% (of the facility amount) at any point of time after the portfolio origination period. (2) Personal guarantee also given by managing director.	48	14.45%	Monthly	5-Oct-2017
2	MAS Financials Services Limited-TL-1	16,145,839	22,395,835	(1) Exclusive charge on portfolio created out of this term loan (1.00 times). (2) Cash collateral amounting to Rs. 1,875,000 (31 March 2018, Rs.2,500,000) deposit against borrowings. (3) Personal guarantee also given by managing director.	48	14.50%	Monthly	9-Aug-2017
3	MAS Financials Services Limited-TL-2	70,833,324	95,833,332	(1) Exclusive charge on portfolio created out of this term loan (1.00 times) (2) Cash collateral amounting to Rs. 7,500,000 (31 March 2018, Rs.10,000,000) deposit against borrowings. (3) Personal Guarantee also given by managing director.	48	14.40%	Monthly	27-Nov-2017
4	MAS Financials Services Limited-TL-3	77,083,326	100,000,000	(1) Exclusive charge on portfolio created out of this term loan (1.00 times) (2) Cash collateral amounting to Rs. 10,000,000 (31 March 2018, Rs.10,000,000) deposit against borrowings. (3) Personal Guarantee also given by Managing director.	48	14.00%	Monthly	21-Mar-2018
5	MAS Financials Services Limited-TL-4	43,749,998	-	(1) Exclusive charge on portfolio created out of this term loan (1.00 times) (2) Cash collateral amounting to Rs. 1,500,000 (31 March 2018, nil) deposit against borrowings. (3) Personal Guarantee also given by Managing director.	48	13.75%	Monthly	25-Sep-2018
6	MAS Financials Services Limited-TL-5	26,875,000	-	(1) Exclusive charge on portfolio created out of this term loan (1.00 times) (2) Cash collateral amounting to Rs. 2,385,000 (31 March 2018, nil) deposit against borrowings. (3) Advance EMI of Rs 625,000 (4) Personal guarantee also given by managing director.	48	15.25%	Monthly	31-Oct-2018
7	Northern Arc Capital Limited TL-1	93,926,176	-	(1) Exclusive hypothecation of present and future home loan of standard receivable (net of financial charge, NPA's and other charges etc.) as per selection criteria to the extent of 110 % for the loan outstanding. (2) Personal guarantee also given by managing director.	48	13.00%	Monthly	31-Oct-2018
8	E Clear Leasing & Finance Ltd	21,333,296	-	(1) Exclusive charge on portfolio, 110% of the loan amount outstanding. (2) Cash collateral amounting to Rs.1,250,000 (31 March 2018, nil) deposit against borrowings. (3) Personal guarantee also given by managing director.	24	15.00%	Monthly	15-Nov-2018



Aviom India Housing Finance Private Limited  
Notes to financial statements for the year ended 31 March 2019  
(All amounts are in Indian Rupees)

No.	Lender	Loan outstanding as at 31 March 2019	Loan outstanding as at 31 March 2018	Details of security /guarantee	Installments	Rate of Interest (p.a)	Periodicity	Start date
9	Manappuram Finance Limited-TL-1	28,929,662	-	(1) The facility shall be secured by a first and exclusive charge over the housing loan and loan against property assets granted by the borrower (charged assets) to the extent of 1.1x of the facility outstanding at all times during the tenor of the facility. (2) Personal guarantee also given by managing director.	60	13.50%	Monthly	28-Dec-2018
10	MAS Rural Housing & Mortgage Finance Limited TL-1A	38,333,334	-	(1) Exclusive charge on portfolio created out of this term loan (100 times). (2) Cash collateral amounting to Rs. 1,600,000 (31 march 2018, nil) deposit against borrowings. (3) Personal guarantee also given by managing director.	48	13.70%	Monthly	31-Dec-2018
11	MAS Financials Services Limited-TL-6	50,000,000	-	(1) Exclusive hypothecation of present and future home loan of standard receivable (net of financial charge, NPA's & other charges etc.) as per selection criteria to the extent of 1 times for the loan outstanding. (2) Cash collateral amounting to Rs. 2,000,000 (31 march 2018, nil) deposit against borrowings. (3) Personal guarantee also given by managing director.	48	13.70%	Monthly	25-Mar-2019
12	Manappuram Finance Limited-TL-2	69,176,811	-	(1) The facility shall be secured by a first and exclusive charge over the housing loan and loan against property assets granted by the borrower (charged assets) to the extent of 1.1x of the facility outstanding at all times during the tenor of the facility. (2) Personal guarantee also given by managing director.	60	13.50%	Monthly	13-Feb-2019
13	Northern Arc Capital Limited TL-2	99,120,137	-	(1) Exclusive hypothecation of present and future home loan of standard receivable (net of financial charge, NPA's and other charges etc.) as per selection criteria to the extent of 110 % for the loan outstanding. (2) Personal guarantee also given by managing director.	48	14.75%	Monthly	28-Feb-2019
14	Hinduja Housing Finance Limited	50,000,000	-	(1) A security cover of 110% the value of the outstanding amount of the facility and shall be maintained at all times until the maturity date. (2) Personal guarantee also given by managing director.	60	13.45%	Monthly (moratorium of 6 months for principal payment)	30-Mar-2019
15	UC Inclusive Credit Private Limited	30,000,000	-	(1) Hypothecation of book debts to the extent of 110% of the principal outstanding. (2) Personal guarantee also given by managing director.	36	15.50%	Monthly (moratorium of 3 months for principal payment)	28-Feb-2019
		733,239,740	241,343,020					





		As at 31 March 2019	As at 31 March 2018		
2.4	Other long term liabilities				
	Security deposit from employee	200,000	-		
		<u>200,000</u>	<u>-</u>		
		Long-term	Short-term		
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
2.5	Provisions				
	Provision for employee benefits	137,090	-	-	-
	Other provisions (refer to note 2.11.1)				
	Housing loans:				
	Contingent provision against standard assets	2,626,656	981,872	123,206	217,963
	Non housing loans:				
	Contingent provision against standard assets	1,439,899	144,270	123,445	26,048
	Provision for income-tax (net of advance tax of Rs. 183,537 (31 March 2018: Nil))	-	-	1,027,677	-
		<u>4,203,645</u>	<u>1,126,142</u>	<u>1,274,328</u>	<u>244,011</u>
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
2.6	Short-term borrowings				
	Secured				
	Cash Credit *				
	Loan repayable on demand from banks	-			67,195
		<u>-</u>	<u></u>	<u></u>	<u>67,195</u>
<p>*Secured by hypothecation of present and future housing receivables as per selection criteria to the extent of 115% for the loan outstanding. Cash credit facility is further secured by a lien marked on fixed deposits (refer note 2.14). Also, the said cash credit facility is covered by personal guarantee of Managing director. This cash credit facility has been closed this year.</p>					
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
2.7	Trade payables				
	Trade payables				
	total outstanding due of micro enterprise and small enterprises ; and	-		-	
	total outstanding due of creditors other than micro enterprise and small enterprises	1,804,884			3,106,959
		<u>1,804,884</u>	<u></u>	<u></u>	<u>3,106,959</u>
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
2.8	Other current liabilities				
	Current maturities of long-term borrowings	207,758,830			63,447,690
	Interest accrued but not due on borrowings	6,792,593			895,526
	Employee benefits payable	574,354			709,721
	Loans pending disbursement	36,235,560			34,931,514
	Statutory dues payable	2,497,830			1,328,028
	Other payables	-			64,292
		<u>253,859,167</u>	<u></u>	<u></u>	<u>101,376,771</u>



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**2.9 Property, plant and equipment and Intangible assets**

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 April 2018	As at 31 March 2019	As at 1 April 2018	For the year 31 March 2019	As at 31 March 2019	As at 31 March 2019
<b>Property, plant and equipment</b>						
Computer	2,423,060	4,227,088	858,553	1,607,498	2,466,051	1,761,037
Furniture and fixtures	677,447	1,162,607	90,845	218,836	309,681	852,926
Office equipment	310,788	667,232	92,310	192,836	285,146	382,086
Leasehold improvements	417,132	577,754	41,170	121,071	162,241	415,513
Motor Car	-	2,000,000	-	489,413	489,413	1,510,587
<b>Total</b>	<b>3,828,427</b>	<b>8,634,681</b>	<b>1,082,878</b>	<b>2,629,654</b>	<b>3,712,532</b>	<b>4,922,149</b>

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 April 2018	As at 31 March 2019	As at 1 April 2018	For the year 31 March 2019	As at 31 March 2019	As at 31 March 2019
<b>Intangible assets</b>						
Software	6,691,543	10,644,628	1,975,351	3,711,462	5,686,813	4,957,815
	<b>6,691,543</b>	<b>10,644,628</b>	<b>1,975,351</b>	<b>3,711,462</b>	<b>5,686,813</b>	<b>4,957,815</b>





**Aviom India Housing Finance Private Limited**  
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**Previous year**

Description	Gross block		Accumulated depreciation			Net block	
	As at 1 April 2017	Additions during the year	As at 31 March 2018	As at 1 April 2017	For the year	As at 31 March 2018	As at 31 March 2018
<b>Property, plant and equipment</b>							
Computer	708,891	1,714,169	2,423,060	151,750	706,803	858,553	1,564,507
Furniture and fixtures	146,504	530,943	677,447	15,420	75,425	90,845	586,602
Office equipment	157,599	153,189	310,788	7,318	84,992	92,310	218,478
Leasehold improvements	-	417,132	417,132	-	41,170	41,170	375,962
<b>Total</b>	<b>1,012,994</b>	<b>2,815,433</b>	<b>3,828,427</b>	<b>174,488</b>	<b>908,390</b>	<b>1,082,878</b>	<b>2,745,549</b>

Description	Gross block		Accumulated depreciation			Net block	
	As at 1 April 2017	Additions during the year	As at 31 March 2018	As at 1 April 2017	For the year	As at 31 March 2018	As at 31 March 2018
<b>Intangible assets</b>							
Software	-	6,691,543	6,691,543	-	1,975,351	1,975,351	4,716,192
		<b>6,691,543</b>	<b>6,691,543</b>		<b>1,975,351</b>	<b>1,975,351</b>	<b>4,716,192</b>



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	As at 31 March 2019	As at 31 March 2018 #
<b>2.10 Deferred tax assets (net)</b>		
<b>Deferred tax assets</b>		
Provision for gratuity	37,772	56,008
Contingent provision against standard assets	1,188,396	349,137
Brought forward losses & unabsorbed depreciation	9,796,319	11,273,835
Preliminary Expense	118,254	118,243
<b>Deferred tax asset (A)</b>	<b>11,140,741</b>	<b>11,797,223</b>
<b>Deferred tax liability</b>		
Difference between WDV of fixed assets as per Companies Act, 2013 and Income-tax Act, 1961	510,767	293,149
Unamortised processing fees on borrowings	2,043,762	582,379
<b>Deferred tax liability (B)</b>	<b>2,554,529</b>	<b>875,528</b>
<b>Net deferred tax asset (A-B)</b>	<b>8,586,212</b>	<b>10,921,695</b>

# In the absence of virtual certainty regarding availability of sufficient future taxable income, deferred tax asset was not recognised in previous year.

	Long Term		Short term	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>2.11 Loans and advances (refer note 2.11.1)</b>				
(Unsecured, considered good unless stated otherwise)				
<i>To parties other than related parties</i>				
<b>Housing loans - secured</b>				
Individuals				
- Considered good	858,121,395	245,468,044	39,556,575	51,717,116
<b>Non Housing loans - secured</b>				
Individuals				
- Considered good	359,974,838	36,067,542	26,156,076	6,153,091
Cash collateral against borrowing #	20,314,402	16,875,000	8,420,598	5,625,000
Security deposit	540,400	196,037	414,652	286,363
Contribution to plan assets (refer to note 2.20)	-	475,988	-	-
Advance tax	156,415	1,198,015	-	-
MAT credit	-	-	1,211,208	-
Unamortised processing fee	5,311,476	565,792	2,106,224	1,547,914
Goods and Service tax receivable	-	-	-	461,621
Advances to employees	-	-	707,207	-
Vendor advances	-	-	978,869	-
	<b>1,244,418,926</b>	<b>300,846,418</b>	<b>79,551,409</b>	<b>65,791,105</b>

# Cash collateral paid to avail borrowings limits. The Company receives interest on the said cash collateral at a stated rate on yearly basis. Refer to note 2.11





**2.11.1 Classification of loans and advances and provisions thereon**

(in accordance with the directions issued by the NHB in terms of The Housing Finance Companies (NHB) Directions, 2010)

	Housing loans		Non Housing loans	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>Standard assets</b>				
(a) total outstanding amount *	907,403,795	299,971,910	390,836,113	42,579,461
(b) Provision made	2,749,862	1,199,835	1,563,344	170,318

\* The amount of total outstanding includes interest accrued but not due amounting to Rs.14,431,024 (31 March 2018: Rs.3,145,578).

	Non-current portion		Current portion	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>2.12 Other assets</b> (Unsecured, considered good)				
Fixed deposits (with remaining maturity more than 12 months from the reporting date)	-	500,000	-	-
Interest accrued but not due on loans	-	-	14,431,024	3,145,578
Interest accrued but not due on:				
- Fixed deposits*	-	-	-	19,365
- Cash collateral against borrowing	-	-	962,693	314,087
Others	-	-	904,523	-
	-	500,000	16,298,240	3,479,030

\* Lien marked with bank for availing secured cash credit facility.

**2.13 Current investments**

	As at 31 March 2019	As at 31 March 2018
Investment in mutual funds: unquoted 1,773,393 (31 March 2018: 1,565,971) units of Franklin-India ultra SB fund -Super Institutional Plan	46,584,928	37,578,838
	46,584,928	37,578,838

**2.14 Cash and cash equivalents**

	As at 31 March 2019	As at 31 March 2018
Cash on hand	4,333,577	1,165,295
Balances with bank		
- on current accounts	130,673,291	49,696,728
<b>Other bank balances</b>		
Fixed deposits (with remaining maturity within 12 months from the reporting date)	-	-
	135,006,868	50,862,023
<b>Details of bank balances/ deposits</b>		
Fixed deposits due to mature after 12 months of the reporting date included under "Other non-current assets" (refer note 2.12)	-	500,000
	-	500,000



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	For the year ended 31 March 2019	For the year ended 31st March 2018
<b>2.15 Revenue from operations</b>		
Interest on housing and non housing loans	155,562,604	25,985,200
Processing fees and other charges	51,028,252	15,311,250
	<b>206,590,856</b>	<b>41,296,450</b>
<b>2.16 Other income</b>		
Interest income on fixed deposits	18,837	1,015,480
Interest income on cash collateral against borrowings	1,821,936	348,986
Profit on sale of mutual fund (net)	1,705,243	-
Unrealised gain on mutual fund	300,847	78,838
Miscellaneous	52,200	-
	<b>3,899,063</b>	<b>1,443,304</b>
<b>2.17 Employee benefits</b>		
Salaries, wages and bonus	65,942,111	31,690,771
Contribution to provident and other funds	3,497,430	1,862,606
Gratuity	613,078	-
Staff welfare	1,161,588	308,204
	<b>71,214,207</b>	<b>33,861,581</b>
<b>2.18 Finance costs</b>		
Interest expense	88,981,465	9,108,936
Other borrowing cost	911,751	310,928
	<b>89,893,216</b>	<b>9,419,864</b>
<b>2.19 Other expenses</b>		
<b>Housing Loans:</b>		
Contingent provision against standard assets	1,379,709	1,103,207
<b>Non-Housing Loans:</b>		
Contingent provision against standard assets	1,563,344	163,959
Legal and professional (refer to note 2.19 (a) below)	16,127,605	14,517,637
Rent ##	4,122,160	2,473,055
Travelling and conveyance	5,713,414	2,554,164
Rates and taxes	79,181	1,365,228
Printing and stationery	416,356	1,029,380
Information technology (IT) support cost	736,112	1,016,096
Customer acquisition cost	295,000	-
Communication	1,245,254	569,000
Marketing	1,490,651	266,088
Electricity & water expense	877,375	-
Office expense	1,604,532	-
Bank charges	636,270	-
Miscellaneous	806,440	461,358
	<b>37,093,403</b>	<b>25,519,172</b>





**Aviom India Housing Finance Private Limited**  
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## The Company has taken various office premises on operating lease. The office premises are generally rented for a term between 1 to 3 years on a cancellable basis. Lease payments during the year are charged to statement of profit and loss.

**Note 2.19 (a)- Payment to auditors^**

As auditor

- Statutory audit	500,000	500,000
- Tax audit	100,000	100,000
- Outlays	28,750	28,750
- Certification fees	30,000	30,000
	<u>658,750</u>	<u>658,750</u>

^ excluding goods service tax



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**2.20 Employee Benefits:**

- (i) The following table sets out the status of funded gratuity plan and the amounts recognised in the Company's financial statements as at 31 March 2019 and 31 March 2018:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>a) Change in present value of obligation</b>		
Present value of obligation at the beginning of the year	340,243	134,534
Current service cost	562,965	248,701
Interest cost	25,178	9,686
Benefit paid	-	-
Actuarial (gain)/ loss on obligation	84,687	(52,678)
<b>Present value of obligations at the end of the year</b>	<b>1,013,073</b>	<b>340,243</b>
<b>b) Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	816,231	-
Expected return on plan assets	61,299	-
Contributions	-	813,800
Benefit paid	-	-
Actuarial gain/(loss) on plan assets	(1547)	2,431
<b>Fair value of plan assets at the end of the year</b>	<b>875,983</b>	<b>816,231</b>
<b>c) Amount recognized in the Balance Sheet</b>		
Present value of obligations at the end of the year	(1,013,073)	(340,243)
Fair value of plan assets at the end of the year	8,75,983	816,231
<b>Net (liability)/assets recognized in the Balance Sheet</b>	<b>(137,090)</b>	<b>475,988</b>
Current liability at the end of the year	137,090	-
Non-Current liability at the end of the year	-	-
<b>Contribution to Plan Assets (net)</b>	<b>-</b>	<b>475,988</b>
<b>d) Expenses recognized in the Statement of Profit and Loss</b>		
Current service cost	562,965	248,701
Interest cost on defined benefit obligation	25,178	7,686
Expected return on plan assets	(61,299)	-
Net actuarial (gain)/ loss recognized in the year	86,234	(55,109)
<b>Expenses recognized in the Statement of Profit and Loss</b>	<b>613,078</b>	<b>203,278</b>
<b>e) The amounts of actual return on plan asset are as follows</b>		
Expected return on plan assets	61,299	-
Actuarial gain on plan assets	(1,547)	2,431
<b>Actual return on plan assets</b>	<b>59,752</b>	<b>2,431</b>
<b>f) Experience adjustments:</b>		
Defined benefit obligation	10,13,073	340,243
Fair value of plan assets	875,983	816,231
(Deficit) / surplus in the plan	(1,37,090)	475,988
Experience adjustments arising on plan liabilities – (loss)/gain	(98,023)	(75,619)
Experience adjustments arising on plan assets – (loss)/gain	(1,547)	2,431





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Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>g) Assumptions used for actuarial valuation</b>		
Discount rate	7.60%	7.40%
Rate of increase in compensation	6.00%	6.00%
Withdrawal rate	15.00%	15.00%
Mortality rate	Indian Assured Lives Mortality (2006- 2008) ultimate table	Indian Assured Lives Mortality (2006- 2008) ultimate table

h) Company's best estimate of contribution to during next year is Rs.358,516 (31 March 2018: Nil)

**(ii) Defined contribution plan**

A sum of Rs. 2,399,263 (31 March 2018 Rs. 1,475,550) on account of provident fund is recognised as an expense and included in "contribution to provident fund and other funds" in the Statement of Profit and Loss.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Contribution to Provident Fund	2,399,263	1,475,550
Contribution to Employees' State Insurance	1,098,167	387,056
<b>Total</b>	<b>3,497,430</b>	<b>1,862,606</b>

**2.21 Segment Reporting**

The Company provides Housing loans and Non-Housing loans and the entire services are governed by same set of risk and returns. Hence, the Company has been considered to have only one primary segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard-17 on Segment Reporting as specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

**2.22 Commitments and contingent liability**

**a) Commitments**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Other commitments</b>		
Undisbursed amount of loans sanctioned	259,728,903	110,671,351

**b) Contingent liability**

The Hon'ble Supreme Court of India, vide their ruling dated 28 February 2019, set out the principles based on which certain allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed by a third party and is pending before the Supreme Court for disposal. In view of the management, pending decision on the subject review petition and directions from the EPFO, the management has a view that the applicability of the decisions is prospective. Further, the impact for the past period, if any, is not practically ascertainable in view of various interpretation issues.

**2.23 Related party disclosures**

**(a) List of related parties**

S.N.	Nature of relationship	Name of the related party
1	Individuals with control over the enterprise	Kaajal Aijaz Ilmi, Managing Director & CEO
2	Key Managerial Personnel	Kaajal Aijaz Ilmi, Managing Director & CEO





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**(b) Transaction with related parties**

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>Equity shares issued during the year</b>		
Ms. Kaajal Aijaz Ilmi	-	5,000,000
<b>Remuneration for the year</b>		
Ms. Kaajal Aijaz Ilmi	7,054,599	5,790,000
<b>Personal Guarantee given during the year</b>		
Ms. Kaajal Aijaz Ilmi	1,335,000,000	275,000,000

**2.24 Long-term contracts**

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long-term contracts has been made in the books of account.

**2.25 Earnings per share**

Basic and diluted earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

S.N.	Particulars	Units	Year ended 31 March 2019	Year ended 31 March 2018
(a)	Profit after tax attributable to equity shareholders	Rs.	14,534,177	(28,944,604)
	<b>Computation of weighted average number of equity shares of Rs.10 each</b>			
	Number of shares at the beginning of the year	Nos.	13,181,100	12,181,000
	Number of shares issued during the year	Nos.	-	100,00,100
	Total number of equity shares outstanding at the end of the year	Nos.	13,181,100	13,181,100
(b)	Weighted average of number of equity shares- Basic	Nos.	13,181,100	13,063,207
(c)	Weighted average of number of equity shares- Diluted	Nos.	18,290,721	13,063,207
(d)	Basic Earnings Per Share (a/b)		1.10	(2.22)
(e)	Diluted Earnings Per Share (a/c)		0.79	(2.22)

**2.26 Disclosure regarding penalty or adverse comments as per Housing Finance Companies (NHB) Directions, 2010. During the current year ended 31 March 2019:**

- There has been no penalty imposed by National Housing Bank; and
- There has been no adverse comments in writing from National Housing Bank on regulatory compliances, which require a specific communication by the Company to the public.

**2.27 Capital**

Particulars	Year ended 31 March 2019
(i) CRAR (%)	26.27%
(ii) CRAR – Tier I Capital (%)	25.79%
(iii) CRAR – Tier II Capital (%)	0.48%
(iv) Amount of subordinated debt raised as Tier- II Capital	
(v) Amount raised by issue of Perpetual Debt Instruments	





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**2.28 Reserve Fund u/s 29C of NHB Act, 1987**

Particulars	As at 31 March 2019
<b>Balance at the beginning of the year</b>	-
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-
c) Total	-
<b>Addition / Appropriation / Withdrawal during the year</b>	
<b>Add:</b>	2,906,835
a) Amount transferred u/s 29C of the NHB Act, 1987	-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-
<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>	2,906,835
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	2,906,835
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	2,906,835

**2.29 Investments**

Particulars	As at 31 March 2019
<b>Value of Investments</b>	
(i) Gross value of Investments	
(a) In India	46,584,928
(b) Outside India	-
(ii) Provisions for Depreciation	
(a) In India	-
(b) Outside India	-
(iii) Net value of Investments	
(a) In India	46,584,928
(b) Outside India	-
<b>Movement of provisions held towards depreciation on investments</b>	
(i) Opening balance	-
(ii) Add: Provisions made during the year	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-
(iv) Closing balance	-





## 2.30 Derivatives transaction

The Company has not entered into any derivative contracts during the year.

## 2.31 Securitisation and assignment

The Company has not entered into any securitisations and assignment transaction during the year.

## 2.32 Exposure

### 2.32.1 Exposure to Real Estate Sector

Category		As at 31 March 2019
a)	<b>Direct Exposure</b>	
	(i) <b>Residential Mortgages -</b>	
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to 15 lakh may beshown separately)	907,403,795
	(ii) <b>Commercial Real Estate -</b>	
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose 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;	-
	(iii) <b>Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b>	
	a) Residential	-
	b) Commercial Real Estate	-
	<b>Indirect Exposure</b>	
b)	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-

### 2.32.2 Exposure to Capital Market

The Company does not have any capital market exposure as at 31 March 2019

**2.33** The Company does not have any parent company. Hence, disclosure with respect to details of financing of parent company products is not applicable on the Company.

**2.34** During the year ended 31 March 2019, the Company's credit exposure (whether in term of sanctioned amount or entire amount outstanding, whichever is higher) to single borrowers and group of borrowers were within the limit prescribed by National Housing Bank for Housing Finance Companies .

**2.35** The Company has not obtained registration with any other financial sector regulator

**2.36** The Company has not obtained ratings from credit rating agencies.

**2.37** There are no non-executive director hence disclosure of sitting fees is not applicable.





**Aviom India Housing Finance Private Limited**  
**Notes to the financial statements for the year ended 31 March 2019**  
(All amounts are in Indian Rupees)

**2.38 Asset Liability Management**

**Maturity pattern of certain items of assets and liabilities as at 31 March 2019**

Assets and Liabilities are classified in the maturity buckets as per the guidelines issued by National Housing Bank.

Maturity Buckets	As at 31 March 2019			
	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings*	Advances**	Investments***
1 day to 30-31 days (One month)	1,833,333	13,911,345	8,616,579	46,584,928
Over 1 to 2 months	1,833,333	14,021,122	4,718,523	-
Over 2 to 3 months	1,833,333	14,303,663	4,846,876	-
Over 3 to 6 months	5,499,999	45,215,157	15,050,425	-
Over 6 months to 1 year	10,999,998	98,348,177	32,499,154	-
Over 1 to 3 years	43,999,992	394,611,094	169,012,935	-
Over 3 to 5 years	80,785,734	152,829,182	252,545,706	-
Over 5 to 7 years	114,285,714	-	328,469,540	-
Over 7 to 10 years	171,428,571	-	455,147,980	-
Over 10 years	66,666,671	-	12,901,165	-
<b>Total</b>	<b>499,166,678</b>	<b>733,239,740</b>	<b>1,283,808,883</b>	<b>46,584,928</b>

\*Market borrowings includes long-term borrowings from parties other than banks, non-convertible debentures and commercial paper.

\*\*Advances includes housing and non-housing loans net off provisions for non-performing assets.

\*\*\*Investment includes investment in mutual funds.



## 2.39 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended 31 March 2019
1. Provisions for depreciation on Investment	-
2. Provision made towards Income tax	1,211,208
3. Provision towards NPA	-
4. Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	2,943,053
5. Other Provision and Contingencies (with details)	-

**2.40 Draw down from reserves:** During the year, there has been no draw down from the statutory reserves.

**2.41 Concentration of Public Deposits, Advances, Exposures and NPAs:** The Company did not have any public deposits. Therefore, disclosure with respect to concentration of public deposits is not applicable on the Company.

### 2.41.1 Concentration of loans and advances

Particulars	As at 31 March 2019
Total loans and advances to twenty largest borrowers	13,974,853
Percentage of loans and advances to twenty largest borrowers to total advances of the Company.	1.09%

### 2.40.2 Concentration of all exposure (including off-balance sheet exposure)

Particulars	As at 31 March 2019
Total exposure to twenty largest borrowers / customers	13,974,853
Percentage of exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	1.09%

**2.42** The Company does not have any NPA accounts during the year and as at 31 March 2019.

**2.43** The Company does not hold any overseas assets.

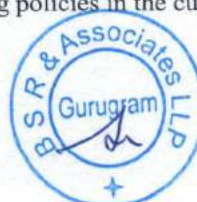
**2.44** The Company does not have any off-balance sheet Special Purpose Vehicle (SPV) sponsored.

**2.45** The Company has not given any unsecured loan to borrowers during the year.

**2.46** The total amount of advance for which intangible securities such as charge over rights, licenses, authority, etc. has been taken as also estimated value of such intangible collateral: Nil

**2.47** The Company has not given any Gold Loan/ loan against deposition of gold during the year.

**2.48** There are no prior period items and there are no changes in accounting policies in the current year, except as disclosed in 1B (g).





**Aviom India Housing Finance Private Limited**  
**Notes to the financial statements for the year ended 31 March 2019**  
(All amounts are in Indian Rupees)

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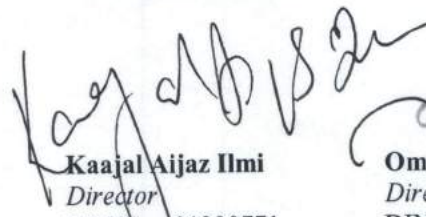
- 2.49** The Company has not received any customer complaints during the year.
- 2.50** Previous year's figures have been regrouped/reclassified, where necessary, to conform to current year's classification.


**As per our report of even date attached**

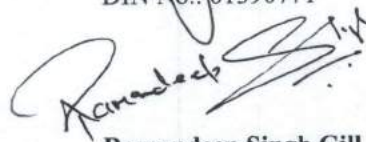
**For BSR & Associates LLP**  
*Chartered Accountants*  
Firm registration number: 116231W/ W-100024

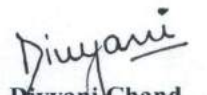
  
**Manish Gupta**  
*Partner*  
Membership No.: 095037  
UDIN:19095037AAAACG9619

**For and on behalf of the Board of Directors of  
Aviom India Housing Finance Private Limited**

  
**Kaajal Aijaz Ilmi**  
*Director*  
DIN No.: 01390771

  
**Om Parkash Sikka**  
*Director*  
DIN No.: 05138374

  
**Ramandeep Singh Gill**  
*Financial Controller*

  
**Divyani Chand**  
*Company Secretary*  
Membership No.-ACS- 52153

Place: Gurugram  
Date: 23 July 2019

Place: New Delhi  
Date: 23 July 2019

