

INDEPENDENT AUDITOR'S REPORT

To the Members of CapFloat Financial Services Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of CapFloat Financial Services Private Limited (formerly known as Zen Lefin Private Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its loss, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "the Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.



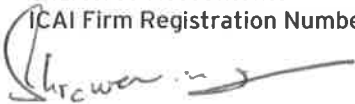
2. As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement 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, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Shrawan Jalan**

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 25/6/18



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

Re: CapFloat Financial Services Private Limited (formerly known as Zen Lefin Private Limited) ('the Company')

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.
- (i)(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i)(c) According to the information and explanation given by the management, there are no immovable properties, included in property, plant and equipment / fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanation given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, goods and service tax and other material statutory dues have generally been regularly deposited with the appropriate authorities though there is slight delay in a few cases. The provisions relating to duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
- (vii)(b) According to the information and explanations given to us, undisputed amounts payable in respect of provident fund, income-tax, goods and service tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable are as follows:



Nature of statute	Nature of the dues	Amount (Rs.)	Period to which amount relates	Due Date	Date of Payment	Remarks if any
Provident Fund Act, 1952	Provident Fund	47,805	July to March	Various dates	Not Paid	The Company has informed that it has not been able to make these payments due to delay in receiving Aadhaar numbers of certain employees.
Employee State Insurance Corporation, 1948	Employee State Insurance Corporation	1,327	July	15-Aug-17	Not Paid	The Company has informed that it has not been able to make these payments due to delay in receiving Aadhaar numbers of certain employees.

(vii)(c) According to the information and explanations given to us, the dues of income tax outstanding on account of any dispute are as follows:

Nature of statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending	Remarks if any
Income Tax Act, 1961	Income Tax	17,590	AY 2009-10	Assessing Officer	
Income Tax Act, 1961	Income Tax	39,47,664	AY 2014-15	Commissioner of Income Tax (Appeals)	The Company has paid an amount of Rs. 6,96,647 under protest for the matter under dispute

(viii) According to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.

(ix) According to information and explanations given to us and on an overall examination of the balance sheet, the Company has not raised any money by way of initial public offer, hence not commented upon.

Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.

(x) Based upon the audit procedures performed for the purposes of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the the Company or no fraud on the Company has been noticed or reported during the year.

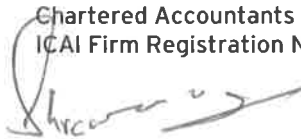


- (xi) According to the information and explanation given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partly convertible debentures during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

Place: Mumbai

Date: 25/6/18



"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CAPFLOAT FINANCIAL SERVICES PRIVATE LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")****To the Members of CapFloat Financial Services Private Limited**

We have audited the internal financial controls over financial reporting of CapFloat Financial Services Private Limited (formerly known as Zen Lefin Private Limited) ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

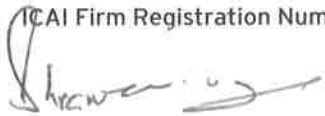
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 28/6/18



CapFloat Financial Services Private Limited (Formerly Zen Lefin Private Limited)

BALANCE SHEET AS AT MARCH 31, 2018

Amounts in Rupees

Particulars	Note no.	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	33,75,23,968	21,88,26,468
Reserves and Surplus	4	<u>3,53,93,42,429</u>	<u>1,61,30,01,654</u>
		3,87,68,66,397	1,83,18,28,122
Non - Current Liabilities			
Long term borrowings	5	2,21,90,97,852	1,19,03,20,335
Long term provisions	6	<u>3,98,19,807</u>	<u>2,68,36,744</u>
		2,25,89,17,659	1,21,71,57,079
Current Liabilities			
Short term borrowings	7	55,35,14,881	39,54,55,309
Trade payables	8	8,22,24,523	3,93,98,738
Other current liabilities	9	3,09,81,66,353	1,39,62,02,890
Short term provisions	10	<u>32,60,55,474</u>	<u>10,82,81,401</u>
		4,05,99,61,231	1,93,93,38,338
TOTAL		<u>10,19,57,45,287</u>	<u>4,98,83,23,539</u>
ASSETS			
Non - Current Assets			
Tangible assets	11	11,72,92,916	4,61,39,650
Intangible assets	11	<u>1,00,80,411</u>	<u>1,11,50,541</u>
		12,73,73,327	5,72,90,191
Deferred tax assets (Net)	12	-	-
Long term loans and advances	13	1,86,76,14,660	1,20,68,54,352
Other non current assets	14	<u>31,99,46,631</u>	<u>20,55,30,609</u>
		2,18,75,61,351	1,41,23,84,961
Current Assets			
Trade receivables	15	2,89,81,591	81,98,306
Cash and Bank Balances	16	2,23,76,56,763	75,39,69,635
Short term loans and advances	17	5,44,51,99,504	2,64,22,50,210
Other current assets	18	<u>16,89,72,751</u>	<u>11,42,30,236</u>
		7,88,08,10,609	3,51,86,48,387
TOTAL		<u>10,19,57,45,287</u>	<u>4,98,83,23,539</u>

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.R. BATLIBOI & Co. LLP

ICAI Firm Registration No.301003E/E300005
Chartered Accountants



per Shravan Jalan
Partner
Membership No. 102102

For and on behalf of

CapFloat Financial Services Private Limited


Gaurav D Hinduja
Director
DIN: 01264801


Sashank R Rishyasringa
Director
DIN: 06466985


Rajesh Viswanathan
Chief Financial Officer


Sushma
Company Secretary

Place: Mumbai

Date: 25/6/18

Place: Bangalore

Date: 25/6/18



CapFloat Financial Services Private Limited (Formerly Zen Lefin Private Limited)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note no.	Amounts in Rupees	
		For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	19	1,22,42,31,678	46,56,26,306
Other Income	20	12,67,86,699	7,28,66,463
Total Revenue		1,35,10,18,377	53,84,92,769
Expenses			
Employee benefits expense	21	76,12,77,761	55,24,61,981
Finance costs	22	52,03,25,155	18,91,87,990
Depreciation and amortisation expense	23	3,54,93,817	1,61,56,431
Other expenses	24	95,52,01,596	41,54,10,616
Total Expenses		2,27,22,98,329	1,17,32,17,018
Loss before tax		(92,12,79,952)	(63,47,24,249)
Less: Tax expense:			
- Deferred tax (credit)/charge		-	-
Loss for the year		(92,12,79,952)	(63,47,24,249)
Earning per equity share:	25		
- Basic		(601.49)	(421.64)
- Diluted		(601.49)	(421.64)

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.R. BATLIBOI & Co. LLP

ICAI Firm Registration No.301003E/E300005

Chartered Accountants

[Signature]

per Shrawan Jalan

Partner

Membership No. 102102

For and on behalf of

CapFloat Financial Services Private Limited

[Signature]

Gaurav D Hinduja

Director

DIN: 01264801

[Signature]

Sashank R Rishyasringa

Director

DIN: 06466985

[Signature]

Rajesh Viswanathan

Chief Financial Officer

[Signature]

Sushma

Company Secretary

Place: Mumbai

Date: 25/6/18

Place: Bangalore

Date: 25/6/18



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rupees	
	For the year ended March 31, 2018	For the year ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	(92,12,79,952)	(63,47,24,249)
Adjustments for:		
Depreciation/ amortisation	3,54,93,817	1,61,56,431
Provision for doubtful loans and advances	18,48,79,296	3,81,86,459
Provision for standard assets	1,35,46,099	1,06,68,705
ESOP compensation expenses	5,68,60,803	5,85,34,801
Provision for doubtful debts and other provisions	1,33,95,446	1,95,33,684
Waiver and write off	16,45,47,638	1,80,80,025
Profit on sale of investments	(4,00,77,368)	(4,90,57,923)
Operating Profit Before Working Capital Changes	(49,26,34,221)	(52,26,22,067)
Adjustment for changes in working capital:		
(Decrease)/ Increase in Trade Payables	4,28,25,785	2,32,38,718
(Decrease)/ Increase in Other Current liabilities	41,46,19,970	15,27,84,246
(Decrease)/ Increase in long term provisions	1,29,83,063	1,66,37,245
(Decrease)/ Increase in short term provisions	(15,85,94,406)	(76,99,497)
(Increase)/ Decrease in Long term loans and advances	(66,07,60,308)	(72,87,50,407)
(Increase)/ Decrease in Other Non Current Assets	(11,44,16,082)	(19,34,21,430)
(Increase)/ Decrease in Trade Receivables	(2,07,83,285)	(74,90,057)
(Increase)/ Decrease in short term loans and advances	(2,80,29,49,294)	(1,99,62,17,960)
(Increase)/ Decrease in Other Current Assets	(5,47,42,515)	(9,93,88,152)
Cash used in operations	(3,34,18,17,072)	(2,84,03,07,294)
Direct taxes paid (net of refund)	-	(6,96,647)
Net Cash used in Operating Activities	(3,83,44,51,293)	(3,36,36,26,007)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including intangible assets	(10,55,76,953)	(4,54,94,816)
Purchase of investments	(4,35,02,00,000)	(4,45,03,30,776)
Sale proceeds from investments	4,39,02,77,368	4,49,93,88,699
Net Cash used in Investing Activities	(6,54,99,565)	35,63,107
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity Share Capital	16,00,200	100
Proceeds from issue of Preference Share Capital	11,86,97,300	4,36,58,100
Proceeds from Securities Premium on issue of Share Capital	2,80,63,02,521	1,65,63,44,202
Payment of securities issue expenses	(1,55,42,597)	(1,89,24,652)
Loan to Capital Float Employee Welfare Trust	(16,00,000)	(2,12,420)
Proceeds from long term borrowings	4,09,00,00,000	2,24,00,00,000
Repayment of long term borrowings	(1,77,38,78,990)	(33,65,73,003)
Proceeds from short term borrowings	87,00,00,000	48,00,00,000
Repayment of Short term borrowings	(71,19,40,428)	(10,45,44,691)
Net Cash generated from Financing Activities	5,38,36,38,006	3,95,97,47,636
Net Increase in Cash and Cash Equivalents during the year	1,48,36,87,128	59,96,84,736
Cash and Cash equivalents at beginning of the year	75,39,69,635	15,42,84,899
Cash and Cash equivalents at the end of the year	2,23,76,56,763	75,39,69,635

CASH AND BANK BALANCES AS AT MARCH 31, 2018

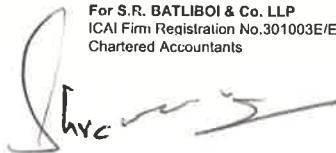
Particulars	Amount in Rupees	
	As at March 31, 2018	As at March 31, 2017
Cash and Cash equivalents comprises of:		
Cash in Hand	18,845	32,823
Balance with Banks		
- in current accounts	37,01,67,053	19,88,28,313
- in fixed deposits	1,86,74,70,865	55,51,08,499
Total	2,23,76,56,763	75,39,69,635

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3 - 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
- Cash and cash equivalents in the balance sheet comprises of Cash in hand and Cash at bank.

As per our report of even date

For S.R. BATLIBOI & Co. LLP
ICAI Firm Registration No.301003E/E300005
Chartered Accountants

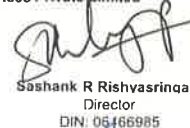


per Shrawan Jalan
Partner
Membership No. 102102

For and on behalf of
CapFloat Financial Services Private Limited


Gautav Batliboi
Director
DIN: 01264801


Raeesh Viswanathan
Chief Financial Officer


Sashank R Rishvasrinqa
Director
DIN: 05466985


Kushima
Company Secretary

Place: Mumbai 25/6/18
Date:

Place: Bangalore
Date: 25/6/18



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1 CORPORATE INFORMATION

Zen Lefin Private Limited ('the Company') is a Non-Banking Financial Institution ('NBFC') incorporated on 6th October 1993. The Company has received a Certificate of Registration from the Reserve Bank of India ('RBI') on 16th January 2001 to commence / carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits. The Company is engaged in providing loans to small and medium enterprises and individuals. The Company has received RBI confirmation on name change from "Zen Lefin Private Limited" to "CapFloat Financial Services Private Limited" with effect from 12th June 2018.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to comply in accordance with the Accounting Standards ('AS') notified under Section 133 of the Companies Act, 2013 (the 'Act') read together with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules 2016 and other accounting principles generally accepted in India (IGAAP) and as per the guidelines issued by Reserve Bank of India ('RBI') as applicable to a Non-Banking Financial (Non-deposit accepting or holding) Companies ('NBFC Regulation'). These financial statements have been prepared on an accrual basis and under the historical cost convention. The notified Accounting Standards (AS) are followed by the Company in so far as they are not inconsistent with the NBFC Regulation.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Change in Accounting Policy

Policy on provision on standard assets has been changed to @ 0.40% of the on-book loans and advances in the current year versus 0.40% on entire AUM in the previous year. Consequent to this the loss for the year ended March 31, 2018 is lower by Rs.1.43 crores

(b) Current/ Non Current classification of assets and liabilities

As required by Schedule III to Companies Act, 2013, the Company has classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Since in case of a non-banking financial company normal operating cycle is not readily determinable, the operating cycle has been considered as 12 months.

(c) Use of estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles ("IGAAP") requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognised prospectively in current and future periods.

(d) Change in Estimates

Policy on provision with respect to NPA on vehicle loans in current year has been changed to net off recoverable value, estimated at 25% of the principal outstanding, versus 100% on entire principal outstanding in the previous year. Consequent to this, the loss for the year ended March 31, 2018 is lower by Rs.0.58 crores.

(e) Tangible assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the Company amortises the intangible asset over the best estimate of its useful life. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(g) Depreciation on Tangible asset / Amortisation of Intangible asset

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Particulars	Useful lives estimated by the Management (Same as specified in Schedule II of Companies Act, 2013)
Computers & Printers	3
Servers	6
Electronic Equipment	5
Leasehold Improvements	Over lease period
Office Equipment	5
Electrical Installations and Fittings	10
Furniture & Fixtures	10
Intangible assets	3-5
Vehicle	8

(h) Loans

Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date and loans securitised.

(i) Leases

Operating Lease

Where the Company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the tenure of the lease.

(j) Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at the pre tax discount rate reflecting current market assessment of time value of money and risks specific to asset.

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

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(k) Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Current investments are carried in the financial statements are stated at lower of cost or fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(l) Foreign currency transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income

Interest income from loans are recognised as income on accrual basis with reference to the terms of contractual commitments entered into with borrowers. In case of non-performing assets interest income is recognised when realised, as per NBFC prudential norms. Interest income on all other assets is recognised on time proportion basis.

Income on discounted instruments

Income on discounted instruments is recognised over the tenor of the instrument on straight line basis.

Fee Income on Loans

Fee income other than subvention income received upfront are considered to be accrued at the time of entering a contractual agreement with the borrowers and recognised accordingly.

Subvention Income

Subvention income on loans, included under Fee Income on Loans, is recognised as income over the tenor of the loan agreements. The unamortized balance is being disclosed as part of liabilities.

Income from securitisation

In case of securitisation of loans, the loans securitised are de-recognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of securitised loans. On de-recognition, loss arising is recognised upfront, however, premium is amortised based on receivables over the remaining tenure of loans.

Servicing fee received is accounted for based on the underlying deal structure of the transaction as per the agreement.

Profit/ Loss on sale of investments

Profit/loss earned on sale of investments is recognised on trade date basis. Profit or loss on sale of investments is determined on the basis of the First in First out Basis (FIFO).

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(n) Securities issue expenses

Securities issue expenses related to issuance of securities are debited against securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013.

(o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

Leave encashment

Earned leave can be carried forward and availed during the tenure of the employment or encashed at the time of separation of the employee. This liability is recognised based on an external actuarial valuation using the projected unit credit method.

(p) Borrowing costs

Borrowing costs consists of interest and other ancillary cost that the entity incurs in connection with borrowing of funds. Ancillary costs incurred in connection with the arrangement of borrowings are recognised as and when incurred.

(q) Loan origination cost

Loan origination costs such as credit verification, agreement stamping, direct selling agents commission and valuation charges are recognised as expense as and when it is incurred.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(r) **Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(s) **Provisioning/write-off on assets**

Provision/write-off on overdue assets

The provision/write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (NBFC Guidelines).

The Company accounts for provision for doubtful assets after taking into account the time lag between an accounts becoming overdue, its recognition as such and realisation of available security. The company classifies non performing assets as the ones which are overdue for 3 months or more.

Provision on standard assets

Provision on standard assets is made @ 0.4% as per management estimates, subject to the minimum provision required as per Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (NBFC Guidelines).

(t) **Employee Stock Option Scheme ('ESOS')**

Employees of the Company also receives remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments by ICAI, the cost of equity-settled transactions is measured using the intrinsic value method i.e. excess of market value of shares over the exercise price of options on the date of grant.

Compensation cost is amortised over the vesting period of the option on a straight line basis. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The Company operates its Employee Stock Option Scheme through a trust formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the options being exercised by employees. Cost of benefit, if any, is recognised as an expense by the Company. The balance equity shares not exercised and held by the trust are disclosed as a reduction from the share capital if any with an equivalent adjustment to the subscription loan advanced to the Trust.

(u) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(v) **Provisions**

A provision is recognised when the Company has a present obligation as a result of past event; It is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(w) **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(x) **Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rupees	
	As at March 31, 2018	As at March 31, 2017
3 Share Capital		
Authorized:		
20,00,000 (Previous year 20,00,000) Equity Shares of Rs. 10/-each	2,00,00,000	2,00,00,000
3,15,695 (Previous year 3,15,695) Series A Compulsorily Convertible Preference Shares of Rs. 10/- each having coupon rate of 0.01%	31,56,950	31,56,950
40,000 (Previous year 40,000) Series A1 Compulsorily Convertible Preference Shares of Rs. 13/- each having coupon rate of 0.01%	5,20,000	5,20,000
3,30,000 (Previous year 3,30,000) Series B Compulsorily Convertible Preference Shares of Rs. 10/- each having coupon rate of 0.01%	33,00,000	33,00,000
11,30,000 (Previous year 11,30,000) Series C Compulsorily Convertible Preference Shares of Rs. 100/- each having coupon rate of 0.01%	11,30,00,000	11,30,00,000
8,80,000 (Previous year 8,88,000) Series D Compulsorily Convertible Preference Shares of Rs 100/- each having coupon rate of 0.01%	8,80,00,000	8,80,00,000
17,00,000 (Previous year Nil) Series E Compulsorily Convertible Preference Shares of Rs 100/- each having coupon rate of 0.01%	17,00,00,000	-
	39,79,76,950	22,79,76,950
Issued, subscribed and fully paid up:		
16,65,376 (Previous year 15,05,356) Equity shares of Rs.10/- each	1,66,53,760	1,50,53,560
57,396 (Previous year 57,396) Series A Compulsorily Convertible Preference Shares of Rs. 10/- each having coupon rate of 0.01%	5,73,960	5,73,960
38,096 (Previous year 38,096) Series A 1 Compulsorily Convertible Preference Shares of Rs. 13/- each having coupon rate of 0.01%	4,95,248	4,95,248
3,24,812 (Previous year 3,24,812) Series B Compulsorily Convertible Preference Shares of Rs. 10/- each having coupon rate of 0.01%	32,48,120	32,48,120
11,23,518 (Previous year 11,23,518) Series C Compulsorily Convertible Preference Shares of Rs. 100/- each having coupon rate of 0.01%	11,23,51,800	11,23,51,800
8,73,162 (Previous year 8,73,162) Series D Compulsorily Convertible Preference Shares of Rs. 100/- each having coupon rate of 0.01%	8,73,16,200	8,73,16,200
11,86,973 (Previous year NIL) Series E Compulsorily Convertible Preference Shares of Rs. 100/- each having coupon rate of 0.01%	11,86,97,300	-
Less: 1,16,235 equity shares of Rs.10 each (Previous year 42,484 equity shares) held in Trust for employees under ESOP Scheme* (refer 'j' below)	(19,12,420)	(2,12,420)
	33,75,23,968	21,88,26,468

* The Company had extended loans to Capital Float Employee Welfare Trust ('Trust') for purchase of shares of the Company. As per the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employee Share-based payment, till March 31, 2018, the Company has adjusted the loan of Rs. 18,12,420 granted to the Trust for the purchase of equity shares.

a. Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the reporting year:

	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
At the beginning of the reporting year	15,05,356	1,50,53,560	7,52,668	75,26,680
Add: Bonus shares issued during the year	-	-	7,52,678	75,26,780
Add: Issued during the year-Preferential allotment	20	200	10	100
Add: Issued during the year- ESOP plan	1,60,000	16,00,000	-	-
At the close of the reporting year	16,65,376	1,66,53,760	15,05,356	1,50,53,560

b. Reconciliation of number of Compulsorily Convertible Preference shares (CCPS) and amount outstanding at the beginning and at the end of the reporting year:

Series A Compulsorily Convertible Preference shares

	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
At the beginning of the reporting year	57,396	5,73,960	28,698	2,86,980
Add: Bonus shares issued during the year	-	-	28,698	2,86,980
At the close of the reporting year	57,396	5,73,960	57,396	5,73,960



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Series A1 Compulsorily Convertible Preference shares

	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
At the beginning of the reporting year	38,096	4,95,248	19,048	2,47,624
Add: Bonus shares issued during the year	-	-	19,048	2,47,624
At the close of the reporting year	38,096	4,95,248	38,096	4,95,248

Series B Compulsorily Convertible Preference shares

	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
At the beginning of the reporting year	3,24,812	32,48,120	1,62,406	16,24,060
Add: Bonus shares issued during the year	-	-	1,62,406	16,24,060
At the close of the reporting year	3,24,812	32,48,120	3,24,812	32,48,120

Series C Compulsorily Convertible Preference shares

	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
At the beginning of the reporting year	11,23,518	11,23,51,800	5,61,759	5,61,75,900
Add: Bonus shares issued during the year	-	-	5,61,759	5,61,75,900
At the close of the reporting year	11,23,518	11,23,51,800	11,23,518	11,23,51,800

Series D Compulsorily Convertible Preference shares

	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
At the beginning of the reporting year	8,73,162	8,73,16,200	4,36,581	4,36,58,100
Add: Issued during the year	-	-	4,36,581	4,36,58,100
Add: Bonus shares issued during the year	-	-	-	-
At the close of the reporting year	8,73,162	8,73,16,200	8,73,162	8,73,16,200

Series E Compulsorily Convertible Preference shares

	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
At the beginning of the reporting year	-	-	-	-
Add: Issued during the year	11,86,973	11,86,97,300	-	-
At the close of the reporting year	11,86,973	11,86,97,300	-	-

c. Terms / Rights attached to equity and preference shares

Equity Shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference Shares

1. Seniority:

Series A, A1, B, C, D and E CCPS shall be participating, compulsorily convertible and non-cumulative preference shares and shall rank equal to and senior to all other Securities of the Company.

2. Voting Rights:

The holders of the CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders of the Company (including the holders of Equity Shares).

3. Terms of Conversion:

Series A CCPS: convertible into 1 (one) equity share
 Series A1 CCPS: convertible into 1.2107 (one point two one zero seven) equity shares
 Series B CCPS: convertible into 1 (one) equity share
 Series C CCPS: convertible into 1 (one) equity share
 Series D CCPS: convertible into 1 (one) equity share
 Series E CCPS: convertible into 1 (one) equity share

The respective CCPS will be converted upon the following events whichever is earlier:

- on expiry of a period of 10 (Ten) years from the respective dates of issuance of each CCPS series;
- prior to the Qualified IPO;
- at the option of the holder of the respective CCPS;
- on the occurrence of a Liquidation Event.

In addition to above, for Series A and A1 CCPS, conversion may also be attracted immediately prior to transfer of such CCPS to any of the Promoters or Relatives of the Promoters, as per respective shareholders' agreement.

However, the holder of CCPS may seek conversion of all or any part of the CCPS held by it at any time at its discretion.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

4. Nature:

The equity shares issued and allotted upon conversion of any or all of the CCPS Series shall rank pari passu with all the other equity shares of the Company.

5. In the event of winding up or liquidation:

In the event of winding up or liquidation of the Company or the occurrence of a Liquidation Event, prior to payments to any class of shareholders including holders of any other preference shares (but pari passu with the holders of the Series A CCPS, Series A1 CCPS, Series B CCPS, Series C CCPS, Series D CCPS and Series E CCPS the holders of the Series A, A1, B, C, D and E CCPS shall be entitled to be repaid an amount that is the sum total of (i) the subscription consideration including premium paid towards subscription of such Series and (ii) all dividend that has accrued in relation to respective CCPS but remains unpaid. Thereafter, all the Shareholders (including the Investors) shall be entitled to their pro rata share in the surplus amounts or profits on the basis of their Shareholding Percentage on a Fully Diluted Basis.

	As at March 31, 2018		As at March 31, 2017	
d. Shares allotted by way of bonus shares (Equity and CCPS)				19,61,170
e. Particulars of shareholders holding more than 5% of respective share capital:				
Equity Shares				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	%	Number	%
Gaurav Dinesh Hinduja	6,90,007	41.43%	7,30,588	48.53%
Sashank R Rishyasinga	6,90,007	41.43%	7,30,588	48.53%
Capital Float Employee Welfare Trust	1,16,235	6.98%	42,484	2.82%
Series A CCPS				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	%	Number	%
Dinesh J Hinduja	57,396	100.00%	57,396	100.00%
Series A1 CCPS				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	%	Number	%
Dinesh J Hinduja	38,096	100.00%	38,096	100.00%
Series B CCPS				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	%	Number	%
Aspada Investment Company	2,16,606	66.69%	2,16,606	66.69%
SAIF Partners India IV Limited	1,08,206	33.31%	1,08,206	33.31%
Series C CCPS				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	%	Number	%
Aspada Investment Company	1,72,662	15.37%	1,72,662	15.37%
SAIF Partners India IV Limited	4,97,064	44.24%	4,97,064	44.24%
Sequoia Capital India Investments IV	4,10,890	36.57%	4,10,890	36.57%
Series D CCPS				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	%	Number	%
Dinesh J Hinduja	51,364	5.88%	51,364	5.88%
Aspada Investment Company	92,454	10.60%	92,454	10.60%
SAIF Partners India IV Limited	1,64,364	18.82%	1,64,364	18.82%
Sequoia Capital India Investments IV	51,364	5.88%	51,364	5.88%
Creations Investments CF LLC	5,13,616	58.82%	5,13,616	58.82%
Series E CCPS				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	%	Number	%
SAIF Partners India IV Limited	2,96,748	25.00%	-	-
Sequoia Capital India Investments IV	1,84,643	15.56%	-	-
Creations Investments CF LLC	1,58,266	13.33%	-	-
Ribbit Capital Mauritius IV	5,47,316	46.11%	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	As at March 31, 2018	As at March 31, 2017
f. Securities (Compulsorily Convertible Preference Shares) convertible into equity shares	36,11,984	24,25,011
g. Shares reserved for issue under Employee Stock Option Scheme-Issued, held with Trust (Refer note 28)	1,16,235	42,484
Shares reserved for issue under Employee Stock Option Scheme -Unissued, held with company	1,30,054	2,41,670
h. Aggregate number of shares issued for a consideration other than cash during the period of five years immediately preceding the reporting date	24,40,828	24,40,828
No bonus shares have been issued during the year (previous year 752,678 equity shares and 12,08,492 CCPS A,A1,B, C and D shares were issued worth 10,95,19,444/- as approved by Board on 30th March 2017)		
During the year 1,60,000 equity shares issued to ESOP Trust created to manage ESOPs issued to employees. The ESOP Trust held 1,16,235 shares as at 31st March 2018 after transferring 86,249 equity shares to employees who exercised their options.		

4 Reserves and Surplus

	As at March 31, 2018	As at March 31, 2017
Capital Reserve	-	-
Balance as per last Balance Sheet	-	-
Add : Transferred during the year	-	-
Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	84,069	84,069
Balance as per last Balance Sheet	-	-
Add : Transferred from Statement of Profit and Loss	84,069	84,069
Securities Premium Account	2,46,43,87,498	93,64,87,392
Balance as per last Balance Sheet	2,80,63,02,521	1,65,63,44,202
Add : Received during the year	-	10,95,19,444
Less: Bonus shares issued	1,55,42,597	1,89,24,652
Less : Securities issue expenses	5,25,51,47,422	2,46,43,87,498
Employee stock option outstanding	10,26,77,577	4,41,42,776
Balance as per last Balance Sheet	5,68,60,803	5,85,34,801
Add : Transferred from Statement of Profit and Loss	15,95,38,380	10,26,77,577
Surplus in the Statement of Profit and Loss	(95,41,47,490)	(31,94,23,241)
Balance as per last Balance Sheet	(92,12,79,952)	(63,47,24,249)
Add: Loss for the year	(1,87,54,27,442)	(95,41,47,490)
	3,53,93,42,429	1,61,30,01,654



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Non Current Portion		Current Maturities*	
	As at	As at	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
5 Long term borrowings				
Secured				
Term Loans				
- from Banks	20,62,49,997	18,75,15,454	43,93,48,210	21,82,86,896
- from others	1,36,28,47,838	54,15,54,831	1,78,02,75,307	80,52,43,163
Redeemable Non Convertible Debentures	65,00,00,017	30,12,50,050	13,12,50,035	20,00,00,000
Unsecured				
Redeemable Non Convertible Debentures	-	16,00,00,000	16,00,00,000	-
	2,21,90,97,852	1,19,03,20,335	2,51,08,73,552	1,22,35,30,059

* Amount disclosed under the head 'Other current liabilities' (Refer note no. 9)

a. Security details for Secured Term loans and Non Convertible Debentures ('NCD')

Term loan and NCD of Rs.4,56,99,71,404 (Previous year: Rs.2,25,38,50,394) is secured by way of hypothecation of underlying assets financed by the Company.

b. Terms of repayment:

Term loans from Banks and others (NBFC) -Secured & Unsecured

Sl. No.	Lender Name	Tenure (months)	Sanction Amount	Amounts in Rupees	
				As at	As at
				March 31, 2018	March 31, 2017
1	Hero Fincorp Limited	14	7,00,00,000	-	61,85,202
2	Hinduja Leyland Finance Limited	24	3,00,00,000	14,17,146	1,72,66,635
3	IFMR Capital Finance Private Limited	24	15,00,00,000	-	6,10,44,463
4	IFMR Capital Finance Private Limited	24	10,00,00,000	-	4,49,11,418
5	IFMR Capital Finance Private Limited	24	10,00,00,000	-	4,91,11,437
6	IFMR Capital Finance Private Limited	24	5,00,00,000	-	2,45,77,298
7	IFMR Capital Finance Private Limited	24	4,00,00,000	-	2,13,43,093
8	IFMR Capital Finance Private Limited	24	2,00,00,000	-	1,14,91,713
9	IFMR Capital Finance Private Limited	24	2,00,00,000	-	1,23,23,428
10	IFMR Capital Finance Private Limited	24	10,00,00,000	-	7,74,15,907
11	IFMR Capital Finance Private Limited	24	10,00,00,000	-	8,51,56,659
12	IFMR Capital Finance Private Limited	24	5,00,00,000	-	4,24,28,994
13	DCB Bank Limited	24	5,00,00,000	1,87,50,005	4,37,50,001
14	IDFC Bank Limited	24	40,00,00,000	6,32,05,821	36,20,52,345
15	Sundaram Finance Limited	24	5,00,00,000	23,57,968	2,86,84,244
16	Capital First Limited	24	30,00,00,000	16,66,66,664	30,00,00,000
17	Capital First Limited	24	15,00,00,000	8,33,33,336	15,00,00,000
18	IFMR Capital Finance Private Limited	24	12,00,00,000	-	11,11,07,507
19	IFMR Capital Finance Private Limited	24	1,00,00,000	53,31,227	1,00,00,000
20	Muthoot Capital Finance Limited	24	5,00,00,000	2,50,00,000	5,00,00,000
21	Muthoot Capital Finance Limited	24	10,00,00,000	5,00,00,000	10,00,00,000
22	Tata Capital Financial Services Limited	24	15,00,00,000	6,87,50,000	14,37,50,000
23	NCD CBO PBI XIV	24	10,00,00,000	1,25,00,000	6,25,00,000
24	NCD CBO PBI XVI	24	15,00,00,000	4,37,50,050	11,87,50,050
25	NCD CBO PBI XVII	24	15,00,00,000	7,50,00,000	15,00,00,000
26	Fimcap LTC Fund	67	7,30,00,000	7,30,00,000	7,30,00,000
27	Fimcap MAC Fund	67	9,70,00,000	9,70,00,000	9,70,00,000
28	Capital First Limited	36	35,00,00,000	35,00,00,000	-
29	Capital First Limited	36	15,00,00,000	15,00,00,000	-
30	DCB Bank Limited	24	10,00,00,000	6,66,66,672	-
31	Hinduja Leyland Finance Limited	24	6,00,00,000	3,91,64,954	-
32	IDFC Bank Limited	24	20,00,00,000	10,55,59,631	-
33	IDFC Bank Limited	24	10,00,00,000	5,18,32,753	-
34	IFMR Capital Finance Private Limited	24	3,00,00,000	1,84,95,662	-
35	IFMR Capital Finance Private Limited	24	17,00,00,000	10,45,85,816	-
36	IFMR Capital Finance Private Limited	24	5,00,00,000	3,27,45,441	-
37	Mahindra and Mahindra Financial Services Ltd	24	20,00,00,000	13,86,38,516	-
38	Manappuram Finance Ltd	24	15,00,00,000	9,37,50,000	-
39	Tata Capital Financial Services Limited	24	5,00,00,000	3,33,33,600	-
40	Avanse Financial Services Limited	24	10,00,00,000	8,50,11,571	-
41	Caspian Impact Investments Pvt Ltd	24	15,00,00,000	13,12,50,000	-
42	Axis Bank Term Loan	24	25,00,00,000	23,95,83,333	-
43	Clix Capital Term Loan	24	25,00,00,000	24,07,31,632	-
44	Hinduja Leyland Finance Limited (PLI VII)	30	15,00,00,000	15,00,00,000	-
45	IFMR Capital Finance Private Limited	24	5,00,00,000	5,00,00,000	-
46	L&T Finance Limited	24	25,00,00,000	25,00,00,000	-
47	L&T Finance Limited	24	25,00,00,000	25,00,00,000	-
48	Magma Fincorp Limited	30	20,00,00,000	18,82,66,579	-
49	Manappuram Finance Ltd	36	25,00,00,000	25,00,00,000	-
50	Triodos Investment Management	72	24,00,00,000	24,00,00,000	-
51	Triodos Investment Management	72	24,00,00,000	24,00,00,000	-
52	Shriram City Union Finance Limited	24	20,00,00,000	18,42,93,027	-
53	Utkarsh Small Finance Bank Limited	39	10,00,00,000	10,00,00,000	-
54	Unifi AIF	67	16,00,00,000	16,00,00,000	16,00,00,000
			7,23,00,00,000	4,72,99,71,404	2,41,38,50,394

As at Balance Sheet date, Interest rates per annum range between

9.75% to 13.5%

c. Repayment details of long term borrowings

Amounts in Rupees

Balance Tenure (months)	Rate of Interest	Repayment Details	Non-Current portion	Current Portion	Total
12-24 months	9.75% to 13.5%	Monthly	1,56,07,64,515	2,51,08,73,552	4,07,16,38,067
24-60 months	9.75% to 13.5%	Monthly	83,33,337	-	83,33,337
24-60 months	13.25%	Bullet	17,00,00,000	-	17,00,00,000
Above 60 months	12.75%	Bullet	48,00,00,000	-	48,00,00,000



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rupees	
	As at March 31, 2018	As at March 31, 2017
6 Long term Provisions		
Provision for standard assets	72,96,331	47,94,867
Provision for employee benefits		
- Gratuity (Refer note 27)	1,60,61,878	97,42,523
- Leave encashment	1,64,61,598	1,22,99,354
	3,98,19,807	2,68,36,744
7 Short term Borrowings		
Secured		
Term Loans		
- from Banks	26,66,66,654	14,33,33,333
- from Others	14,68,48,227	20,21,21,976
Unsecured		
Redeemable Non Convertible Debentures	14,00,00,000	5,00,00,000
	55,35,14,881	39,54,55,309

a Particulars of Unsecured Redeemable Non Convertible Debentures

Particulars	Date of Redemption	As at March 31, 2018	As at March 31, 2017
Non Convertible Debentures (6 nos. of Rs 100,00,000 each)	01-Dec-18	6,00,00,000	2,00,00,000
Non Convertible Debentures (5 nos. of Rs 100,00,000 each)	04-Jan-19	5,00,00,000	3,00,00,000
Non Convertible Debentures (3 nos. of Rs 100,00,000 each)	08-Mar-19	3,00,00,000	-
		14,00,00,000	5,00,00,000

b. Security details for Secured Term loans

Term loan of Rs. 41,35,14,881 (Previous year: 34,54,55,309) is secured by way of hypothecation of underlying assets financed by the Company.

c Particulars of Secured short term borrowings

Sl.	Lender Name	Tenure (months)	Sanction Amount	As at March 31, 2018	As at March 31, 2017
1	RBL Bank Ltd	12	8,00,00,000	-	6,00,00,000
2	RBL Bank Ltd	12	8,00,00,000	6,00,00,000	-
3	Reliance Capital Limited	12	10,00,00,000	-	10,00,00,000
4	Reliance Capital Limited	12	10,00,00,000	-	5,99,87,903
5	Reliance Capital Limited	12	5,00,00,000	-	4,21,34,073
6	Kotak Mahindra Bank Limited	6	5,00,00,000	-	3,33,33,333
7	Kotak Mahindra Bank Limited	6	5,00,00,000	-	5,00,00,000
8	Kotak Mahindra Bank Limited	12	20,00,00,000	11,66,66,654	-
9	Reliance Capital Limited	12	25,00,00,000	8,69,49,701	-
10	Reliance Capital Limited	12	10,00,00,000	5,98,98,526	-
11	HDFC Bank	12	10,00,00,000	9,00,00,000	-
			1,16,00,00,000	41,35,14,881	34,54,55,309



8 Trade Payables

To Micro, Small and Medium Enterprises *

Others

8,22,24,523	3,93,98,738
<u>8,22,24,523</u>	<u>3,93,98,738</u>

*** Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2018. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

9 Other current liabilities

Current maturities of Long term borrowings (Refer note no. 5)

Interest accrued but not due on borrowings

Interest accrued but due on borrowings

Interest Received but not due

Advance received from customers

Statutory liabilities payable

Other liabilities

Overdrawn book balances

As at	As at
<u>March 31, 2018</u>	<u>March 31, 2017</u>
2,51,08,73,552	1,22,35,30,059
3,06,65,370	1,41,06,918
-	32,49,436
11,69,57,612	30,48,571
2,25,84,757	49,58,828
9,31,59,825	1,52,37,246
14,39,25,089	5,50,57,036
18,00,00,148	7,70,14,796
<u>3,09,81,66,353</u>	<u>1,39,62,02,890</u>

10 Short term provisions

Provision for employee benefits

- Gratuity (Refer note 27)

- Leave encashment

Employee benefits payable

Provision for standard assets

Provision for doubtful loans and advances

Other Provisions

1,06,664	18,166
36,09,766	26,48,207
4,53,56,250	3,32,50,320
2,13,69,807	1,03,25,172
22,93,78,927	4,44,99,633
2,62,34,060	1,75,39,903
<u>32,60,55,474</u>	<u>10,82,81,401</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

11 Fixed Assets

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION			NET BLOCK	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	Additions for the year	Deductions for the year	As at March 31, 2018	As at March 31, 2017
Tangible Assets									
Own assets									
Computers & Printers	2,46,00,357	73,01,357	-	3,19,01,714	85,76,502	94,11,277	-	1,39,13,935	1,60,23,855
Servers	15,14,215	-	-	15,14,215	1,78,065	2,52,369	-	10,83,781	13,36,149
Office Equipments	24,60,758	1,35,44,345	-	1,60,05,103	6,36,304	18,55,413	-	24,91,717	1,35,13,386
Furniture & Fixtures	1,10,77,718	94,80,331	6,80,146	1,98,77,903	10,18,302	17,77,308	1,42,203	26,53,407	1,72,24,496
Electrical Installations and Fittings	36,25,070	37,99,628	5,97,986	68,26,712	2,62,473	5,88,863	1,15,760	7,35,576	60,91,136
Electronic Equipment	72,17,618	1,34,63,547	-	2,06,81,165	11,30,122	31,61,834	-	42,91,956	1,63,89,209
Leasehold Improvements	83,22,841	5,22,74,852	13,68,367	5,92,29,326	15,39,006	1,29,56,642	8,07,990	1,36,87,658	67,83,835
Vehicles	7,06,882	30,73,306	-	37,80,188	45,035	1,99,848	-	2,44,883	35,35,305
Sub-Total (A)	5,95,25,459	10,29,37,366	26,46,499	15,98,16,326	1,33,85,809	3,02,03,554	10,65,953	4,25,23,410	11,72,92,916
Intangibles (Software)	2,28,90,152	42,20,135	-	2,71,10,287	1,17,39,611	52,90,265	-	1,70,29,876	1,00,80,411
Sub-Total (B)	2,28,90,152	42,20,135	-	2,71,10,287	1,17,39,611	52,90,265	-	1,70,29,876	1,00,80,411
Total (A+B)	8,24,15,611	10,71,57,501	26,46,499	18,69,26,613	2,51,25,420	3,54,93,819	10,65,953	5,95,53,286	12,73,73,327
Previous year	3,69,20,795	4,54,94,816	-	8,24,15,611	89,68,989	1,61,56,431	-	2,51,25,420	5,72,90,191



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rupees	
	As at March 31, 2018	As at March 31, 2017
12 Deferred tax assets (Net)		
Deferred tax liability:		
On account of timing difference in:		
Depreciation and amortisation	-	(17,66,768)
(A)	-	(17,66,768)
Deferred tax asset:		
On account of timing difference in:		
Provision for doubtful debts *	-	17,66,768
Carried forward business losses *	-	-
Unabsorbed depreciation *	-	-
Disallowance u/s 43B of the Income Tax Act, 1961 *	-	-
(B)	-	17,66,768
Net Deferred tax assets/(liabilities)	(A+B)	

* As per Accounting Standard (AS) 22, deferred tax assets arising on account of unabsorbed depreciation and business losses are recognised only if there is virtual certainty supported by convincing evidence that there would be adequate future taxable income against which the same can be realised/set off.

After due evaluation of the virtual certainty benchmark, the management has decided to not create any deferred tax asset for the current financial year.

Hence, deferred tax assets have been recognized only to the extent of deferred tax liabilities in the books.

13 Long term loans and advances

Loans and advances relating to financing activity		
Secured, considered good	27,41,67,576	34,71,30,303
Unsecured, considered good	1,55,35,22,491	83,39,30,446
	1,82,76,90,067	1,18,10,60,749
Security Deposits	3,92,74,596	2,57,65,270
Loans to staff	6,49,997	28,333
	3,99,24,593	2,57,93,603
	1,86,76,14,660	1,20,68,54,352

14 Other non current assets

Balances with banks		
- in deposit accounts exceeding twelve months maturity *	26,57,96,324	19,16,00,000
(Refer note 16)		
Interest accrued but not due	15,10,968	50,09,006
Income tax receivable	5,26,39,399	89,21,603
	31,99,46,691	20,55,30,609

* Rs. 26,57,96,324 (previous year Rs. 19,16,00,000) Fixed Deposit liened to Banks towards guarantee, as security for term loans, loans co lent by them and as a cash collateral towards securitization.



CapFloat Financial Services Private Limited (Formerly Zen Lefin Private Limited)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rupees	
	As at March 31, 2018	As at March 31, 2017
15 Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered doubtful	48,85,843	3,94,241
Less: Provision for Doubtful Debts	(48,85,843)	(3,94,241)
	-	-
- Unsecured, considered good	45,83,302	-
	45,83,302	-
Outstanding for a period less than six months from the date they are due for payment		
- Unsecured, considered doubtful	-	32,50,114
Less: Provision for Doubtful Debts	-	(32,50,114)
	-	-
- Unsecured, considered good	2,43,98,289	81,98,306
	2,43,98,289	81,98,306
	2,89,81,591	81,98,306
16 Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on hand	18,845	32,823
Balances with Banks		
- in current accounts*	37,01,67,053	19,88,28,313
	37,01,85,898	19,88,61,136
Other Bank Balances		
Deposit with original maturity for more than three months but less than twelve months**	1,86,74,70,865	55,51,08,499
	2,23,76,56,763	75,39,69,635
Amount disclosed under non-current assets (Refer Note 14)	26,57,96,324	19,16,00,000
* Includes Company's share of escrow balance maintained with banks in accordance with tripartite agreement.		
** Rs. 60,91,81,854 (previous year Rs. 55,51,08,499) Fixed Deposit lien to Banks towards guarantee, as security for term loans, loans colent by them and overdraft facilities.		
17 Short term loans and advances		
Loans and advances relating to financing activity *		
Secured, considered good	13,80,34,138	10,68,86,927
Unsecured, considered good	5,01,37,99,419	2,45,69,33,438
Secured, considered doubtful	2,55,97,503	72,58,774
Unsecured, considered doubtful	24,34,86,567	4,42,55,609
	5,42,09,17,627	2,61,53,34,748
Loans to staff	7,79,665	5,86,030
Advances recoverable in cash or in kind or for value to be received	96,50,262	92,97,221
Security deposits	1,38,51,950	1,70,32,211
	5,44,51,99,504	2,64,22,50,210
* Includes current maturities of long term loans and advances and overdue loan and advances.		
18 Other current assets		
Interest accrued and due	1,33,68,833	38,33,272
Interest accrued but not due	4,52,50,526	2,61,19,452
Other Receivables	10,73,56,786	4,28,25,281
Capital Advances	27,87,985	3,25,64,921
Service tax/ GST - Input Credit	2,08,621	88,87,310
	16,89,72,751	11,42,30,236



CapFloat Financial Services Private Limited (Formerly Zen Lefin Private Limited)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rupees	
	For the year ended March 31, 2018	For the year ended March 31, 2017
19 Revenue from operations		
Interest Income	88,14,29,698	35,28,20,915
Loans	88,14,29,698	35,28,20,915
Other financial services		
Fee income on Loans	33,80,84,275	10,61,39,849
Income from Securitization of Loans	41,00,705	51,54,649
Other	6,17,000	15,10,893
	1,22,42,31,678	46,56,26,306
20 Other Income		
Interest on fixed deposits	7,71,17,751	2,32,98,261
Profit on sale of current investments	4,00,77,368	4,90,57,923
Other non operating income	95,91,580	5,10,279
	12,67,86,699	7,28,66,463
21 Employee benefits expense		
Salaries and wages	66,72,68,511	45,46,38,992
Contribution to provident and other funds	1,30,96,756	88,87,576
Staff welfare expenses	1,25,20,035	1,37,18,140
ESOP compensation expense*	5,68,60,803	5,85,34,801
Gratuity expenses (Refer note 27)	64,07,853	65,53,378
Leave encashment expenses	51,23,803	1,01,29,094
	76,12,77,761	55,24,61,981
* Of the above Rs.32,56,641/- pertains to prior period in the current year (NIL in previous year)		
22 Finance costs		
Interest expense	45,88,57,557	14,96,21,933
Other borrowing costs	6,14,67,598	3,95,66,057
	52,03,25,155	18,91,87,990
23 Depreciation and Amortisation expense		
Depreciation	3,02,03,554	1,03,54,338
Amortisation of intangible assets	52,90,263	58,02,093
	3,54,93,817	1,61,56,431



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rupees	
	For the year ended March 31, 2018	For the year ended March 31, 2017
24 Other expenses		
Rent	5,38,86,740	3,15,52,728
Repairs and others	12,83,870	14,35,700
Insurance	39,27,909	29,54,323
Auditors Remuneration		
- as auditor	16,00,000	15,00,000
- tax audit fees	2,00,000	2,00,000
- for certification	3,00,000	3,00,000
Marketing expenses	3,86,25,905	5,32,80,596
Commission and brokerage	20,30,13,867	9,54,88,028
Travelling expenses	3,14,92,973	3,17,40,729
Office maintenance	47,06,447	40,70,595
Communication expenses	1,09,15,868	1,20,32,057
Printing and stationery	20,06,339	31,75,967
Recruitment expenses	39,76,410	74,33,477
Membership and subscription	1,64,078	3,90,350
Customer onboarding charges	8,68,06,455	2,71,77,652
Collection cost	4,24,99,470	16,69,563
Electricity charges	50,29,420	22,93,604
Legal and professional charges	1,27,30,377	1,40,58,166
Software license fees	24,30,666	14,39,289
Other technology expenses	2,01,47,562	81,86,772
Professional fees	67,85,728	91,69,681
Service tax/ GST expenses *	4,27,98,115	1,80,27,913
Loss on Fixed assets	10,30,546	-
Provisions and Write offs		
Provision for non performing assets	18,48,79,296	3,81,86,459
Provision for standard assets	1,35,46,099	1,06,68,705
Provision for doubtful debts	47,01,290	36,44,355
Other Provisions	86,94,156	1,58,89,329
Waivers and write offs	16,45,47,638	1,80,80,025
Bank Charges	15,91,347	5,05,613
Miscellaneous expenses	8,83,025	8,58,940
	95,52,01,596	41,54,10,616

* The above contains amounts pertaining to prior period totalling to Rs Nil. included in current year (Rs 12,72,959 in previous year).

25 Earnings per equity share ('EPS')**Basic EPS**

Loss for the year after tax expense	(92,12,79,952)	(63,47,24,249)
Net loss considered for basic EPS calculation	(92,12,79,952)	(63,47,24,249)
Weighted average number of equity shares *	15,31,669	15,05,354
Nominal value per equity share	10.00	10.00
Earning per equity share - Basic	(601.49)	(421.64)

Diluted EPS

Net loss considered for basic EPS calculation	(92,12,79,952)	(63,47,24,249)
Weighted average number of equity shares outstanding during the year	15,31,669	15,05,354
Add: Weighted number of equity shares under options	1,36,468	2,40,435
Add: Weighted number of equity shares under Compulsorily Convertible Preference Shares	31,20,935	23,31,714
Weighted average number of diluted equity shares	47,89,072	40,77,503
Nominal value per equity share	10.00	10.00
Earning per equity share - Diluted **	(601.49)	(421.64)

** Since diluted EPS are anti-dilutive hence, the disclosure is restricted to basic EPS



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

26 Contingent liabilities

a. Contingent Liabilities not provided for in respect of:

Particulars	Amounts in Rupees	
	As at March 31, 2018	As at March 31, 2017
Corporate guarantees given by Company *	89,17,20,268	77,16,14,536

*The liability is subject to the confirmation by co-lenders

b. Capital commitments:

Particulars	Amounts in Rupees	
	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	1,75,02,201

27 Liability for Employee Benefit

Liability for Gratuity and compensated leave absence has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) as prescribed by Companies (Accounting Standards) Rules, 2006, the details of which are as under:

I Gratuity

A. Change in Present Value of Obligation

Particulars	Amounts in Rupees	
	Gratuity (Unfunded)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of the Obligation as at the beginning of the year	97,60,689	32,07,311
Interest Cost	12,36,871	5,30,334
Current Service Cost	69,62,863	38,19,693
Benefit Paid	-	-
Actuarial (gain)/ loss on obligations	(17,91,881)	22,03,351
Present Value of the Obligation as at the end of the year	1,61,68,542	97,60,689

B. Amount recognised in the Statement of Profit and Loss

Particulars	Amounts in Rupees	
	Gratuity (Unfunded)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Cost	12,36,871	5,30,334
Current Service Cost	69,62,863	38,19,693
Past Service Cost*	-	-
Actuarial (gain)/ loss on obligations	(17,91,881)	22,03,351
Total expense/ (income) recognised in the Statement of Profit and Loss	64,07,853	65,53,378

* There is an unrecognized past service cost of Rs 10,00,112 pertaining to increase in gratuity limit from Rs 10 lakhs to Rs 20 lakhs as per The Payment of Gratuity Act, 1972 in the current year.

C. Reconciliation of Balance Sheet

Particulars	Amounts in Rupees	
	Gratuity (Unfunded)	
	Year ended March 31, 2018	Year ended March 31, 2017
Present Value of the Obligation as at the beginning of the year	97,60,689	32,07,311
Total expense recognised in the Statement of Profit and Loss	64,07,853	65,53,378
Benefits paid	-	-
Present Value of the Obligation as at the end of the year	1,61,68,542	97,60,689

The principal assumptions used in determining obligations for the Company's plans are shown below:

Assumptions	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Discount rate	7.75%	7.40%
Increase in compensation cost	12% until year 1 inclusive & 7% thereafter	12% for first Year & 7% thereafter
Employee turnover		
Age (years): 21-30	10%	10%
31-40	5%	5%
41-50	3%	3%
51-57	2%	2%



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

II Compensated absences

Particulars	Amounts in Rupees	
	Year ended March 31, 2018	Year ended March 31, 2017
Present value of funded obligations	-	-
Expense recognised in the Statement of Profit and Loss	51,23,803	1,01,29,094
Discount Rate (p.a.)	7.75%	7.40%
Increase in compensation cost	12% until year 1 inclusive & 7% thereafter	12% for first Year & 7% thereafter
Employee turnover		
Age (years): 21-30	10%	10%
31-40	5%	5%
41-50	3%	3%
51-57	2%	2%

Since the company has not funded its gratuity liability, there are not returns on the planned assets and hence, the details related to change in fair value of assets have not been given.

28 Employee Stock Option Scheme ('ESOS')

The company provides share-based payment schemes to its employees. During the year ended 31 March 2018, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On 1 Feb 2014, the board of directors approved the Equity Settled ESOP Scheme 2013 (Scheme 2013) for issue of stock options. The shares reserved for issuance under Scheme 2013 as at 31st March 2018 was 130,054. Apart from this, 116,235 shares are owned by Capital Float Employee Welfare Trust and 86,249 shares are held by employees pursuant to exercise of grants as at 31st March 2018.

The other relevant terms of the grant are as below:

Grant Particulars	Exercise price (in Rs.)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
I *	10.00	57,790	56,236	1,554	49,000	5,346	3,444
II	10.00	1,49,172	1,00,321	48,852	34,133	55,853	59,186
III	10.00	14,128	4,469	9,658	-	7,640	6,488
IV	10.00	70,512	25,624	44,888	3,116	21,820	45,576
V	10.00	3,936	-	3,936	-	-	3,936
VI	250.00	50,702	-	50,702	-	1,015	49,688
Total		3,46,240	1,86,650	1,59,590	86,249	91,674	1,68,318

* Included in the above are 1,722 options outstanding shown under Other liabilities of Rs 17,82,270

Grant Particulars

Grant	Grant Period	Fair Valuation Dates
I	Feb'14 to Mar'15	2-Feb-14
II	Apr'15 to Sep'15	1-Jun-14
III	Oct'15 to Mar'16	19-Oct-15
IV	Apr'16 to Mar'17	10-May-16, 1-Oct-16, 1-Jan-17
V	Apr'17 to Mar'18	21-Aug-17, 1-Sep-17
VI	Apr'17 to Mar'18	09-Nov-17

The fair value of options used to compute pro-forma net profit and earnings per share have been estimated on the date of grant using the Black-Scholes Model. The key assumptions used in Black-Scholes Model for calculating fair value as on the date of grant are:

Variables	Grant Particulars					
	I *	II	III	IV	V	VI
1) Risk free interest rate	8.98%	7.83%	7.56%	7.43%	6.60%	6.84%
2) Expected life	5.5 to 7.01	5.5 to 7.01 Years	5 to 7.01 Year	5.5 to 7.01 Years	5.5 to 7.01 Years	5.5 to 7.01 Years
3) Expected volatility	NIL	NIL	NIL	NIL	NIL	NIL
4) Dividend yield	NIL	NIL	NIL	NIL	NIL	NIL
5) Price of the underlying share in the market at the time of the option grant (Rs.)	1045.00	1382.00	1382.00	3883.00	2133.00	2133.00
6) Price of the underlying share in the market at the time of the option grant (Rs.) - adjusted for bonus/stock splits	522.50	691.00	691.00	1941.50	2133.00	2133.00
7) Exercise price (Rs) per share	10.00	10.00	10.00	10.00	10.00	250.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Impact of fair value method on net profit and earnings per share

Had compensation cost for the stock option plans outstanding been determined based on the fair value approach, the net loss and earnings per share would have been as per the pro-forma amounts indicated below:

Particulars	Amounts in Rupees	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Loss as reported	(92,12,79,952)	(63,47,24,249)
Add: Stock – based employee compensation expense included in net income	5,68,60,803	5,85,34,801
Less: Stock based compensation expense determined under fair value based method (pro-forma)	(5,76,52,267)	(5,88,05,954)
Net Loss (pro-forma)	(92,20,71,416)	(63,49,95,402)
Basic earnings per share (as reported)	(601.49)	(421.64)
Basic earnings per share (pro-forma)	(602.00)	(421.82)
Diluted earnings per share (as reported)	(601.49)	(421.64)
Diluted earnings per share (pro-forma)	(602.00)	(421.82)

29 Segment Reporting

Since the Company has only one reportable business segment "business of financing" as the primary segment and it operates in a single geographical segment within India, no disclosure is required to be given as per Accounting Standard-17 "Segmental Reporting" as notified under Section 133 of the Companies Act, 2013 ('the Act') read together with Rule 7 of the Companies (Accounts) Rules 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

30 Related Party Disclosures (as per Accounting Standard 18)

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Relationship	Name of the Party
Directors and Shareholders	Gaurav Dinesh Hinduja Sashank Ramasubban Rishyasringa

Names of other related parties with whom transactions have taken place during the year:

Relationship	Name of the Party
Key Management Personnel	Rajesh Viswanathan (Chief Financial Officer)
Related to Director	Gokaldas Ventures Dice Trading LLP Dinesh Jhamandas Hinduja Gaurav Shashank Bangalore Financial Ventures Private Limited Zen Lefin Digital Services Private Limited Sunshine Enterprises GDN Estates Private Limited DNG Enterprises

Please refer Annexure 1 for the transactions with related parties for the year ended March 31, 2018

31 Operating Leases

The Company's significant leasing arrangements are in respect of operating leases are for office premises which are renewable on mutual consent at agreed terms. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging for a period 0 to 36 months. There are no sub-leases.

The aggregate lease rentals payable are charged to the Statement of Profit and Loss.

Particulars	Amounts in Rupees	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Lease payments recognized in the Statement of Profit and Loss	5,38,86,740	3,15,52,728

Details of non-cancellable leases are as follows:

Particulars	Amounts in Rupees	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Minimum Lease Payments:		
Not later than one year	3,34,20,388	3,15,64,575
Later than one year but not later than five years	4,76,80,799	3,11,32,500
Later than five years	-	3,81,05,625

32 Foreign Currency

Expenditures in foreign currency (Accrual basis)	Amounts in Rupees	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Travelling	8,87,920	2,88,312
Legal & Professional fees-Debited to Securities Premium Account	-	1,04,307
Marketing Expenses	-	3,57,424
Business Conference Expenses	5,28,616	14,00,552
Website/E mail hosting charges	3,04,059	-
Processing fee charges	9,93,606	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

33. During the year, the Company transferred loans through securitisation agreement to the trustee. The disclosure as required by the revised Guidelines on Securitisation Transactions issued by RBI on 21 August 2012 is given as under:

S. No.	Particulars	No./ Amount In Rs.
1	No of SPVs sponsored by the NBFC for securitisation transactions	4
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC*	19,84,04,315
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	1,98,40,432
	a) Off-balance sheet exposures	-
	- First loss	-
	- Others	-
	b) On-balance sheet exposures	1,98,40,432
	- First loss	1,98,40,432
	- Others	-
4	Amount of exposures to securitisation transactions other than MRR	5,80,93,034
	a) Off-balance sheet exposures	64,76,393
	i) Exposure to own securitisations	64,76,393
	- First loss **	64,76,393
	- Others	-
	ii) Exposure to third party securitisations	-
	- First loss	-
	- Others	-
	b) On-balance sheet exposures	5,16,16,641
	i) Exposure to own securitisations	5,16,16,641
	- First loss	5,16,16,641
	- Others	-
	ii) Exposure to third party securitisations	-
	- First loss	-
	- Others	-

* As per books of accounts of the company

** Unfunded first loss guarantee provided

34 Deferment of certain subvention interest and upfront interest income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Total unamortised income from subvention and interest received in advance credited to statement of Profit and Loss during the year	19,52,77,341	-
Subvention income	5,94,47,968	19,79,309
Interest income received in advance	2,42,92,600	1,42,43,927
Total unamortised subvention interest and upfront interest income carried forward in Balance Sheet		
Current		
Subvention income	11,10,18,962	-
Interest income received in advance	35,66,382	30,48,571

35. The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements at March 31, 2018. Refer note 26 for details on contingent liabilities.
36. Additional information as per guidelines issued by the Reserve Bank of India in respect of Non-Banking Financial Companies (Non-deposit accepting or holding): Systemically Important (NBFC-ND-SI) is given in Annexure-2
37. Comparatives
Previous year's figures have been regrouped/ reclassified wherever necessary to confirm with the current year's presentation.

As per our report of even date

For S.R. BATLIBOI & Co. LLP
ICAI Firm Registration No.301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

For and on behalf of
CapFloat Financial Services Private Limited

Gaurav D Hinduja
Director
DIN: 01261801

Rajesh Viswanathan
Chief Financial Officer

Sashank R Rishyasingha
Director
DIN: 08466985

Sushma
Company Secretary

Place: Mumbai
Date: 24/6/18

Place: Bangalore
Date: 25/6/18



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Annexure 1 to Note 30

Disclosure of Related parties transactions For Financial Year 2017-18 (as per Accounting Standard 18)

Amounts in Rupees

Sl. No	Particulars	Outstanding amounts carried in Balance Sheet	Salaries to Directors	Salaries to KMP	Payment made on behalf of Related party	Rent paid	Security Deposit
1	Gaurav Hinduja	-	50,00,000	-	-	-	-
2	Sashank Rishyasringa	(1,43,504)	50,00,000	-	-	-	-
3	Rajesh Viswanathan	-	-	1,55,58,874	-	-	-
4	Gokaldas Ventures	-	-	-	-	-	-
5	Dinesh Jhamandas Hinduja	-	-	-	-	2,14,99,560	75,00,000
6	Dice Trading LLP	-	-	-	-	-	-

Disclosure of Related parties transactions For Financial Year 2016-17 (as per Accounting Standard 18)

Sl. No	Particulars	Outstanding amounts carried in Balance Sheet	Salaries to Directors	Salaries to KMP	Payment made on behalf of Related party	Rent paid	Security Deposit
1	Gaurav Hinduja	-	50,00,000	-	-	-	-
2	Sashank Rishyasringa	(46,475)	50,00,000	-	-	-	-
3	Rajesh Viswanathan	-	-	1,30,00,000	-	-	-
4	Gokaldas Ventures	28,703	-	-	28,703	-	-
5	Dinesh Jhamandas Hinduja	-	-	-	-	-	75,00,000
6	Dice Trading LLP	17,800	-	-	17,800	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Annexure 2 to Note 36

As required in terms of paragraph 9 of RBI circular No. DNBR (PD) CC. No. 002/03.10.001/2014-15 dated 10 November 2014

A. Capital to Risk Assets Ratio (CRAR)

Particulars	Current Year	Previous Year
i) CRAR (%)	45.77%	37.49%
ii) CRAR - Tier I capital (%)	44.67%	36.46%
iii) CRAR - Tier II Capital (%)	1.10%	1.03%
iv) Amount of subordinated debt raised as Tier-II capital	-	-
v) Amount raised by issue of Perpetual Debt Instruments	-	-

B. Investments

Particulars	Current Year	Previous Year
1) Value of Investments		
i) Gross Value of Investments		
(a) In India	-	-
(a) Outside India	-	-
ii) Provision for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
iii) Net Value of Investments		
(a) In India	-	-
(a) Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provisions made during the year	-	-
iii) Less: Write-off/ write-back of excess provisions during the year	-	-
iv) Closing balance	-	-

C. Derivatives

The Company has no transactions/exposure in derivative during the current and previous year.

The Company has no unhedged foreign currency exposure as on March 31, 2018 (Previous Year: Nil)

D. Maturity pattern of certain assets and liabilities

Particulars	Up to 30/31 days	Over 1 month up to 2 Month	Over 2 months up to 3 months	Over 3 month & up to 6 month	Over 6 month & up to 1 year
Deposits	-	-	-	-	-
Advances	1,35,47,79,115	80,77,96,206	52,45,75,196	1,21,74,80,411	1,51,65,14,199
Investments	-	-	-	-	-
Borrowings	22,60,71,127	29,72,25,275	27,86,24,138	76,80,71,747	1,49,43,96,158
Foreign Currency assets	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-

Particulars	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-
Advances	1,79,53,64,328	3,20,98,240	-	7,24,86,07,695
Investments	-	-	-	-
Borrowings*	1,56,07,64,502	17,83,33,337	48,00,00,000	5,28,34,86,285
Foreign Currency assets	-	-	-	-
Foreign Currency liabilities	-	-	-	-

E. Exposures

i) Exposures to real estate sector, both direct and indirect

The Company has no exposure in real estate during the current and previous year.

ii) Exposure to Capital Market

The Company has no exposure in capital market during the current and previous year.

iii) Details of financing of parent company products

Not Applicable

iv) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC

During the year, the Company has not exceeded SGL & GBL limits as prescribed under NBFC Regulations.

v) Unsecured Advances

During the year, the Company has not given any advance against collateral of rights, licenses, authority, etc.



F. Miscellaneous

1. Registration obtained from other financial sector regulators

Permanent Account Number (PAN) :	AAACZ0903G
Tax Deduction Account Number (TAN) :	BLRZ11238D
Service Tax Registration no.:	AAACZ0903GSD001
Goods and Service Tax Id Number (GSTIN):	
Karnataka :	29AAACZ0903G1ZH
Delhi :	07AAACZ0903G1ZN
Tamil Nadu :	33AAACZ0903G1ZS
Maharashtra :	27AAACZ0903G1ZL
Gujarat :	24AAACZ0903G1ZR
Rajasthan :	08AAACZ0903G1ZL
Kerala :	32AAACZ0903G1ZU
Madhya Pradesh :	23AAACZ0903G1ZT
West Bengal :	19AAACZ0903G1ZI
Telangana :	36AAACZ0903G1ZM
Chandigarh :	04AAACZ0903G1ZT
Uttar Pradesh :	09AAACZ0903G1ZJ
Professional Tax (PT) no. :	
Karnataka :	325604047
Gujarat-Ahmedabad :	PRC10514000446
Gujarat-Surat :	PEC03SW30658 ; PRC03SW16867
Tamilnadu-Chennai :	09117PE16659
Tamilnadu-Coimbatore :	22301088
Maharashtra :	27631554269P
Telangana :	36285912707
Employees Provident Fund (EPF) account no:	BGBNG1045150000
ESI account no:	49000341280001099

2. Disclosure of Penalties imposed by RBI and other regulators

Penalties or fines pursuant to a contractual obligation are not considered as penalties or fines. Expenditure incurred for any purpose which is an offence or which is prohibited by law is restricted to items where the disclosed purpose of such payment is, to the assessee's knowledge, an offence or prohibited by law.

3. Related Party Transactions

Refer Annexure 1 to Note 30 for transactions with related party transactions

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

Rating type	Credit Rating Agency	As at March 31, 2018	As at March 31, 2017
Long term credit rating	ICRA India	BBB BBB	BBB- -
Short term credit rating	ICRA India	A3+ A3+	A3 -

5. Remuneration of Directors (Non-executive)

NIL

6. Management

G. Additional disclosures

1. Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	Current Year	Previous Year
Provision towards INPA	18,48,79,296	3,81,86,459
Other Provision and Contingencies	86,94,156	1,58,89,329
Provision for doubtful debts	47,01,290	36,44,355
Provision for Standard Assets	1,35,46,099	1,06,68,705

2. Draw Down from Reserves

During the year, the Company has not drawn down any amount from Reserves.



3. Concentration of Advances, Exposures and NPAs

I) Concentration of Advances

Particulars	Current Year	Previous Year
Total Advances to twenty largest borrowers	28,36,85,663	56,82,22,648
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	3.91%	14.97%

II) Concentration of Exposures

Particulars	Current Year	Previous Year
Total Exposures to twenty largest borrowers	28,48,24,899	56,97,23,559
Percentage of Exposures to twenty largest borrowers to Total Exposures of the NBFC	3.93%	15.01%

III) Concentration of NPAs

Particulars	Current Year	Previous Year
Total Exposures to top four NPA accounts	1,48,58,692	1,01,76,568

IV) Sector-wise NPAs

Particulars	Current Year	Previous Year
Sector	% of NPAs to Total Advances in that sector	% of NPAs to Total Advances in that sector
1. Agriculture & allied activities	-	-
2. MSME	3.58%	1.25%
3. Corporate borrowers	-	-
4. Services	-	-
5. Unsecured personal loans	-	-
6. Auto loans	5.85%	1.52%
7. Other personal loans	-	-

V) Movement of NPAs

Particulars	Current Year	Previous Year
(i) Net NPAs to Net Advances (%)	0.55%	0.18%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	5,15,14,383	71,69,507
(b) Additions during the year	38,21,17,325	6,24,24,901
(c) Reductions during the year	16,45,47,638	1,80,80,025
(d) Closing balance	26,90,84,070	5,15,14,383
(iii) Movement of Net NPAs		
(a) Opening balance	70,14,750	8,56,333
(b) Additions during the year	19,72,38,031	2,42,38,442
(c) Reductions during the year	16,45,47,638	1,80,80,025
(d) Closing balance	3,97,05,143	70,14,750
(iii) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance *	4,44,99,633	63,13,174
(b) Provisions made during the year	18,48,79,294	3,81,86,459
(c) Write-off / write-back of excess provisions	-	-
(d) Closing balance *	22,93,78,927	4,44,99,633

H. Overseas Assets

Particulars	Current Year	Previous Year
Name of the Subsidiary	-	-
Country	-	-
Total Assets	-	-

I. Off Balance Sheet SPV sponsored

The Company does not have any off balance sheet SPV sponsored.

J) Disclosure of Customer Complaints (As certified by Management and relied by Auditors)

Customer Complaints

Particulars	Current Year
(a) No. of complaints pending at the beginning of the year	-
(b) No. of complaints received during the year	10,134
(c) No. of complaints redressed during the year	10,134
(d) No. of complaints pending at the end of the year	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

H) DISCLOSURE OF RESTRUCTURED ACCOUNTS

Sr. no.	Type of restructuring		Others									
	Financial year		Year ended March 31, 2018					Year ended March 31, 2017				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on April 1	No. of borrowers	-	3	-	-	3	-	-	-	-	-
		Amount outstanding	-	47,89,768	-	-	47,89,768	-	-	-	-	-
		Provision thereon	-	4,78,977	-	-	4,78,977	-	-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	-	19	-	-	19	-	-	-	-	-
		Amount outstanding	-	3,43,85,540	-	-	3,43,85,540	-	-	-	-	-
		Provision thereon	-	1,84,70,574	-	-	1,84,70,574	-	-	-	-	-
3	Upgradation	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the year and hence need not be shown as restructured advances at the beginning of the next year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
5	Down gradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Write-offs/recovery of restructured accounts during the year	No. of borrowers	-	5	-	-	5	-	-	-	-	-
		Amount outstanding	-	54,77,968	-	-	54,77,968	-	-	-	-	-
		Provision thereon	-	5,47,797	-	-	5,47,797	-	-	-	-	-
7	Restructured accounts as on March 31	No. of borrowers	-	17	-	-	17	-	3	-	-	3
		Amount outstanding	-	3,36,97,340	-	-	3,36,97,340	-	47,89,768	-	-	47,89,768
		Provision thereon	-	1,84,01,754	-	-	1,84,01,754	-	4,78,977	-	-	4,78,977

The outstanding amount and number of borrowers as at March 31, 2018 and March 31, 2017 is after considering recoveries during the year.

Additional facilities availed by borrowers in existing restructured accounts and partial repayments in existing restructured accounts are disclosed under "Write-offs of restructured accounts", however, for the purpose of arithmetical accuracy the number of existing borrowers availing additional facility or partial repayments have been ignored.

For the purpose of arithmetical accuracy as required by Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, movement in provisions in the existing restructured account as compared to opening balance is disclosed under write-off/sale/recovery (for any change in provision) during the year and are not comparable with the additional facilities availed and partial recovery disclosed under the respective columns.

Since the disclosure of restructured advance account pertains to section "Others", the first two sections, namely, "under CDR Mechanism" and "under SME Debt Restructuring Mechanism" as per format prescribed in the guidelines are not included above.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Schedule to the Balance Sheet of a of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Particulars		Amount in Rupees	
LIABILITIES SIDE:			
1	Loans and advances availed by the non-banking financial company Inclusive of Interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	a. Debentures (other than falling within the meaning of public deposits)		
	- Secured	78,44,17,121	-
	- Unsecured	30,80,70,311	-
	b. Deferred Credits		-
	c. Term Loans		-
	d. Inter-corporate loans and borrowings	4,22,16,64,223	-
	e. Commercial Paper	-	-
	f. Other Loans	-	-

ASSET SIDE:		Amount	
2	Break-up of Loans and Advances including bills receivables [other than those included in(4) below]:	Outstanding	
	a. Secured	43,77,99,217	
	b. Unsecured	6,81,08,08,477	

3	Break up of Leased Assets and stocks on hire and other assets counting towards AFC activities	Amount Outstanding
i.	Lease Assets including lease rentals under sundry debtors:	
	a. Finance Lease	-
	b. Operating Lease	-
ii.	Stocks on hire including hire charges under sundry debtors:	
	a. Assets on hire	-
	b. Repossessed Assets	-
iii.	Other Loans counting towards AFC activities:	
	a. Loans where assets have been repossessed	-
	b. Loans other than (a) above	-

4	Break up of Investments:	Amount Outstanding
	Current Investments	
	1. Quoted	
	i. Shares: a. Equity	-
	b. Preference	-
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others	-
	2. Unquoted	
	i. Shares: a. Equity	-
	b. Preference	-
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others	-
	Long Term Investments	
	1. Quoted	
	i. Shares - Equity	-
	- Preference	-
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others	-
	2. Unquoted	
	i. Shares - Equity	-
	- Preference	-
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Schedule to the Balance Sheet of a of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

5 Borrower group-wise classification of assets financed as in (2) and (3) above : Please see Note 2 below			
Category	Amount net of provision		
	Secured	Unsecured	Total
1 Related Parties**	-	-	-
a. Subsidiaries	-	-	-
b. Companies in the same group	-	-	-
c. Other related parties	-	-	-
2 Other than related parties	43,77,99,217	6,81,08,08,477	7,24,86,07,694
Total	43,77,99,217	6,81,08,08,477	7,24,86,07,694

6 Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below		
Category	Market Value/ Break up of fair value or NAV	Book Value (Net of Provisions)
1 Related Parties**	-	-
a. Subsidiaries	-	-
b. Companies in the same group	-	-
c. Other related parties	-	-
2 Other than related parties	-	-
Total		

** As per Accounting Standard of ICAI (Please see Note 3)

7 Other Information	
Particulars	Amount
i. Gross Non-Performing Assets	
a. Related Parties	-
b. Other than related parties	26,90,84,070
ii. Net Non-Performing Assets	
a. Related Parties	-
b. Other than related parties	3,97,05,143
iii. Assets acquired in satisfaction of debt	-

