

UMMEED HOUSING FINANCE PRIVATE LIMITED

Regd. Off.: 318, DLF Magnolias, Sector-42, Golf Course Road, Gurgaon – 122002, Haryana
Corp. Off.: 312 B, Centrum Plaza, Sector – 53, Golf Course Road, Gurgaon – 122002, Haryana
CIN: U65922HR2016PTC057984

DIRECTORS' REPORT

To,
The Members,
M/s. Ummeed Housing Finance Private Limited
318, DLF Magnolias, Sector-42,
Golf Course Road, Gurgaon – 122002, Haryana

The Directors of your Company have pleasure in submitting their second Annual Report along with the audited accounts on the business and operations of Ummeed Housing Finance Private Limited ("the Company") for the period ended 31st March, 2017.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review is given hereunder:

| Particulars | For the period 27 th January, 2015 - 31 st March, 2016 (In Indian Rupees) | For the Financial Year 01/04/2016 to 31/03/2017 |
|--|--|---|
| Net Sales / Income from operations | Nil | 69,08,313 |
| Other Income | 9,84,973 | 1,20,56,851 |
| Total Income | 9,84,973 | 18,965,164 |
| Profit/(Loss) before Interest, Depreciation & Tax | (24,07,493) | (26,875,208) |
| Less: a. Interest | 0 | 18,578 |
| b. Depreciation & Amortization | 0 | 417,424 |
| Profit before Tax | (2,407,493) | (26,439,206) |
| Less: a. Current tax | 0 | 0 |
| b. Current tax expense relating to prior years | 0 | 0 |
| c. Deferred tax charge | 2,66,688 | 266,688 |
| Net Profit /(Loss) after Tax | (2,140,805) | (26,705,894) |
| EPS (Basic) | (0.28) | (2.52) |
| EPS (Diluted) | (0.28) | (2.12) |

2. BUSINESS UPDATE (STATE OF COMPANY'S AFFAIRS)

During the financial year 2016-2017, the Company has got registered as a Housing Finance Company with the National Housing Bank on 13th July, 2016. The company started the business of disbursing housing loans from our East Delhi Hub in September 2016. As of 31st March 2017, we have three Hubs operational at East Delhi, Chandigarh and Jaipur. We



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have closed the year with an AUM of Rs 12.17 Crores. Given the higher set up cost (as expected) in the financial year ending 31st March 2017 i.e. salary cost at HQ staff, technology cost etc. The company has reported a loss of Rs 2.67 Crores during the financial year.

3. CHANGE IN THE NATURE OF BUSINESS

During the financial year ended 2016-17, there was no change in the nature of business of the Company.

4. CHANGE IN SHARE CAPITAL OF THE COMPANY

Authorized Share Capital

The Authorized Share Capital at the beginning of Financial year was INR 10, 60, 00,000/-. During the financial year under review, the Authorized Share Capital of the Company was increased as per the following schedule:

| Date of Meeting of EOGM | Share Capital increased from Amount (in INR) | Share Capital increased to Amount (in INR) |
|---|--|--|
| 1 st September, 2016 | 10,60,00,000 | 40,00,00,000 |
| 9 th March, 2017 | 40,00,00,000 | 42,00,00,000 |
| Authorized Capital as on 31 st March, 2017 | | 42,00,00,000 |

Paid Up Share Capital

In September 2016, The Company's promoter / management decided to infuse further capital into the Company by issuing equity / preference share capital at a premium to well-known financial impact investors Growth Catalyst Partners LLP (GCP) and Duane Park Private Limited. Resultant from this, Mr. Vishal Mehta – Co-founder of Lok Capital Growth Fund and nominee of GCP and Mr. Anurag Bhargava of Duane Park Private Limited joined the Board of Ummeed Housing Finance Private Limited as Non-Executive Directors.

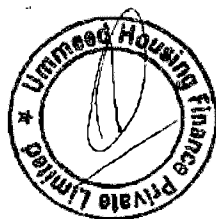
Subsequently, Mr. Alok Prasad (Ex CEO MFIN) also joined the Board as a Non-Executive Director.

During the financial year under review, the Company has made the allotment of equity shares in the Board Meeting dated 28th September, 2016 as per the below stated Schedule:

- 70,399 (Seventy Thousand Three Hundred Ninety Nine) Equity Shares of Rs. 10/- each at a premium of Rs. 18.45/- per share
- 79,08,512 (Seventy Nine Lakh Eight Thousand Five Hundred Twelve) Series-A Compulsorily Convertible Cumulative Preference Shares (Series-A CCPS) of Rs. 20/- each at a premium of Rs. 8.45 per share

The Paid-up Share Capital of the Company as on 31st March, 2017:

Equity Share Capital: Rs. 10, 63, 74,090/- (Rupees Ten Crore Sixty Three Lacs, Seventy Four Thousand and Ninety Only) divided



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into 1, 06, 37,409 (One Crore Six Lakh Thirty Seven Thousand Four Hundred and Nine) equity shares of Rs. 10/- each.

Preference Share Capital: Rs.15,81,70,240 /- (Rupees Fifteen Crore, Eighty One Lakh Seventy Thousand Two Hundred and Forty Only) divided into 79,08,512 (Seventy Nine Lakh Eight Thousand Five Hundred Twelve) Series-A Compulsorily Convertible Cumulative Preference Shares (Series-A CCPS)

5. EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return in MGT-9 for the period ended 31st March, 2017 pursuant to the provisions of Section 92(3) of the Companies Act, 2013 is attached with the Directors Report as Annexure 1.

6. PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED OR RESIGNED DURING THE YEAR

As on 31st March, 2017, following was the composition of Board and Key Managerial Personnel are:

| Sr. No. | Name | Designation |
|---------|---------------------|---------------------|
| 1. | Mr. Ashutosh Sharma | Managing Director |
| 2. | Mr. Sachin Grover | Whole Time Director |
| 3. | Mr. Anurag Bhargava | Director |
| 4. | Mr. Vishal Mehta | Director |
| 5. | Mr. Alok Prasad | Additional Director |
| 6. | Mr. Varun Madaan | Company Secretary |

i) Details of Directors Appointed/Resigned during the year

| S.No | Name | Designation | Appointment /Resignation | Effective date of Appointment/ resignation | Remarks |
|------|---------------------|---------------------|--------------------------|--|-------------------------------------|
| 1. | Mr. Alok Prasad | Additional Director | Appointment | 15 th Nov'16 | Appointed as an Additional Director |
| 2. | Mr. Vishal Mehta | Director | Appointment | 29 th Sep'16 | Appointed as an Director |
| 3. | Mr. Anurag Bhargava | Director | Appointment | 29 th Sep'16 | Appointed as an Director |



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7. NUMBER OF BOARD MEETINGS & DATES ON WHICH HELD

During the period under review, 9 (Nine) Board meetings were held. The dates on which the meetings held during the year ended 31st March, 2017 are as follows:

1. 20th June, 2016
2. 01st September, 2016
3. 02nd September, 2016
4. 05th September, 2016
5. 29th September, 2016
6. 15th November, 2016
7. 14th February, 2017
8. 08th March, 2017
9. 23rd March, 2017

Information regarding number of meetings attended by each Director during the period ended 31st March, 2017 is provided below:

| S.No. | Name of the Director | Designation | No. of meetings attended |
|-------|----------------------|---------------------|--------------------------|
| 1 | Mr. Ashutosh Sharma | Managing Director | 9 |
| 2 | Mr. Sachin Grover | Whole-Time Director | 9 |
| 3 | Mr. Alok Prasad | Additional Director | 1 |
| 4 | Mr. Vishal Mehta | Director | 4 |
| 5 | Mr. Anurag Bhargava | Director | 1 |

8. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5), the Board confirms that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to the material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



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9. AUDITORS

M/s. S. R. Batliboi & Associates LLP were appointed as Statutory Auditors of the Company with effect from 27th February, 2017 to fill the Casual Vacancy caused due to resignation of M/s Abhishek Juneja & Associates, Chartered Accountants.

The term of office of the Statutory Auditors shall come to an end at the conclusion of forthcoming Annual General Meeting of the Company.

However, a certificate from the Auditors have been received to the effect that their re-appointment, if made, would be within the prescribed limit under section 141 of the Companies Act, 2013.

Therefore, the Board of Directors have recommended the re-appointment of M/s S. R. Batliboi & Associates LLP, as Statutory Auditors for a term of 5 financial years commencing from the conclusion of upcoming Annual General Meeting until the conclusion of Annual General Meeting of the Company for the financial year ended 2021-22, subject to ratification by the members at every Annual General Meeting.

10. AUDITORS' REPORT

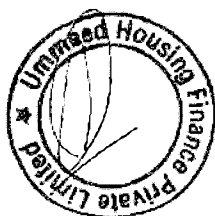
There was no qualification, reservation or adverse remark made by the Statutory Auditors in their report.

11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the current Financial Year, the Company has made investment as per the below details. These investment in short term debt mutual funds were made to manage funds from the capital raise prior to disbursement into HL/LAP loans. Investments were in line with the company's documented investment policy and NHB guidelines.

| S. No | Particulars of the transaction(investment) | Amount |
|-------|--|------------|
| 1 | Units of Rs. 318.6517 each fully Paid-Up of Birla Sun Life Saving fund | 7,318,520 |
| 2 | Units of Rs. 311.3390 each fully Paid-Up of ICICI Prudential Flexible Income | 2,169,374 |
| 3 | Units of Rs. 23.0291 each fully Paid-Up of IDFC Ultra Short Term Fund | 17,586,987 |
| 4 | Units of Rs. 2085.6035 each fully Paid-Up of SBI Ultra Short Term Debt Fund | 16,113,994 |
| 5 | Units of Rs. 2225.62 each fully Paid-Up of UTI Treasury Advantage Fund | 16,115,471 |

The Company has duly complied with all the provisions of Section 186 of the Companies Act, 2013.



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Further, the Company has not given any loan or guarantee or security during the year under review.

12. DETAILS OF RELATED PARTY TRANSACTIONS

During the financial year, Company has not entered into any contract or arrangement with the related party under Section 188 of the Companies Act, 2013.

13. MATERIAL CHANGES AND COMMITMENTS

In terms of the information required under Sub-section(3)(l) of Section 134, there have been no material changes and commitments which affect the financial position of the Company during the financial year 2016-17 and the date of this Report.

14. RESERVES

The Directors have not transferred any amount to the general reserve account of the Company for the period ended on 31st March 2017.

15. DIVIDEND

Your directors do not recommend any dividend for the period ended on 31st March, 2017.

16. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the operations of your company do not consume high levels of energy, hence no steps were needed to be taken for Conservation of Energy. There was no Technology Absorption, pursuant to Section 134(3)(m) of the Companies Act, 2013, read with rule 8(3) of the Companies (Accounts) Rules, 2014 and the Directors have nothing to report on conservation of energy and technology absorption.

Further the Company has no foreign exchange earnings and outgo. Therefore no information has been provided as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

18. RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage



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uncertainty. The company has focused and has a documented and implemented policies in the following areas of Risk Management:

- i) Credit underwriting risk
- ii) Asset /Liability management risk
- iii) IT/Systems risks
- iv) Audit and Internal control

The management team believes that the current policies are appropriate at our current stage and size. The Risk Management policies will continue to evolve as the scale and complexities of the company's operations increases.

19. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has in place adequate internal financial controls with reference to financial statements. The internal financial control system is designed to ensure that all financial and other records are reliable for preparing financial statements, other data and for maintaining accountability of assets.

20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company was not required to formulate vigil mechanism as the relevant provisions of the Act read with rules are not applicable to the Company.

21. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Act in respect of Corporate Social Responsibility are not applicable to the Company.

22. DETAILS OF SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company is not having any Holding/ Subsidiary/ Joint Venture/ Associate Company.

23. DEPOSITS

During the period under review, the Company has not accepted Deposit from the members or the general public within the meaning of Section 73, 74 and other relevant provisions of the Companies Act, 2013 read with rules made thereunder.

24. UPDATE ON MATERIAL ORDERS PASSED BY COURTS / REGULATORS/ TRIBUNALS

During the year the Company has not received any order passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.



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25. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed off during the financial year under review:

No. of complaints received: 0
No. of complaints disposed off: 0

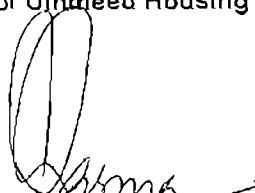
26. DISCLOSURE PURSUANT TO NATIONAL HOUSING BANK ACT, 1987 READ WITH THE HOUSING FINANCE COMPANIES (NHB) DIRECTIONS, 2010

Since the Company is a Non Public Deposit accepting Housing Finance Company, therefore the requirement of making disclosure in pursuance to direction 10 (1) and 10 (2) of The Housing Finance Companies (NHB) Directions, 2010 is not applicable.

27. ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation and acknowledge with gratitude the support and consideration extended by various statutory authorities, the bankers, shareholders, employees and society at large and look forward for their continued support & co-operation.

For and on behalf of the Board
For Ummeed Housing Finance Private Limited



Ashutosh Sharma
Managing Director
DIN: 02582205

Sachin Grover
Whole-Time Director
DIN: 07387359

Date: 28th July, 2017
Place: Gurgaon



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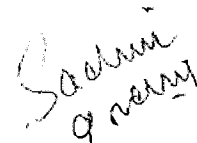
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MGT-9

ANNEXURE-1 TO BOARD REPORT

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

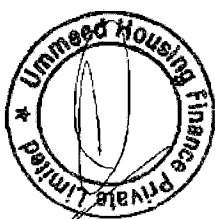
| | | |
|----|--|--|
| 1. | CIN | U65922HR2016PTC057984 |
| 2. | Registration Date | 27/01/2016 |
| 3. | Name of the Company | UMMEED HOUSING FINANCE PRIVATE LIMITED |
| 4. | Category/Sub-category of the Company | Private company limited by shares |
| 5. | Address of the Registered office & contact details | 318, DLF Magnolias, Sector-42, Golf Course Road, Gurgaon-122002, Haryana, India. |
| 6. | Whether listed company | No |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | N.A. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|---|---------------------------------|------------------------------------|
| 1. | Other financial service activities, except insurance and pension funding activities | 649 | NIL |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the company | CIN/GLN | Holding/ Subsidiary /associate | % of Shares Held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| 1. | N.A. | N.A. | N.A. | N.A. | N.A. |



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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year[As on 31-March-2016] | | | | No. of Shares held at the end of the year[As on 31-March-2017] | | | | % Change during the year |
|--|--|-------------|-------------|-------------------|--|----------|-------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | - | 1,02,50,000 | 1,02,50,000 | 97.00 | 1,02,50,000 | - | 1,02,50,000 | 96.36 | 0.64 |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (1):- | - | 1,02,50,000 | 1,02,50,000 | 97.00 | 1,02,50,000 | - | 1,02,50,000 | 96.36 | 0.64 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (2):- | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A)= (A)(1)+(A)(2) | - | 1,02,50,000 | 1,02,50,000 | 97.00 | 1,02,50,000 | - | 1,02,50,000 | 96.36 | 0.64 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | - | - | - | - | - | - | - | - | - |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |



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| | | | | | | | | | |
|---|---|----------|--------|---|-----|----------|----------|------|---|
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) FFI/BANK | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | - | - | - | - | - | - | - | - | - |
| 2. Non-Institutions | - | - | - | - | - | - | - | - | - |
| a) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| i) Indian | - | - | - | - | - | - | - | - | - |
| ii) Overseas | - | - | - | - | 100 | - | 100 | 0.00 | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | - | - | - | - | - | - | - | - | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh | - | 3,17,010 | 317010 | 3 | - | 3,87,309 | 3,87,309 | 3.64 | - |
| c) Others (specify) | - | - | - | - | - | - | - | - | - |
| Non Resident Indians | - | - | - | - | - | - | - | - | - |
| Overseas Corporate Bodies | - | - | - | - | - | - | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Clearing Members | - | - | - | - | - | - | - | - | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Foreign Bodies - | - | - | - | - | - | - | - | - | - |



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| | | | | | | | | | |
|---|---|-----------------|-----------------|-----|-----------------|----------|-----------------|------|---|
| D R/ | | | | | | | | | |
| HUF | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | - | 3,17,010 | 317010 | 3 | 100 | 3,87,309 | 3,87,409 | 3.64 | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | - | - | - | - | - | - | - | - | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | | 1,05,67, 010 | 1,05,67, 010 | 100 | 1,02,5 0,100 | 3,87,309 | 1,06,97,4 09 | 100 | |

* Includes 1 Equity Share held by Mr. Ashutosh Sharma as Beneficial Holder and Mr. Sachin Grover being Nominee Shareholder

(ii) Shareholding of Promoters-

| SN | Shareholder's Name | Shareholding at the beginning of the year[As on 31-March-2016] | | | Shareholding at the end of the year [As on 31-March-2017] | | | % change in shareholding during the year |
|----|---------------------|--|----------------------------------|--|---|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Mr. Ashutosh Sharma | 1,02,50,000 | 97.00 | - | 1,02,50,000 | 96.36 | - | - |

(iii) Change in Promoters' Shareholding:-

| Name | Shareholding of each promoter | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|---------------------|-------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. Ashutosh Sharma | At the beginning of the | 1,02,49,999 | 97.00 | 1,02,49,999 | 97.00 |



UMMEED HOUSING FINANCE PRIVATE LIMITED

Regd. Off.: 318, DLF Magnolias, Sector-42, Golf Course Road, Gurgaon – 122002, Haryana
Corp. Off.: 312 B, Centrum Plaza, Sector – 53, Golf Course Road, Gurgaon – 122002, Haryana
CIN: U65922HR2016PTC057984

| | | | | | |
|--|---|-------------|-------|-------------|-------|
| | year | | | | |
| | Increase in Shareholding during the year: | 1** | 0.00 | 1,02,50,000 | 97.00 |
| | At the end of the year | 1,02,50,000 | 96.36 | 1,02,50,000 | 96.36 |

** Transfer of Registered Ownership for 1 equity share from Mr. Sachin Grover to Mr. Ashutosh Sharma, in respect of which Beneficial Interest is held by Mr. Ashutosh Sharma

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|-------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Growth Catalyst Partners LLC | 100 | 0.00 | 100 | 0.00 |
| 2 | Mr. Rajendra Gupta | 70,299 | 0.66 | 70,299 | 0.66 |
| 3 | Mr. Sachin Grover | 3,17,011 | 2.98 | 3,17,010 | 2.98 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Name | Shareholding of the directors and KMP | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|---|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. Ashutosh Sharma, Managing Director | At the beginning of the year | 1,02,49,999 | 97.00 | 1,02,49,999 | 97.00 |
| | Increase in Shareholding during the year : | 1*** | 0.00 | 10,250,000 | 97.00 |
| | Decrease in Shareholding during the year : | NIL | NIL | 10,250,000 | 96.36 |



UMMEED HOUSING FINANCE PRIVATE LIMITED

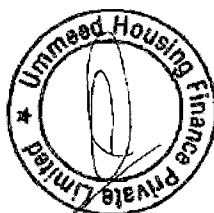
Regd. Off.: 318, DLF Magnolias, Sector-42, Golf Course Road, Gurgaon – 122002, Haryana
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CIN: U65922HR2016PTC057984

| | | | | | |
|--|--|------------|-------|------------|-------|
| | At the end of the year | 10,250,000 | 96.36 | 10,250,000 | 96.36 |
| Mr. Sachin Grover, Whole-Time Director | At the beginning of the year | 3,17,011 | 2.98 | 3,17,011 | 2.98 |
| | Increase in Shareholding during the year | NIL | NIL | 3,17,011 | 2.98 |
| | Decrease in Shareholding during the year : | ***1 | 0.00 | 3,17,010 | 2.98 |
| | At the end of the year | 3,17,010 | 2.98 | 3,17,010 | 2.98 |

(*** Transfer of Registered Ownership for 1 equity share from Mr. Sachin Grover to Mr. Ashutosh Sharma, in respect of which Beneficial Interest is held by Mr. Ashutosh Sharma)

Details of Preference share Capital (CCPS):

| Name | Shareholding | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|------------------------------|--|---|--|---|--|
| | | No. of shares | % of total Preference share capital of the company | No. of shares | % of total Preference share capital of the company |
| Growth Catalyst Partners LLC | At the beginning of the year | NIL | NIL | NIL | NIL |
| | Increase in Shareholding during the year : | 52,72,308 | 67% | 52,72,308 | 67% |
| | Decrease in Shareholding during the year : | NIL | NIL | 52,72,308 | 67% |
| | At the end of the year | 52,72,308 | 67% | 52,72,308 | 67% |
| Duane Park | At the beginning of the year | NIL | NIL | NIL | NIL |
| | Increase in Shareholding during | 26,36,204 | 33% | 26,36,204 | 33% |



UMMEED HOUSING FINANCE PRIVATE LIMITED

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CIN: U65922HR2016PTC057984

| | | | | | |
|--|--|-----------|------|-----------|------|
| | the year | | | | |
| | Decrease in Shareholding during the year : | NIL | NIL | 26,36,204 | 33% |
| | At the end of the year | 26,36,204 | 33% | 26,36,204 | 33% |
| | Preference share capital (Total) | 79,08,512 | 100% | 79,08,512 | 100% |

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | - | - | - | - |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in indebtedness during the financial yeas | | | | |
| ▪ Addition | 3,00,00,000 | - | - | 3,00,00,000 |
| ▪ Reduction | - | - | - | - |
| Net Change | 3,00,00,000 | - | - | 3,00,00,000 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 3,00,00,000 | - | - | 3,00,00,000 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 13,152 | - | - | 13,152 |
| Total (i+ii+III) | 3,00,13,152 | - | - | 3,00,13,152 |
| | | | | |



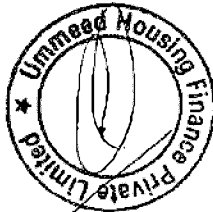
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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, ~~Whole-time Directors and/or Manager:~~

| S. No. | Particulars of Remuneration | Mr. Ashutosh Sharma Managing Director | Total Amount |
|--------|--|--|--------------------|
| 1 | Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 55,25,006/- | 55,25,006/- |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission - as % of profit - others, specify | - | - |
| 5 | Others – (PF & Superannuation) | - | - |
| | Total (A) | 55,25,006/- | 55,25,006/- |
| | Ceiling as per the Act | NA, Company being Private Company. | |



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A. Remuneration to Managing-Director, Whole-time Directors and/or Manager:

| S. No. | Particulars of Remuneration | Mr. Sachin Grover Whole-Time Director | Total Amount |
|--------|--|--|--------------|
| 1 | Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 42,50,006/- | 42,50,006/- |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission - as % of profit - Others, specify... | - - - | - - - |
| 5 | Others – (PF & Superannuation) | - | - |
| | Total (A) | 42,50,006/- | 42,50,006/- |
| | Ceiling as per the Act | NA, Company being a Private Company | |

B. REMUNERATION TO OTHER DIRECTORS:

| S. No. | Particulars of Remuneration | Mr. Alok Prasad | Total Amount |
|--------|--|-----------------|--------------|
| 1 | Independent Directors | - | - |
| | Fee for attending board committee meetings | - | - |
| | Commission | | - |
| | Others – (Consultancy fee) | 3,75,000/- | 3,75,000/- |
| | Total (1) | 3,75,000/- | 3,75,000/- |



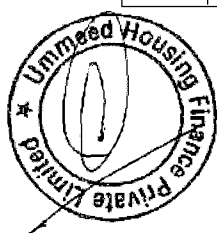
UMMEED HOUSING FINANCE PRIVATE LIMITED

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CIN: U65922HR2016PTC057984

| | | | | | |
|---|--|----|---|---|--|
| 2 | Other Non-Executive Directors | - | - | - | |
| | Fee for attending board committee meetings | - | - | - | |
| | Commission | - | - | - | |
| | Others, please specify | - | - | - | |
| | Total (2) | - | - | - | |
| | Total (B)=(1+2) | - | - | - | |
| | Total Managerial Remuneration | - | - | - | |
| | Overall Ceiling as per the Act | NA | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| S.No | Particulars of Remuneration | COMPANY SECRETARY | Total |
|------|---|-------------------|------------|
| 1 | Gross salary | - | - |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3,60,000/- | 3,60,000/- |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission | - | - |
| | - as % of profit | - | - |
| | Others specify... | - | - |
| 5 | Others – (PF & Superannuation) | - | - |
| | Total | 3,60,000/- | 3,60,000/- |



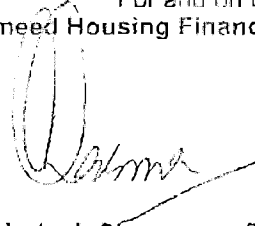
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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

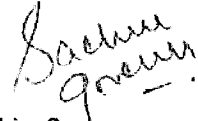
There was no penalty, punishment, compounding of the Company, directors or any other officers in default in respect of the Companies Act, 2013.

For and on behalf of the Board
For Ummeed Housing Finance Private Limited



Ashutosh Sharma
Managing Director

DIN: 02582205



Sachin Grover
Whole-Time
Director

DIN: 07387359

Date: 28th July, 2017
Place: Gurgaon

The Board of Directors
Ummeed Housing Finance Private Limited
31B, DLF Magnolias
Sector-42, Golf Course Road
Gurgaon, Haryana

Dear Sirs,

Re: The Housing Finance Companies Directions, 2010

We have audited, in accordance with auditing standards generally accepted in India, the financial statements of **Ummeed Housing Finance Private Limited** ('the Company') for the year ended March 31, 2017 and have issued our opinion vide our report dated June 29, 2016. As per the requirements of The Housing Finance Companies Directions, 2010 ('NHB Directions'), we report below on the matters specified in paragraphs 34 and 35 of the NHB Directions. Based on the procedures performed as a part of our audit of the financial statements:

1. The company was incorporated on Jan 27, 2016 to carry on the business of a housing finance institution and it has obtained Certificate of Registration from National Housing Bank on July 13, 2016 for carrying on such activities without accepting public deposits.
2. The company is non deposit accepting Housing Finance Company. Therefore, the provisions of Section 29B of the National Housing Bank Act, 1987 for maintenance of prescribed percentage of assets in terms of clause (iii) of Para 34 of NHB Directions, 2010 are not applicable to it.
3. The Company has complied with section 29C of the National Housing Bank Act, 1987.
4. On the basis of our review of records and information and explanations given to us, the company has complied with the provision of NHB Directions, 2010 to the extent applicable in its case.
5. The capital adequacy ratio in the return submitted by the company to National Housing Bank has been correctly determined and disclosed and such ratio is in compliance with the minimum capital to risk weighted asset ratio as prescribed by the National Housing Bank in its directions.
6. The company has not accepted or is holding any public deposits and thus clause (vii) of Para 34 of NHB Directions, 2010 is not applicable to the company.
7. The company is registered as a non-public deposit accepting Housing Finance company and:
 - a) The Board of Directors has passed a resolution on February 12, 2016 for non-acceptance of any public deposits;
 - b) The company has not accepted any public deposits during the financial year ended March 31, 2017
 - c) The company has complied with the applicable prudential norms.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

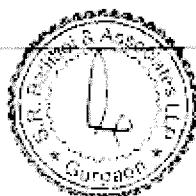
per **Amit Kabra**

Partner

Membership no: 094533

Place: Gurgaon

Date: June 29, 2016



7

INDEPENDENT AUDITOR'S REPORT

To the Members of Ummeed Housing Finance Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Ummeed Housing Finance Private Limited, which comprise the Balance Sheet as at March 31, 2017, 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 but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. 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, 2017, its profit, 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, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in Note 24 to these Financial Statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our enquiries, test check of the books of account and other details maintained by the Company and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company.

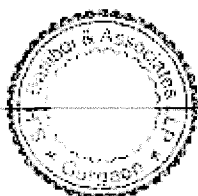
Other Matter

We did not audit the financial statements and other financial information in respect of the prior period. These were audited by the predecessor auditor and the auditor's report dated September 5, 2016 has been furnished to us by the management. The predecessor auditor has expressed an unqualified opinion therein.

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


per Amit Kabra
Partner

Membership Number: 094533
New Delhi
June 29, 2017



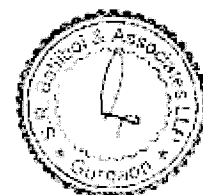
Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Ummeed Housing Finance Private Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties included in fixed assets of the Company and accordingly the requirements under clause 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 clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the products/services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, cess and other material statutory dues applicable to it, though there has been a slight delay in few cases. The provisions related to custom duty, excise duty, value added tax and wealth tax are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to custom duty, excise duty, value added tax and wealth tax are not applicable to the Company.


- (b) According to the records of the Company, there are no dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further 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 purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of Section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) is not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of shares 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 the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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


per Amit Kabra
Partner
Membership No.: 094533

New Delhi
June 29, 2017



Ummeed Housing Finance Private Limited
Balance Sheet as at 31 March 2017

(Amount in ₹ unless otherwise stated)

| | Notes | As at March 31, 2017 | As at March 31, 2016 |
|--------------------------------------|-------|----------------------------|----------------------------|
| Equity and liabilities | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 26,45,44,330 | 10,56,70,100 |
| Reserves and surplus | 4 | 3,92,79,088 | (21,40,805) |
| | | <u>30,38,23,418</u> | <u>10,35,29,295</u> |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 2,35,46,377 | - |
| Long-term provisions | 6 | 11,92,203 | - |
| | | <u>2,47,38,580</u> | <u>-</u> |
| Current liabilities | | | |
| Short-term borrowings | | - | - |
| Trade payables | 7 | 21,47,332 | 2,70,979 |
| Other current liabilities | 7 | 99,84,159 | 4,38,738 |
| Short-term provisions | 6 | 4,50,621 | - |
| | | <u>1,25,82,112</u> | <u>7,09,717</u> |
| Total | | <u>34,11,44,110</u> | <u>10,42,39,011</u> |
| Assets | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | | | |
| Tangible Assets | 8.1 | 15,71,875 | - |
| Intangible assets | 8.2 | 19,76,409 | - |
| Deferred tax assets (net) | 9 | - | 2,66,688 |
| Loans and advances | 10 | 11,96,86,515 | 2,32,312 |
| | | <u>12,32,34,799</u> | <u>4,99,000</u> |
| Current assets | | | |
| Current investments | 12 | 5,93,04,346 | - |
| Trade receivables | | - | - |
| Cash and bank balances | 13 | 15,05,46,688 | 10,32,12,066 |
| Loans and advances | 10 | 50,86,808 | 1,55,625 |
| Other current assets | 11 | 28,71,469 | 3,72,320 |
| | | <u>21,79,09,311</u> | <u>10,37,40,011</u> |
| Total | | <u>34,11,44,110</u> | <u>10,42,39,011</u> |

Summary of significant accounting policies 2.1
The accompanying notes are an integral part of the financial statements

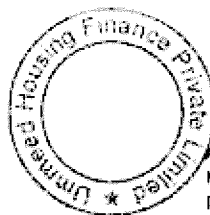
As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number : 101049W/E300004
Chartered Accountants

per Anshu Rajan
Partner
Membership number: 094533



Date: 29/06/17
Place: Gurgaon



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

Ashutosh Sharma
Managing Director
DIN: 02582205

Bikash Mishra
Financial Controller
Membership number:
068171

Date: 29/06/17
Place: Gurgaon

Sachin Grover
Director
DIN: 07387359

Varun Madan
Company Secretary
Membership number:
A32123

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Ummeed Housing Finance Private Limited

Statement of Profit and Loss for the year ended 31 March 2017

(Amount in ₹ unless otherwise stated)

| | Notes | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
|--|-------|------------------------------|------------------------------------|
| Income | | | |
| Revenue from operations | 14 | 69,08,313 | - |
| Other income | 15 | 1,20,56,851 | 9,84,973 |
| Total revenue (I) | | 1,89,65,164 | 9,84,973 |
| Expenses | | | |
| Employee benefit expenses | 16 | 2,60,48,892 | 15,70,491 |
| Finance costs | 17 | 7,39,261 | 458 |
| Depreciation and amortization expenses | 18 | 4,17,424 | - |
| Other expenses | 20 | 1,75,90,229 | 18,21,517 |
| Provisions and write-offs | 19 | 6,08,564 | - |
| Total expenses (II) | | 4,54,04,370 | 33,92,466 |
| Loss before tax (III)=(I)-(II) | | (2,64,39,206) | (24,07,493) |
| Tax expense: | | | |
| Deferred tax | | 2,66,688 | (2,66,688) |
| Loss after tax | | (2,67,05,894) | (21,40,805) |
| Earnings per equity share | 21 | | |
| [Nominal value of share ₹10 (March 31, 2016: '10)] | | | |
| Basic (Computed on the basis of total profit for the year) | | (2.52) | (0.28) |
| Diluted (Computed on the basis of total profit for the year) | | (2.12) | (0.28) |

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

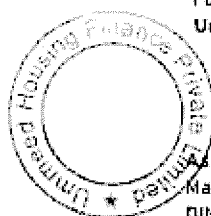
For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number : 101049W/E300004
Chartered Accountants

per Amit Kobra
Partner
Membership number: 094533



Date: 29/06/17
Place: Gurgaon

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



Shutosh Sharma
Managing Director
DIN:02582205

Bikash Mishra
Financial Controller
Membership number:
068171

Date: 29/06/17
Place: Gurgaon

Sachin Grover
Director
DIN:07387359

Varun Madaan
Company Secretary
Membership number:
A22123

8

Ummeed Housing Finance Private Limited
Statement of Cash Flows for the year ended March 31, 2017

| | (Amount in ₹ unless otherwise stated) | |
|---|---------------------------------------|---------------------------------|
| | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Cash flow from operating activities | | |
| Loss before tax | (2,64,39,206) | (24,07,493) |
| Adjustments to reconcile profit before tax to net cash flows: | | |
| Depreciation and amortization | 4,17,424 | - |
| Interest income | (1,06,45,501) | (9,84,973) |
| Gain on sale of mutual funds | (7,11,922) | - |
| Unrealised gain on mutual funds | (6,92,424) | - |
| Preliminary Expenses | - | - |
| Interest On term loans from banks | 16,746 | - |
| Interest on income tax refund | (7,004) | - |
| Operating Loss before working capital changes | (3,80,61,887) | (33,92,466) |
| Movements in working capital : | | |
| Increase / (decrease) in trade payables | 18,76,353 | 2,55,979 |
| Increase / (decrease) in provisions | 16,42,824 | - |
| Increase / (decrease) in other current liabilities | 30,91,798 | 4,53,738 |
| Decrease / (increase) in loans and advances | (12,43,85,386) | (3,97,937) |
| Decrease / (increase) in other current assets | (24,99,149) | - |
| Cash generated from / (used in) operations | (15,83,35,447) | (30,70,687) |
| Direct taxes paid (net of refunds) | - | - |
| Net cash flow used in operating activities (A) | (15,83,35,447) | (30,70,687) |
| Cash flows from Investing activities | | |
| Interest income | 1,06,35,757 | 6,12,653 |
| Realised gain on mutual funds | 7,11,922 | - |
| Purchase of property, plant and equipments | (39,65,708) | - |
| Purchase of current investments | (11,80,00,000) | - |
| Sale proceeds from current investments | 5,93,88,078 | - |
| Net Cash (used in) / from Investing Activities (B) | (5,12,29,951) | 6,12,653 |
| Cash Flows from Financing Activities | | |
| Proceeds from issuance of preference share capital (including securities premium) | 22,49,97,156 | - |
| Proceeds from issuance of equity share capital (including securities premium) | 20,02,852 | 10,56,70,100 |
| Proceeds from Long-term borrowings | 3,00,00,000 | - |
| Proceeds from Proceeds from Short Term Borrowings | - | 25,00,000 |
| Repayment of Short term borrowings | - | (25,00,000) |
| Net Cash from Financing Activities (C) | 25,70,00,018 | 10,56,70,100 |
| Net Increase in Cash & Cash Equivalent (A+B+C) | 4,74,34,620 | 10,32,12,066 |
| Cash & Cash Equivalents in the Beginning of the Year | 10,32,12,066 | - |
| Cash and cash equivalents at the end of the year (refer note 17) | 15,06,46,687 | 10,32,12,066 |

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

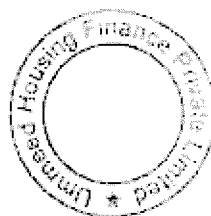
As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number : 101049W/E300004
Chartered Accountants

per Amit Kabra
Partner
Membership number: 094533



Date: 29/06/17
Place: Gurgaon



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

Ashutosh Sharma
Managing Director
DIN: 02582305

Blitash Mishra
Financial Controller
Membership number:
068171

Date: 29/06/17
Place: Gurgaon

Sachin Grover
Director
DIN: 07387339

Vinay Madan
Company Secretary
Membership number:
A32123

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1. Corporate information

Ummeed Housing Finance Private Limited ('the Company') is a Company domiciled in India as a private limited company. The Company was incorporated on January 27, 2016. The Company is registered with National Housing Bank (NHB) and is engaged in the long term financing activity in the domestic markets to provide housing finance.

The Company is mainly engaged in the business of providing housing loans.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The financial statements of the Company have been prepared to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rule 2014; the Companies (Accounting Standards) Amendment Rules, 2016 and the guidelines issued by the National Housing Bank to the extent applicable. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies applied by the Company are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company has ascertained its operating cycle as 12 months for the above purpose.

Summary of significant accounting policies

a. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP 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.

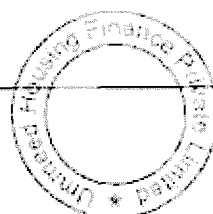
b. Property, plant and equipment

All Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebate are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition or disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the assets is derecognized.

c. Depreciation

Depreciation on tangible fixed assets is calculated on a Straight Line basis using the rates arrived at based on the useful lives estimated by the management. As per the requirement of Schedule II of the companies Act, 2013, the company has evaluated the useful life of fixed assets which are as per the provisions of Part C of the Schedule for calculation of depreciation. The estimated useful lives of the fixed assets are as follows:



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| | Useful lives (years) |
|-------------------------------|----------------------|
| Computers | 3 |
| Computer servers and networks | 6 |
| Office equipment | 5 |

d. Intangible assets

Intangible assets are amortized 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 six years from the date when the asset is available for use. If persuasive evidence exists to the effect that useful life of an intangible asset exceeds six years, the Company amortizes the intangible asset over the best estimate of its useful life.

e. Impairment of Property, plant and equipment and intangible assets

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

f. 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.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis except for investments in the units of unquoted mutual funds in the nature of current investments that have been valued at the net asset value declared by the mutual fund in respect of each particular scheme, in accordance with the NHB directions. 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.

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

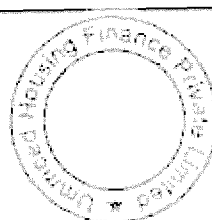
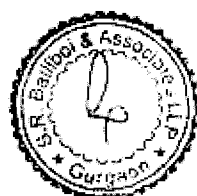
g. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs are expensed in the period they occur.

h. Retirement and other employee benefits

i. 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 recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

ii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains



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and losses for defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

- iii. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.
- iv. Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- v. The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

i. 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.

- i. Interest Income is recognised on a time proportion accrual basis taking into account the amount outstanding and the interest rate implicit in the underlying agreements. Income or any other charges on non-performing assets is recognised only when realised and any such income recognised before the assets became non-performing and remaining unrealised is reversed. Income on loans assigned through direct assignment is recognised over the tenure of the assignment transaction.
- ii. Interest income on deposits with banks is recognised on a time proportion accrual basis taking into account the amount outstanding and the interest rate applicable.
- iii. Loan processing fees are recognized upfront on disbursement of loan.
- iv. Penal interest is recognized on cash basis.
- v. Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.
- vi. All other income is recognised on an accrual basis.

j. Foreign Currency Translation

- i. All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.
- ii. Foreign currency monetary items are reported using the exchange rate prevailing at the close of the financial year.
- iii. Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded



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during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

k. Income taxes

- i. 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. 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.
- ii. 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.
- iii. 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.
- iv. 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.
- v. Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

l. Provisions

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management 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.



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m. Contingent liability

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 recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

n. Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank and short-term investments with an original maturity of three months or less.

o. Classification and provisioning for Standard Assets and Non-Performing Assets (NPAs) / Write off

Housing loans and other loans are classified as per the Housing Finance Companies (NHB) Directions, 2010 ("the NHB Directions"), into performing and non-performing assets. Further, non-performing assets are classified into sub-standard, doubtful and loss assets and provision made based on criteria stipulated by the NHB Directions. Additional provisions are made against all non-performing assets over and above the provisions stated in the NHB Directions, if in the opinion of the management higher provision is necessary.

The Company maintains a standard provision of 0.5% of the principal amount outstanding to cover potential credit losses, which are inherent in any loan portfolio but not identified.

The Company reviews the stressed cases periodically and if it considers that recovery in such assets is not probable, then it can classify such assets as "loss assets" and write off the same in Profit and loss account.

p. Earnings per shares

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20- "Earnings per Share" notified under section 133 of the Companies Act 2013. Basic earnings per share is computed by dividing the net profit after tax attributable to Equity shareholders outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving the basic EPS and weighted average number of shares that could have been issued upon conversion of all potential equity shares.



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| 3. Share capital | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| Authorized shares | | |
| 2,41,82,976 (March 31, 2016: 1,06,00,000) equity shares of ₹10/- each | 24,18,29,760 | 10,60,00,000 |
| 79,08,512 (March 31, 2016: Nil) 0.001% Cumulative, Non-Participative and Compulsorily Convertible Preference shares of ₹ 20/- each | 15,81,70,240 | - |
| Total Authorized shares capital | 40,00,00,000 | 10,60,00,000 |
| Issued, subscribed and fully paid up shares | | |
| 1,06,37,409 (March 31, 2016: 1,06,00,000) equity shares of ₹10/- each | 10,63,74,090 | 10,56,70,100 |
| 79,08,512 (March 31, 2016: Nil) 0.001% Cumulative, Non-Participative and Compulsorily Convertible Preference shares of ₹ 20/- each | 15,81,70,240 | - |
| Total issued, subscribed and fully paid-up share capital | 26,45,44,330 | 10,56,70,100 |

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

| | As at March 31, 2017 | | As at March 31, 2016 | |
|---|----------------------|---------------------|----------------------|---------------------|
| | No. of Shares | (Rupees) | No. of Shares | (Rupees) |
| At the beginning of the year | 1,05,67,010 | 10,56,70,100 | 1,05,67,010 | 10,56,70,100 |
| Issued during the year | 70,399 | 7,03,990 | - | - |
| Outstanding at the end of the year | 1,06,37,409 | 10,63,74,090 | 1,05,67,010 | 10,56,70,100 |

Preference shares

| | As at March 31, 2017 | | As at March 31, 2016 | |
|---|----------------------|---------------------|----------------------|----------|
| | No. of Shares | ₹ | No. of Shares | ₹ |
| At the beginning of the year | - | - | - | - |
| Issued during the year | 79,08,512 | 15,81,70,240 | - | - |
| Outstanding at the end of the year | 79,08,512 | 15,81,70,240 | - | - |

(b) Terms/ rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹ 10 per share (previous year ₹ 10 per share). Each holder of equity share is entitled to one vote per share in proportion of the share of the paid-up capital of the Company held by the shareholder. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after discharging all liabilities of the Company, in proportion to their shareholdings.

(c) Terms of conversion/ redemption of CCPS

The Company has one class of preference shares having par value of ₹ 20 per share. During the year ended 31 March 2017, the company issued:

79,08,512 CCPS of ₹ 20 each fully paid-up at face value of ₹ 20 per share. CCPS carry cumulative dividend @ 0.001% p.a. The Company declares and pays dividend on the shares in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. CCPS holders are not entitled to vote on any resolutions placed before the company.

Each holder of 0.001% CCPS can opt to convert its preference shares into equity share at any time, prior to the expiry of twenty years from the date of allotment i.e. September 29, 2016. If the holder does not exercise its conversion option, the company will redeem these shares at the price determined as provided in the Shareholder's Agreement in effect at the time of conversion. This conversion price shall be the Subscription Price and shall be subject to adjustment from time to time as provided in the Shareholder's Agreement.

In the event of liquidation of the company the holders of preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

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

| Name of the shareholder | As at March 31, 2017 | | As at March 31, 2016 | |
|---|----------------------|--------------------|----------------------|--------------------|
| | Number of shares | % of share holding | Number of shares | % of share holding |
| Equity shares of ₹10 each fully paid | | | | |
| Ashutosh Sharma | 1,02,50,000 | 96% | 1,02,50,000 | 97% |
| Preference shares of ₹20 each fully paid | | | | |
| Growth Catalyst Partners LLC | 52,72,308 | 67% | - | - |
| Duane Park | 26,36,204 | 33% | - | - |



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| 4. Reserves and surplus | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| Securities premium account | | |
| Balance as per the last financial statements | - | - |
| Add: premium on issue of CCPS and equity | 6,81,25,788 | - |
| Less: Share issue expenses | - | - |
| Closing Balance | 6,81,25,788 | - |
| Statutory reserves (Under Section 29 C of the NHB Act)* | | |
| Balance as per the last financial statements | - | - |
| Add: Additions / transfers during the year | - | - |
| Closing balance | - | - |
| Surplus/ (deficit) in the statement of profit and loss | | |
| Balance as per last financial statements | -21,40,806 | - |
| Less: Loss for the year | -2,67,05,894 | -21,40,805 |
| Less: Transfer to Statutory reserves (@ 20% of profit after tax as required by section 29C of the NHB Act)* | - | - |
| Net (deficit) in the statement of profit and loss | (2,88,46,700) | (21,40,805) |
| Total reserves and surplus | 3,92,79,088 | (21,40,805) |

*Statutory reserve represents the reserve fund created under Section 29C of the National Housing Bank of India Act, 1987 (NHB Act). Under Section 29C, a Housing Finance Company is required to transfer a sum not less than twenty percent of its net profit every year. In view of the losses in the current and previous year, no amounts have been transferred to such reserve and accordingly the information required in terms of requirement of NHB's Circular No. NHB(ND)/DRS/Pol.Circular.61/2013-14 dated April 7, 2014 have not been provided.

| 5. Long-term borrowings | Non-current portion | | Current maturities | |
|---|----------------------|----------------------|-------------------------|-------------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2017 | As at March 31, 2016 |
| Term Loans | | | | |
| Secured | | | | |
| Indian rupee loan from Non-Banking Finance Companies | 2,35,46,377 | - | 64,53,623 | - |
| Total | 2,35,46,377 | - | 64,53,623 | - |
| Nature of security | | | As at March 31, 2017 | As at March 31, 2016 |
| Loans secured by hypothecation (exclusive charge) of portfolio loans | | | 3,00,00,000 | - |
| b) Loans secured by hypothecation (exclusive charge) of portfolio loans and margin money deposits | | | | |
| Total outstanding | | | 3,00,00,000 | - |

Details of Term Loans from NBFCs:

Term Loans from NBFCs consists of loans raised from MAS Financial Services Limited and IFMR Capital Finance Private Limited, both raised during the Financial Year 2016-17.

a. Term loan from MAS Financial Services Limited carries an interest rate of MAS PLR+1.5% (presently 13.5% p.a.) and is repayable in 48 monthly instalments from the date of loan. It is secured by a charge on the Loan Receivables of the Company to the extent of 100% of the Loan and also against a security deposit with MAS of an amount equal to 5% of the Loan Amount carrying an interest rate of 8%.

b. Term loan from IFMR Capital Finance Private Limited carries an interest rate of IFMR PLR+5% (presently 13.75% p.a.) and is repayable in 48 Monthly instalments. It is secured by a charge on the Loan Receivables of the Company to the extent of 120% of the loan.

| 6. Provisions | Long-term | | Short-term | |
|--|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2017 | As at March 31, 2016 |
| Provision for employee benefits | | | | |
| Provision for gratuity (refer note 26) | 2,89,936 | - | 1,187 | - |
| Provision for leave benefits (refer note 26) | 3,12,917 | - | 37,395 | - |
| Provision on incentives (refer note 26) | - | - | 3,92,825 | - |
| | 6,02,853 | - | 4,31,407 | - |
| Other provisions | | | | |
| Provision for taxation (Net of advance tax) | - | - | - | - |
| | 5,89,350 | - | 19,214 | - |
| Total | 11,92,203 | - | 4,50,621 | - |

| 7. Other Current liabilities | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| Trade payables | | |
| Dues to micro and small enterprises (Refer Note 25) | - | - |
| Dues of creditors other than micro enterprises and small enterprises | 21,47,332 | 2,70,979 |
| | 21,47,332 | 2,70,979 |
| Other liabilities | | |
| Bonus and Salaries payable | 24,94,260 | 78,479 |
| Interest accrued but not due on borrowings | 13,952 | - |
| Statutory dues payable | 8,73,809 | 3,20,823 |
| Others | 1,48,515 | 39,436 |
| | 35,30,536 | 4,38,738 |
| Total | 56,77,868 | 7,09,717 |



Signature

Signature

8.1 Property, Plant and Equipment

| | Office Equipment | Computers | IT Networks Equipments | Total |
|---------------------|------------------|-----------|------------------------|-----------|
| Cost | | | | |
| At April 1, 2015 | - | - | - | - |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| At March 31, 2016 | - | - | - | - |
| Additions | 3,90,975 | 13,58,555 | 50,768 | 18,00,298 |
| Disposals | - | - | - | - |
| At March 31, 2017 | 3,90,975 | 13,58,555 | 50,768 | 18,00,298 |
| Depreciation | | | | |
| At April 1, 2015 | - | - | - | - |
| Charge for the year | - | - | - | - |
| Disposals | - | - | - | - |
| At March 31, 2016 | - | - | - | - |
| Charge for the year | 21,952 | 2,03,140 | 3,331 | 2,28,423 |
| Disposals | - | - | - | - |
| At March 31, 2017 | 21,952 | 2,03,140 | 3,331 | 2,28,423 |
| Net Block | | | | |
| At March 31, 2016 | - | - | - | - |
| At March 31, 2017 | 3,69,023 | 11,55,415 | 47,437 | 15,71,875 |

8.2 Intangible assets

| | Software | Total |
|-----------------------|-----------|-----------|
| Gross block | | |
| At April 1, 2015 | - | - |
| Addition | - | - |
| Write offs | - | - |
| At March 31, 2016 | - | - |
| Addition | 21,65,410 | 21,65,410 |
| At March 31, 2017 | 21,65,410 | 21,65,410 |
| Amortisation | | |
| At April 1, 2015 | - | - |
| Charge for the year | - | - |
| Reversal for the year | - | - |
| At March 31, 2016 | - | - |
| Charge for the year | 1,89,001 | 1,89,001 |
| At March 31, 2017 | 1,89,001 | 1,89,001 |
| Net block | | |
| At March 31, 2016 | - | - |
| At March 31, 2017 | 19,76,409 | 19,76,409 |



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| 9. Deferred tax asset (net) | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| Deferred tax liability | | |
| Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting | - | - |
| Gross deferred tax liability | - | - |
| Deferred tax asset | | |
| Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis | (2,66,688) | 2,66,688 |
| Impact of provision for standard and non performing assets | - | - |
| Impact of carry forward losses | - | - |
| Gross deferred tax asset | (2,66,688) | 2,66,688 |
| Opening Balance of Deferred Tax Liability | 2,66,688 | - |
| Deferred tax asset (net) | - | 2,66,688 |

Since the company has carry forward losses and there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised, thus no deferred tax asset has been created and recognized by the management as at balance sheet date.

| 10. Loans and advances | Non-current | | Current | |
|---|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2017 | As at March 31, 2016 |
| A. Portfolio Loans | | | | |
| Secured, considered good* | 11,78,69,937 | - | 38,41,166 | - |
| Secured, considered doubtful** | - | - | - | - |
| Total (A) | 11,78,69,937 | - | 38,41,166 | - |
| B. Security deposits | | | | |
| Unsecured, considered good | 7,50,000 | - | 8,79,398 | 1,60,518 |
| Total (B) | 7,50,000 | - | 8,79,398 | 1,60,518 |
| C. Other loans and advances (unsecured, considered good) | | | | |
| Advance income tax (net of provision for taxation) | - | - | - | - |
| Advance paid to suppliers | - | - | 27,108 | - |
| Prepaid expenses | - | - | 79,064 | - |
| Balances with statutory / government authorities | - | - | - | - |
| - Tax Deducted at Source | 10,66,578 | 1,55,625 | - | - |
| - CENVAT | - | - | 2,45,072 | 71,794 |
| Others | - | - | 15,000 | - |
| Total (C) | 10,66,578 | 1,55,625 | 3,66,244 | 71,794 |
| Total (A+B+C) | 11,96,86,515 | 1,55,625 | 80,86,808 | 2,32,312 |

* Represents standard assets in accordance with Company's asset classification policy (refer note 2.1 (q) & 28)

** Represents non-performing assets in accordance with Company's asset classification policy (refer note 2.1 (q) & 28)

| 11. Other Current Assets | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| Interest accrued but not due on portfolio loans | 10,50,515 | - |
| Interest accrued but not due on deposits placed with banks | 18,20,954 | 3,72,320 |
| Total | 28,71,469 | 3,72,320 |

| 12. Current Investments | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| Unquoted mutual funds | | |
| 22967 (31 March 2016: Nil) Units Of ₹318.6517 each fully Paid-Up of Birla Sun Life Saving fund - Growth - Regular Plan | 73,18,520 | - |
| 6967 (31 March 2016: Nil) Units Of ₹311.3390 each fully Paid-Up of ICICI Prudential Flexible Income - Growth - Regular Plan | 21,69,374 | - |
| 763685 (31 March 2016: Nil) Units Of ₹23.0291 each fully Paid-Up of IDFC Ultra Short Term Fund - Growth - Regular Plan | 1,75,86,987 | - |
| 7671 (31 March 2016: Nil) Units Of ₹2085.6035 each fully Paid-Up of SBI Ultra Short Term Debt Fund - Regular Plan - Growth | 1,61,13,994 | - |
| 7189 (31 March 2016: Nil) Units Of ₹2225.62 each fully Paid-Up of UTI Treasury Advantage Fund - Institutional Plan - Growth | 1,61,15,471 | - |
| Total | 5,93,04,346 | - |

| 13. Cash and bank balances | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| Cash and cash equivalents | | |
| Balances with banks | | |
| On current accounts | 93,46,128 | 32,11,066 |
| Deposits with original maturity of less than three months | - | 10,00,00,000 |
| Cash on hand | 560 | 1,000 |
| | 93,46,688 | 10,32,12,066 |
| Other bank balances | | |
| Deposits with remaining maturity for less than 12 months | 14,13,00,000 | - |
| | 14,13,00,000 | - |
| | 15,06,46,688 | 10,32,12,066 |



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| 14. Revenue from operations | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
|--|------------------------------|------------------------------------|
| Interest income on portfolio loans | 29,63,710 | - |
| Interest on other loans | - | - |
| Other operating revenue | - | - |
| Loan processing fees | 27,20,592 | - |
| Commitment Fees | 12,20,614 | - |
| Others | 3,397 | - |
| | <u>69,08,313</u> | <u>-</u> |
| 15. Other Income | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Interest on fixed deposits | 1,06,45,501 | 9,84,973 |
| Gain on sale of mutual fund units | 7,11,922 | - |
| Unrealised Gain on Unquoted Investments | 6,92,424 | - |
| Miscellaneous income | 7,004 | - |
| | <u>1,20,56,851</u> | <u>9,84,973</u> |
| 16. Employee benefit expenses | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Salaries | 2,50,39,543 | 15,59,000 |
| Leave benefits (refer note 27) | 3,50,312 | - |
| Contribution to provident fund | 1,34,309 | - |
| Contribution to Employee State Insurance Corporation | 32,367 | - |
| Gratuity expenses (refer note 27) | 2,91,123 | - |
| Staff welfare expenses | 2,01,238 | 11,491 |
| | <u>2,60,48,892</u> | <u>15,70,491</u> |
| 17. Finance costs | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Interest | - | - |
| On term loans from banks | 16,746 | - |
| On delayed deposit of TDS | 1,607 | - |
| On delayed deposit of Service tax | 225 | - |
| Processing fees on borrowings | 7,00,375 | - |
| Bank charges | 20,308 | 458 |
| | <u>7,39,261</u> | <u>458</u> |
| 18. Depreciation and amortisation expense | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Depreciation of property, plant and equipment | 2,28,423 | - |
| Amortisation of intangible assets | 1,89,001 | - |
| | <u>4,17,424</u> | <u>-</u> |
| 19. Provisions and write-offs | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Contingent provision against standard assets (refer note 23) | 6,08,564 | - |
| | <u>6,08,564</u> | <u>-</u> |
| 20. Other expenses | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Rent | 26,67,283 | 1,07,546 |
| Rates and taxes | 27,89,760 | 55,600 |
| Repairs and maintenance | - | - |
| Computers | 5,04,881 | - |
| Others | 10,21,819 | 35,029 |
| Electricity & Water Charges | 2,50,461 | 21,940 |
| Travelling and conveyance | 12,10,350 | 86,688 |
| Communication expenses | 5,80,183 | 3,817 |
| Printing and stationery | 5,09,061 | 1,22,914 |
| Advertising and sales promotion | 5,53,264 | 1,470 |
| Legal and professional fees | 65,81,637 | 2,53,906 |
| Commission and Brokerage | 82,000 | 53,774 |
| Directors' sitting fees | - | - |
| Auditor's remuneration (refer note A below) | 6,80,000 | - |
| Preliminary Expenses Written Off | - | 10,78,833 |
| Donations | 1,63,000 | - |
| Miscellaneous expenses | 530 | - |
| Total | <u>1,75,90,229</u> | <u>18,21,517</u> |



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22 Related parties

(A) Names of related parties identified in accordance with AS -18 "Related Party Disclosures" Issued by the Institute of Chartered Accountants of India:

1. Entities where control exists:
None

2. Shareholders having Substantial Interest
Ashutosh Sharma

3. Key management personnel
Ashutosh Sharma Managing Director (from July 1, 2016)
Sachin Grover Whole Time Director and Chief Operating Officer (from July 1, 2016)

4. Enterprises under significant influence of the key management personnel.
None

5. Relatives of key managerial personnel (with whom there were transactions during the year/previous year)
None

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

1. Loans taken and repayment thereof:

None

2. Remuneration to Key Managerial personnel

| | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
|-------------------------------------|------------------------------|------------------------------------|
| Ashutosh Sharma - Managing Director | 55,25,006 | - |
| Sachin Grover - Whole Time Director | 42,50,006 | - |
| Total | 97,75,012 | - |

Notes:

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

3. Other Transactions

| Name of related party | Nature of transactions | Year ended March 31, 2017 | | | From 27 Jan 2016 to 31 Mar 2016 | | |
|-----------------------|---------------------------|---------------------------|-------------|---------------------|---------------------------------|-------------|---------------------|
| | | Amount received | Amount paid | Outstanding balance | Amount received | Amount paid | Outstanding balance |
| Ashutosh Sharma | Reimbursement of Expenses | - | 8,61,337 | - | - | 11,04,027 | 12,962 |
| Sachin Grover | Reimbursement of Expenses | - | 5,01,858 | - | - | - | - |

23 Provisions and Contingencies

| Break up of Loan & Advances and Provisions thereon | Home Loan | | Non-Home Loan | |
|--|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2017 | As at March 31, 2016 |
| Standard Assets | | | | |
| a) Total Outstanding Amount | 7,16,87,015 | - | 4,98,25,696 | - |
| b) Provisions made | 3,59,435 | - | 2,49,129 | - |
| Sub-Standard and doubtful assets | | | | |
| a) Total Outstanding Amount | - | - | - | - |
| b) Provisions made | - | - | - | - |
| a) Total Outstanding Amount | 7,16,87,015 | - | 4,98,25,696 | - |
| b) Provisions made | 3,59,435 | - | 2,49,129 | - |

Note:

1. The total outstanding amount means sum of principal, accrued interest and other charges pertaining to loans without setting off.

24 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

| Particulars | SBNs | Other Denomination notes | Total |
|--|------|--------------------------|-------|
| Closing Cash in hand as on November 8, 2016 | - | 8,744 | - |
| Add: Withdrawal From Bank | - | 30,000 | - |
| Less: Permitted Payments | - | (14,600) | - |
| Less: Amount deposited in banks | - | - | - |
| Closing Cash in hand as on December 30, 2016 | - | 23,944 | - |

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

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises. For the year ended March 31, 2017, no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.



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26 Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to such limit as prescribed by The Payment of Gratuity Act, 1972 as amended from time to time.

The following tables summarize the components of net benefits expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss**Net employee benefit expense recognized in the employee cost**

| | Gratuity | |
|--|------------------------------|------------------------------------|
| | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Current service cost | 2,91,123 | - |
| Interest cost | - | - |
| Net actuarial (gain) / loss recognized in the year | - | - |
| Net expense | 2,91,123 | - |

Balance Sheet**Details of provision for Gratuity**

| | Gratuity | |
|---|-------------------------|-------------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| Present value of defined benefit obligation | 2,91,123 | - |
| Plan asset / (liability) | 2,91,123 | - |

Changes in the present value of the defined benefit obligation are as follows:

| | Gratuity | |
|---|-------------------------|-------------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| Opening defined benefit obligation | - | - |
| Current service cost | 2,91,123 | - |
| Interest cost | - | - |
| Benefits paid during the year | - | - |
| Actuarial (gain)/loss on obligation | - | - |
| Closing defined benefit obligation | 2,91,123 | - |

Statement of profit and loss**Net employee benefit expense recognized in the employee cost**

| | Leave Encashment | |
|----------------------|------------------------------|------------------------------------|
| | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| Current service cost | 3,50,312 | - |
| Interest cost | - | - |
| Net expense | 3,50,312 | - |

Details of provision for Leave Benefit**Balance Sheet****Benefit asset/ liability**

| | Leave Benefit | |
|---|-------------------------|-------------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| Present value of defined benefit obligation | 3,50,312 | - |
| Plan asset / (liability) | 3,50,312 | - |



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Changes in the present value of the defined benefit obligation are as follows:

| | As at March 31, 2017 | Leave Benefit As at March 31, 2016 |
|-------------------------------------|-------------------------|--|
| Opening defined benefit obligation | - | - |
| Current service cost | 3,50,312 | - |
| Interest cost | - | - |
| Benefits paid during the year | - | - |
| Actuarial (gain)/loss on obligation | - | - |
| Closing defined benefit obligation | 3,50,312 | - |

The principle assumptions used in determining the Actuarial and Leave Encashment obligations for the Company are shown below:

| Particulars | Year ended March 31, 2017 |
|------------------------|------------------------------|
| Discount rate | 7.10% |
| Salary escalation rate | 7.00% |
| Employee Turnover | 10.00% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Other Benefits

The Company has provided for compensatory leaves which can be availed and not encashed as per policy of the Company as present value obligation of the benefit at related current service cost measured using the Projected Unit Credit Method on the basis of an actuarial valuation.

27. As required by the revised guidelines dated October 11, 2010, read with additional requirement/ guidelines with reference to the interpretation of various terms/ classifications, the following additional disclosures are given as under:

I. Capital to Risk Assets Ratio (CRAR):

| Items | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| I) CRAR (%) | 297.10% | 11881.89% |
| II) CRAR - Tier I Capital | 296.50% | 11881.89% |
| III) CRAR - Tier II Capital | 0.60% | 0.00% |
| Amount of subordinated debt raised as Tier- II Capital | - | - |
| Amount raised by issue of perpetual Debt Instruments | - | - |

II. Exposure to Real Estate Sector:

| Category | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| a) Direct Exposure | - | - |
| (i) Resident Mortgages - | - | - |
| Lending fully secured by mortgages on residential property that is or will be | - | - |
| Individual Housing Loans upto ₹ 15 Lakh | - | - |
| Individual Housing Loans More than ₹ 15 Lakh | - | - |
| (ii) Commercial Real Estate | - | - |
| Lending secured by mortgages on commercial real estates (office building, retail | - | - |
| (iii) Investments in mortgage Backed Securities (MBS) and other securitised exposures - | - | - |
| a. Residential | - | - |
| b. Commercial Real Estate | - | - |
| b) Indirect Exposure | - | - |
| Fund based and non-fund based exposures on National Housing Bank (NHB) and | - | - |
| Housing Finance Companies (HFCs) | - | - |

III. Asset Liability Management:

| | Liabilities | | Assets | |
|---|-------------------------|------------------------------------|----------------------------|-------------|
| | Borrowing from Banks | Borrowing from other than Banks | Housing & Property Loan | Investment |
| Maturity pattern of certain items of assets and liabilities | | | | |
| 1 day to 30-31 days (one month) | - | - | 2,00,623 | 5,93,04,345 |
| Over one month to 2 months | - | 7,86,290 | 7,79,358 | - |
| Over 2 months upto 3 months | - | 5,50,862 | 2,85,089 | - |
| Over 3 months to 6 months | - | 16,64,375 | 8,79,783 | - |
| Over 6 months to 1 year | - | 34,52,096 | 18,71,776 | - |
| Over 1 year to 3 years | - | 1,49,20,748 | 92,03,118 | - |
| Over 3 to 5 years | - | 86,25,629 | 1,26,94,047 | - |
| Over 5 to 7 years | - | - | 1,53,76,456 | - |
| Over 7 to 10 years | - | - | 2,74,02,235 | - |
| Over 10 years | - | - | 5,30,20,226 | - |
| Total | - | 3,00,00,000 | 12,17,12,711 | 5,93,04,345 |



Handwritten signatures and initials, including 'Sachin'.

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| A. Payment to auditors | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
|--|--------------------------------------|--|
| As auditor: | | |
| Audit fee | 5,50,000 | 15,000 |
| Tax audit fee | 40,000 | - |
| In other capacity: | | |
| Other services (certification fees) | 90,000 | - |
| Reimbursement of expenses | - | - |
| Total | 6,80,000 | 15,000 |
| 21. Earning Per Share | Year ended March 31, 2017 | From 27 Jan 2016 to 31 Mar 2016 |
| The following reflects the profit and share data used in the basic and diluted EPS computations: | | |
| Profit/ (loss) after tax | (2,67,05,894) | (21,40,805) |
| Less : dividends on convertible preference shares & tax thereon | - | - |
| Less: Preference dividend on OCPs | - | - |
| Less: DDT on preference dividend | - | - |
| Net profit/ (loss) for calculation of basic EPS | (2,67,05,894) | (21,40,805) |
| Net profit as above | (2,67,05,894) | (21,40,805) |
| Add: dividends on convertible preference shares & tax thereon | - | - |
| Net Profit for calculation of diluted EPS | (2,67,05,894) | (21,40,805) |
| Weighted average number of equity shares in calculating basic EPS | 1,06,02,306 | 75,15,464 |
| Effect of dilution: | | |
| Convertible preference shares | 19,82,545 | - |
| Weighted average number of equity shares in calculating diluted EPS | 1,25,84,851 | 75,15,464 |
| 28. Capital and other commitments | As at March 31, 2017 | As at March 31, 2016 |
| Loans sanctioned but not disbursed | 1,27,08,275 | - |
| Total | 1,27,08,275 | - |

29. Subsequent events

Issue of Equity Shares:

As at the Balance sheet date, the company had signed a shareholder agreement with Lok Capital Growth Fund and Duane Park to raise an additional equity of ₹36 Crores. As at that date, the company was awaiting approval from the NHB for the same. Subsequently the company received the approval and raised money. The shares were allotted on May 27, 2017.

Conversion of Preference Shares into Equity Shares:

As at the Balance sheet date, the company had convertible preference share of Series A funding - 79,08,512 (nos.) having face value of Rs 20 per share out of which 52,72,308 (nos.) CCPs have been subsequently converted into equity of face value of Rs 10 per share on May 27, 2017.

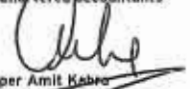
30. The Company has reclassified/regrouped previous year figures where necessary to confirm to the current year's classification.

31. Segment reporting

The Company operates in a single reportable segment i.e., financing which has similar risk and returns for the purpose of AS 17 on "Segment Reporting" notified under the Companies Accounting standard rules, 2006 (as amended). The Company operates in a single geographical segment i.e. domestic.

As per our report of even date

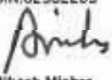
For S. R. Batliboi & Associates LLP
ICAI Firm registration number : 101049W/E300004
Chartered accountants


per Amit Kabra
Partner
Membership number: 094533



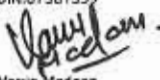
For and on behalf of the Board of Directors of
Ummeed Housing Finance Private Limited


Ashutosh Sharma
Managing Director
DIN:02582205


Bikash Mishra
Financial Controller
Membership number:
068171

Date: 29/6/17
Place: Gurgaon


Sachin Grover
Director
DIN:07387359


Varun Madaan
Company Secretary
Membership number:
A32123

Date: 29/06/17
Place: Gurgaon

