S.R. BATLIBOI & CO. LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
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INDEPENDENT AUDITOR'S REPORT

To the Members of IndoStar Home Finance Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of IndoStar Home Finance Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to Note 28(F) to these Ind AS financial statements, which describes the economic and social disruption as a result of the COVID-19 pandemic on the Company's business and financial metrics including the Company's estimates of impairment of loans to customers, which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However,

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future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

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

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Rutushtra Patell
Partner
Membership Number: 123596
UDIN: 20123596AAAAIU4875
Place of Signature: Mumbai
Date: June 17, 2020

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Chartered Accountants

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

Re: IndoStar Home Finance Private Limited ('the Company')

(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 property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, provident fund, employees' state insurance, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

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

(c) According to the information and explanations given to us, there are no dues of income tax, provident fund, employees' state insurance, goods and services tax and cess which have not been deposited on account of any dispute. The provisions relating to sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(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

S.R. BATLIBOI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS report that no 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 managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and hence not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R Batliboi & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Rutushtra Patell
Partner
Membership No: 123596
UDIN: 20123596AAAAIU4875
Place: Mumbai
Date: June 17, 2020

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Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF INDOSTAR HOME FINANCE PRIVATE LIMITED LIMTED

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

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

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timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

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

Opinion

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

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Rutushtee Patell
Partner
Membership Number: 123596
UDIN: 20123596AAAAIU4875
Place of Signature: Mumbai
Date: June 17, 2020

IndoStar Home Finance Private Limited

Balance sheet as at 31 March 2020
(Currency : Indian Rupees)

Particulars	Note	As at 31 March 2020	As at 31 March 2019
I. ASSETS			
Financial assets			
Cash and cash equivalents	3	16,59,96,207	31,43,36,786
Loans	4	7,46,42,49,069	5,28,05,96,166
Other financial assets	5	8,47,66,289	19,23,126
		7,71,50,11,565	**5,59,68,56,078**
Non-financial assets			
Current tax assets (net)	6	2,19,78,321	7,56,160
Deferred tax assets (net)	7	4,66,06,719	
Property, plant and equipment	8	1,77,92,476	2,50,67,141
Assets held for sale	9	11,72,76,300	-
Intangible assets	10	78,84,026	90,66,134
Other non-financial assets	11	84,99,873	3,03,71,498
		22,00,38,715	**6,52,60,933**
TOTAL ASSETS		**7,93,50,50,280**	**5,66,21,17,011**
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	12		
(i) total outstanding to micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6,08,93,094	4,15,55,578
Borrowings	13	5,83,54,32,616	3,79,93,95,454
Other financial liabilities	14	15,76,84,679	7,94,47,701
		6,05,40,10,389	**3,92,03,98,733**
Non-financial liabilities			
Provisions	15	56,14,614	42,32,156
Other non-financial liabilities	16	1,07,91,842	2,08,98,030
		1,64,06,456	**2,51,30,186**
TOTAL LIABILITIES		**6,07,04,16,845**	**3,94,55,28,919**
Equity			
Equity share capital	17	2,00,00,00,000	2,00,00,00,000
Other equity	18	(13,53,66,565)	(28,34,11,908)
TOTAL EQUITY		**1,86,46,33,435**	**1,71,65,88,092**
TOTAL LIABILITIES AND EQUITY		**7,93,50,50,280**	**5,66,21,17,011**

Significant Accounting Policies 2

As per our report of even date attached
For and on behalf of
For S R Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596

Place: Mumbai
Date: 17 June 2020

For and on behalf of the Board of Directors of
IndoStar Home Finance Private Limited

Pankaj Thapar
Director
DIN: 01225255

Prashant Joshi
Director
DIN: 06400863

Prashant Shetty
Chief Financial Officer

Priyal Shah
Company Secretary

Place: Mumbai
Date: 17 June 2020

IndoStar Home Finance Private Limited

Statement of profit and loss for the year ended 31 March 2020
(Currency : Indian Rupees)

Particulars	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations	19		
Interest income		86,74,16,159	37,60,55,910
Fees and commission income		1,57,58,513	1,89,87,649
Net gain on fair value changes		1,12,31,067	65,00,328
Gain on derecognition of financial instruments measured at amortised cost category		6,23,67,159	2,41,67,091
Total revenue from operations		**95,67,72,898**	**42,57,10,978**
Other income	20	1,46,16,863	-
Total income		**97,13,89,761**	**42,57,10,978**
Expenses			
Finance costs	21	46,12,58,666	21,08,37,560
Impairment on financial instruments	22	4,97,88,338	1,43,74,513
Employee benefit expenses	23	23,65,58,414	26,81,61,995
Depreciation and amortisation expenses	24	1,86,54,730	1,50,73,085
Other expenses	25	10,99,67,702	9,79,27,126
Total expenses		**87,62,27,850**	**61,63,74,279**
Profit before tax		**9,51,61,911**	**(19,06,63,301)**
Tax expense:	26		
1. Current tax		-	-
2. Deferred tax expense /(income)		(4,68,10,710)	-
Total tax expenses		**(4,68,10,710)**	**-**
Profit after tax		**14,19,72,621**	**(19,06,63,301)**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Remeasurements of the defined benefit plans		8,10,467	9,914
- Income tax relating to items that will not be reclassified to profit or loss		(2,03,991)	-
		6,06,476	9,914
Other comprehensive income for the year, net of tax		**6,06,476**	**9,914**
Total comprehensive income for the year		**14,25,79,097**	**(19,06,53,387)**
Earnings per equity share	27		
Basic earnings per share (₹)		0.71	(1.05)
Diluted earnings per share (₹)		0.71	(1.05)
(Equity Share of face value of ₹ 10 each)			

As per our report of even date attached
For and on behalf of
For S R Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Rajendra Patel
Partner
Membership No. 123596

Place: Mumbai
Date: 17 June 2020

For and on behalf of the Board of Directors of IndoStar Home Finance Private Limited

Pankaj Thapar
Director
DIN: 01225255

Prashant Joshi
Director
DIN: 06400863

Prashant Shetty
Chief Financial Officer

Priyal Shah
Company Secretary

Place: Mumbai
Date: 17 June 2020

S.R. Batliboi & Co. LLP MUMBAI Chartered Accountants

IndoStar Home Finance Private Limited

IndoStar Home Finance Private Limited

Statement of Cash flows for the year ended 31 March 2020
(Currency : Indian Rupees)

	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
A	**Cash Flow from Operating Activities**		
	Net Loss before tax	9,51,61,311	(19,06,63,301)
	Adjustments for :		
	Interest income on financial assets	(88,74,16,159)	(37,90,55,910)
	Finance costs	46,12,58,666	22,08,37,560
	Depreciation and amortisation expense	1,86,54,730	1,90,73,085
	Provisions for expected credit loss	4,93,64,027	1,42,24,513
	Provision for gratuity and leave encashment	31,31,753	37,62,226
	Employee share based payment expense	54,66,246	72,29,315
	Gain on sale/revaluation of investments	(1,12,31,067)	(65,00,328)
	Operating Loss before working capital changes	**(24,56,09,893)**	**(31,20,92,840)**
	Adjustments:		
	(Increase)/Decrease in loans and advances	(2,19,81,86,304)	(4,74,71,47,249)
	(Increase)/Decrease in other financial assets	(8,28,43,163)	(5,25,000)
	(Increase)/Decrease in other non-financial assets	2,18,71,625	(2,11,74,379)
	Increase/(Decrease) in trade payable	1,93,37,536	3,12,57,857
	Increase/(Decrease) in other financial liabilities	7,82,36,978	(64,66,889)
	Increase/(Decrease) in other non-financial liabilities	(1,01,06,188)	1,77,95,758
	Increase/(Decrease) in provisions	(9,38,828)	(6,70,284)
		(2,41,84,38,257)	**(5,09,90,22,824)**
	Interest income realised on financial assets	83,27,85,533	33,76,31,854
	Finance costs paid	(46,12,58,666)	(8,08,32,072)
	Cash (used in)/generated from operating activities	**(2,04,69,11,390)**	**(4,78,22,23,042)**
	Taxes paid	(2,12,22,160)	3,77,349
	Net cash (used in)/generated from operating activities (A)	**(2,06,81,33,550)**	**(4,78,18,45,693)**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(59,31,435)	(2,32,53,903)
	Purchase of intangible assets	(42,67,523)	(83,231)
	Purchase of assets held for sale	(11,72,76,300)	-
	(Acquisition)/Redemption of FVTPL investments (net)	1,12,31,067	65,00,328
	Net cash (used in)/generated from investing activities (B)	**(11,62,44,191)**	**(1,68,36,806)**
C	**Cash Flow from Financing Activities**		
	Proceeds from issue of equity share capital	-	1,40,00,00,000
	Proceeds from borrowings	2,22,90,92,724	3,69,82,78,858
	Repayments towards borrowings	(19,30,55,562)	(3,88,88,892)
	Net cash (used in)/generated from financing activities (C)	**2,03,60,37,162**	**5,05,93,89,966**
	Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C)	**(14,83,40,579)**	**26,07,07,467**
	Cash and Cash Equivalents at the beginning of the year	31,43,36,786	5,36,29,319
	Cash and Cash Equivalents at the end of the year	**16,59,96,207**	**31,43,36,786**
	Reconciliation of cash and cash equivalents with the balance sheet		
	Cash on hand	4,10,000	317
	Balances with banks		
	- in current accounts	16,55,86,207	31,43,36,469
	Deposits with original maturity of less than 3 months	-	-
	Total	**16,59,96,207**	**31,43,36,786**

As per our report of even date attached
For and on behalf of
For S R Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596

Place: Mumbai
Date: 17 June 2020

For and on behalf of the Board of Directors of
IndoStar Home Finance Private Limited

Pankaj Thapar	Prashant Joshi
Director	**Director**
DIN: 01225255	DIN: 06400063
Prashant Shetty	Priyal Shah
Chief Financial Officer	**Company Secretary**

Place: Mumbai
Date: 17 June 2020

IndoStar Home Finance Private Limited

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2020
(Currency : Indian Rupees)

(a) Equity share capital of face value of ₹ 10/- each	Note	Amount
Balance as at 31 March 2019	**17**	**2,00,00,00,000**
Balance as at 31 March 2019		2,00,00,00,000
Shares issued during the period		-
Balance as at 31 March 2020	**17**	**2,00,00,00,000**

(b) Other equity

Particulars	Reserves and surplus		Capital contribution from holding Company	Total
	Statutory Reserves u/s 29C	Retained earnings		
Balance at 1 April 2018	**8,52,652**	**(10,08,40,488)**	-	**(9,99,87,836)**
Profit for the year	-	(19,06,63,301)	-	(19,06,63,301)
Gain/loss on re-measurement of defined benefit plans		9,914		9,914
Total	-	**(19,06,53,387)**	-	**(19,06,53,387)**
Share based payment expense	-	-	72,29,315	72,29,315
Balance at 31 March 2019	**8,52,652**	**(29,14,93,875)**	**72,29,315**	**(28,34,11,908)**
Balance at 31 March 2019	8,52,652	(29,14,93,875)	72,29,315	(28,34,11,908)
Profit for the year	-	14,19,72,621	-	14,19,72,621
Transferred from Retained Earnings	2,83,94,524	(2,83,94,524)	-	-
Gain/loss on re-measurement of defined benefit plans	-	6,06,476	-	6,06,476
Total	**2,83,94,524**	**11,41,84,573**	-	**14,25,79,097**
Share based payment expense	-	-	54,66,246	54,66,246
Balance at 31 March 2020	**2,92,47,176**	**(17,73,09,302)**	**1,26,95,561**	**(13,53,66,565)**

As per our report of even date attached
For and on behalf of
For S R Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596

Place: Mumbai
Date: 17 June 2020

S.R. BATLIBOI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
IndoStar Home Finance Private Limited

Pankaj Thapar
Director
DIN: 01225255

Prashant Joshi
Director
DIN: 06400863

Prashant Shetty
Chief Financial Officer

Priyal Shah
Company Secretary

Place: Mumbai
Date: 17 June 2020

IndoStar Home Finance Private Limited

1 Corporate Information

IndoStar Home Finance Private Limited ('the Company') was incorporated on 1 January 2016 and is domiciled in India. The Company is wholly owned subsidiary of IndoStar Capital Finance Limited. The Company is engaged in housing finance business and registered with National Housing Bank ('NHB') as housing finance Company (HFC) not accepting public deposits, as defined under section 29A of the National Housing Bank Act, 1987.

2 Basis of Preparation and Significant accounting policies

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 to the extent applicable and as amended from time to time. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevent accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The financial statements are prepared on a going concern basis, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

2.2 Presentation of Financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement of assets and liabilities of the Company as on balance sheet dates, within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current).

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- the normal course of business
- the event of default
- the event of insolvency of bankruptcy of the Company/ or its counterparties

2.3 Significant Accounting Policies

a) Financial instruments

Financial assets and financial liabilities can be termed as financial instruments.

(i) Classificatinn of Financial Instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss (FVTPL) such as derivative liabilities. Financial liabilities, other than loan commitments and financial guarantees, are measured at FVTPL when they are derivative instruments or the fair value designation is applied.

(ii) Assessment of business model and cash flows for financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is assessed at portfolio level and not at instrument level, and is based on observable factors such as:

(i) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

(ii) The risks that affect the performance of the business model and, in particular, the way those risks are managed;

(iii) The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

Solely payment of principal and interest (SPPI) test

Subsequent to the assessment to the relevant business model of the financial assets, the Company assesses the contractual terms of financial assets to identify whether the cash flow realised are towards solely payment of principal and interest.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

(iii) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

(iv) Classification of Financial instruments as per business model and SPPI test

(x) Loans at amortized cost

A 'loan' is measured at the amortized cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

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(b) Bank balances
The Company measures Bank balances at amortised cost.

(c) Financial assets at fair value through profit or loss (FVTPL)
Financial assets at fair value through profit or loss are those that are either held for trading. Financial assets at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss.

(d) Debt securities and other borrowed funds-
After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

(e) Undrawn loan commitments
Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

(v) Reclassification of financial assets
The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

(vi) Derecognition of financial assets in the following circumstances
(a) Derecognition of financial assets due to substantial modification of terms and conditions
The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be credit-impaired at the origination date.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

(b) Derecognition of financial assets other than due to substantial modification
Financial assets
A financial asset or a part of financial asset is derecognised when the right to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.
The Company has transferred the financial asset if, and only if, either:
- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows.

A transfer only qualifies for derecognition if either:
- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.
When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(vii) Derecognition of Financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

k) Fair Value Measurement
On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments at fair value on each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
i. In the principal market for the asset or liability, or
ii. In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred, if any.

c) **Property plant and equipment**

Recognition and measurement

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the year till such assets are ready to be put to use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from derecognition of such assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Subsequent expenditure

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful life of the respective assets. The estimated useful life used to provide depreciation are as follows:

Particulars	Estimated useful life by the Company	Useful life as prescribed by Schedule II of the Companies Act 2013
Building	60 years	60 years
Computers	3 years	3 years
Office Equipments	5 years	5 years
Office Equipments - Mobiles	2 years	5 years
Furniture and fixtures	5 years	10 years
Servers and networks	5 years	6 years

Leasehold improvement is amortised on Straight Line Method over the lease term, subject to a maximum of 60 months.

Useful life of assets different from prescribed in Schedule II of the Act has been estimated by management and supported by technical assessment.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of sale.

The useful lives and the method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

d) **Intangible assets**

Recognition and measurement

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition

Amortisation

Intangible assets are amortised using the straight line method over a period of 3 years, which is the management's estimate of its useful life. The amortisation period and the amortisation method are reviewed at least as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

e) **Impairment**

(i) Financial Assets

(a) Expected Credit Loss (ECL) principles for Financial assets

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with undrawn loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

For the computation of ECL on the financial instruments, the Company categories its financial instruments as mentioned below:

Stage 1: All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all advances upto 30 days overdue under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Exposures are classified as Stage 2 when the amount is due for more than 30 days but do not exceed 90 days.

Stage 3: All exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. Exposures where the amount remains due for 90 days or more are considered to be stage 3 assets.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company undertakes the classification of exposures within the aforesaid stages at borrower level.

(b) Calculation of ECL:

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Exposure-At-Default (EAD) : The Exposure at Default is amount the Company is entitled to receive as on reporting date including repayments due for principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.

Probability of Default (PD) : The Probability of Default is an estimate of the likelihood of default of the exposure over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Loss Given Default (LGD) : The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The ECL allowance is applied on the financial instruments depending upon the classification of the financial instruments as per the credit risk involved. ECL allowance is computed on the below mentioned basis:

12-month ECL: 12-month ECL is the portion of Lifetime ECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. 12-month ECL is applied on stage 1 assets.

Lifetime ECL: Lifetime ECL for credit losses expected to arise over the life of the asset in cases of credit impaired loans and in case of financial instruments where there has been significant increase in credit risk since origination. Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument. Lifetime ECL is applied on stage 2 and stage 3 assets.

The Company computes the ECL allowance on collective basis on loans portfolio.

(ii) Non-financial assets

(a) 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 when the carrying amount of an individual asset exceeds its recoverable amount.

The recoverable amount is the higher of fair value of the asset less cost of its disposal and value in use. In determining the fair value, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. In assessing value in use, the estimated future cash flows are discounted to their present value that reflects current market assessments of the time value of money and risks specific to the asset.

f) **Recognition of income**

Revenue generated from the business transactions (other than for those items to which Ind AS 109 Financial instruments are applicable) is measured at fair value of the consideration to be received or receivable by the Company. Ind AS 115-Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer

Step 2: Identify performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

(a) Recognition of interest income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR for the amortised cost asset is calculated by taking into account any discount or premium on acquisition, origination fees and transaction costs that are an integral part of the EIR.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognised the interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial status of the financial asset improves and it no longer remains to be a credit-impaired, the Company revises the application of interest income on such financial asset to calculating interest income on a gross basis.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

(b) Origination fees

Origination fees, which the Company has received/recovered at time of granting of a loan, is considered as a component for computation of the effective rate of interest (EIR) for the purpose of computing interest income.

(c) Assignment income

In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transactions. Further the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognised on the date of derecognition itself as excess interest spread and correspondingly recognised as profit on derecognition of financial asset.

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(d) Securitisation transactions

In accordance with Ind AS 109, in case of securitisation transactions, the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(e) Net gain/(loss) on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain or loss as a gain or expense respectively.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

g) Finance Costs

The Company recognises interest expense on the borrowings as per EIR methodology which is calculated by considering any ancillary costs incurred and any premium payable on its maturity.

h) Retirement and other employee benefits

(i) Defined Contribution Plan

Provident Fund

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense, when an employee renders the related service.

(ii) Defined Benefit schemes

(a) Gratuity

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

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ('OCI') in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(b) Leave Encashment

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method as at the reporting date.

Actuarial gains/losses are immediately taken to Statement of profit and loss account and are not deferred.

i) Share based employee payments

Equity settled share based payments

The stock options granted to employees are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

Such rights have been provided to the employees on the equity shares of the Indostar Capital Finance Limited, who is holding Company. Such contribution is credited directly as capital contribution of the Company.

j) Ind AS 116 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as a lessee

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the leased items are treated as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

Critical accounting estimate and judgement

1. Determination of lease term

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate

the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

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2. Discount Rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Changes in accounting

On 30 March 2019, the Ministry of Corporate Affairs("MCA"), through the Companies (Indian Accounting Standards) amendment rules, 2019 and the Companies (Indian Accounting Standards) second amendment rules has notified Ind AS 116 Leases which replaces the existing standard, Ind AS 17 Leases and other interpretaions.

Ind AS 116 set out the principles for the recognition, measurement, presentation of disclosure of leases for both leases and lessors. It introduces a single on balance sheet lease accounting model for lesses effective from 1 April 2019(the date of transition). The Company applied Ind AS 116 using the modified retrospective approach wherein the right of use (ROU) asset is recognised at an amount equal to the lease liability. Accordingly, the comparative information is not restated i.e. it is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirement in Ind AS 116 have not generally been applied to comparative information.

As a lessee, the Company leases asset which includes branches and office premises. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risk and rewards incidental to ownership of the underlying asset to the Company. Under IND AS 116, the company recognises right-of-use assets and lease liabilities for these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

Following is the summary of practical expedients elected on initial application:
- applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- excluded initial direct cost from the measurement of the right-of-use asset at the date of initial application;
- used hindsight when determining the lease term.

The difference between the future minimum lease rental commitments toward non-cancellable operating lease reported as at 31 March 2019 compared to the lease liability as accounted as at 1 April 2019 is primarily due to inclusion of present value of the lease payments for the cancellable terms of the leases, reduction due to the discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

k) **Foreign currency translation**

Functional and presentational currency

The financial statements are presented in INR which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

l) **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and 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. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

m) **Taxes**

(i) Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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n) **Earnings Per Share**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

o) **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not 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.

p) **Segment reporting**

The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating segment.

2.4 **Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

S.R. Batliboi & Co. LLP Mumbai Chartered Accountants

IndoStar Home Finance Private Limited

(Currency : Indian Rupees)

Particulars	As at 31 March 2020	As at 31 March 2019
Note 3		
Cash and cash equivalents		
Cash on hand	4,10,000	317
Balances with banks		
- in current accounts	16,55,86,207	31,43,36,469
	16,59,96,207	**31,43,36,786**

Particulars	As at 31 March 2020	As at 31 March 2019
Note 4		
Loans		
At amortised cost		
Term Loans	7,52,91,17,110	5,29,61,00,180
Total - Gross	7,52,91,17,110	5,29,61,00,180
Less: Impairment allowance	(6,48,68,041)	(1,55,04,014)
Total - Net	**7,46,42,49,069**	**5,28,05,96,166**
Secured by tangible assets	7,52,91,17,110	5,29,61,00,180
Total - Gross	**7,52,91,17,110**	**5,29,61,00,180**
Less: Impairment allowance	(6,48,68,041)	(1,55,04,014)
Total - Net	**7,46,42,49,069**	**5,28,05,96,166**
Loans in India		
(a) Public sector	-	-
(b) Others	7,52,91,17,110	5,29,61,00,180
Total - Gross	**7,52,91,17,110**	**5,29,61,00,180**
Less: Impairment allowance	(6,48,68,041)	(1,55,04,014)
Total - Net	**7,46,42,49,069**	**5,28,05,96,166**
Loans outside India (b)	-	-
Total - Net (a)+(b)	**7,46,42,49,069**	**5,28,05,96,166**

Notes :

1. The Company does not have any financing activities against collateral of gold jewellery. Hence percentage of outstanding loans granted against collateral of gold jewellery to total assets at 31 March 2020 is Nil (31 March 2019: Nil).

2. Detailed analysis on year end stage classification of loans and impairment allowance is disclosed in Note 28.

Particulars	As at 31 March 2020	As at 31 March 2019
Note 5		
Other financial assets		
Security deposit	12,71,243	19,23,126
Other receivables	8,34,95,046	-
	8,47,66,289	**19,23,126**

Particulars	As at 31 March 2020	As at 31 March 2019
Note 6		
Current tax assets (net)		
Advance tax (net of provision)	2,19,78,321	7,56,160
	2,19,78,321	**7,56,160**

Particulars	As at 31 March 2020	As at 31 March 2019
Note 7		
Deferred tax assets		
Carried forward book losses	4,54,62,209	-
Provision for gratuity	6,59,166	-
Provision for leave encashment	3,33,012	-
Provision on assets held for sale	32,89,458	-
Provision for expected credit loss	79,31,225	-
Income amortisation	38,78,593	-
Depreciation on PPE and intangible assets	19,37,644	-
Deferred tax liabilities		
Assignment income amortisation	(1,30,63,945)	-
Borrowing cost amortisation	(32,43,223)	-
Lease liabilities	(5,77,420)	-
Deferred tax asset/(liabilities) (net)	**4,66,06,719**	-

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IndoStar Home Finance Private Limited

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Notes to the financial statements for the year ended 31 March 2020
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Note 8
Property, plant and equipment

Particulars	Leasehold improvement	Office equipment	Computers	Furniture and fixtures	Right-of-Use Assets	Total
Cost as at 1 April 2018	**22,24,402**	**7,39,111**	**1,04,43,784**	**-**	-	**1,34,07,297**
Additions	81,02,667	10,41,641	1,40,70,249	39,346	-	2,32,53,903
Disposals	-	-	-	-	-	-
Cost as at 31 March 2019	**1,03,27,069**	**17,80,752**	**2,45,14,033**	**39,346**	-	**3,66,61,200**
Additions	4,96,711	2,12,948	9,27,814	-	42,93,952	59,31,435
Disposals	-	-	-	-	-	-
Cost as at 31 March 2020 (A)	**1,08,23,779**	**19,93,700**	**2,54,41,847**	**39,346**	**42,93,952**	**4,25,92,634**
Accumulated depreciation as at 1 April 2018	**1,19,056**	**37,608**	**12,79,703**	-	-	**14,36,367**
Depreciation charged during the year	21,12,137	2,94,554	77,45,293	5,708	-	1,01,57,692
Disposals	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2019	**22,31,193**	**3,32,162**	**90,24,996**	**5,708**	-	**1,15,94,059**
Depreciation charged during the year	22,54,497	3,77,087	81,05,841	7,868	24,59,806	1,32,05,099
Disposals	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2020 (B)	**44,85,690**	**7,09,249**	**1,71,30,837**	**13,576**	**24,59,806**	**2,47,99,158**
Net carrying amount as at 31 March (A) - (B)	**63,38,089**	**12,84,451**	**83,11,010**	**25,770**	**18,34,156**	**1,77,93,476**
Net carrying amount as at 31 March 2019	**80,95,876**	**14,48,590**	**1,54,89,037**	**33,638**	-	**2,50,67,141**

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IndoStar Home Finance Private Limited

Notes to the financial statements for the year ended 31 March 2020
(Currency : Indian Rupees)

Particulars	As at 31 March 2020	As at 31 March 2019
Note 9		
Assets held for sale	13,03,07,000	-
Less : Impairment allowance	(1,30,30,700)	-
	11,72,76,300	-

Note 10
Intangible assets

Particulars	Computer Software	Total
Cost as at 1 April 2018	1,47,13,358	1,47,13,358
Additions	83,231	83,231
Disposals	-	-
Cost as at 31 March 2019	1,47,96,589	1,47,96,589
Additions	42,67,523	42,67,523
Disposals	-	-
Cost as at 31 March 2020 (A)	1,90,64,112	1,90,64,112
Accumulated amortisation as at 1 April 2018	8,15,062	8,15,062
Amortisation recognised for the year	49,15,393	49,15,393
Disposals	-	-
Accumulated amortisation as at 31 March 2019	57,30,455	57,30,455
Amortisation recognised for the year	54,49,631	54,49,631
Disposals	-	-
Accumulated amortisation as at 31 March 2020 (B)	1,11,80,086	1,11,80,086
Net carrying amount as at 31 March 2020 (A)- (B)	78,84,026	78,84,026
Net carrying amount as at 31 March 2019	90,66,134	90,66,134

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Chartered Accountants

Indostar Home Finance Private Limited

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Notes to the financial statements for the year ended 31 March 2020
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Particulars	As at 31 March 2020	As at 31 March 2019
Note 11		
Other non-financial assets		
Prepaid expenses	14,45,165	3,33,535
Advances recoverable in cash or in kind or for value to be received	70,54,708	3,00,37,963
	84,99,873	**3,03,71,498**

Note 12		
Trade payables		
Dues to Micro, small and medium enterprises	-	-
Dues to Others	6,08,93,094	4,15,55,578
	6,08,93,094	**4,15,55,578**

Note 13		
Borrowings		
At amortised cost		
Term loans		
Term loans from banks (Refer note (a) below)	54,40,58,142	30,93,89,966
Loan from related parties		
Loan from holding company (Refer note (b) below)	5,29,13,74,474	3,49,00,05,488
Total	**5,83,54,32,616**	**3,79,93,95,454**
Borrowings in India	5,83,54,32,616	3,65,93,89,966
Borrowings outside India	-	-
Total	**5,83,54,32,616**	**3,65,93,89,966**
Secured borrowings	54,40,58,142	30,93,89,966
Unsecured borrowings	5,29,13,74,474	3,49,00,05,488
Total	**5,83,54,32,616**	**3,79,93,95,454**

(a) Term loan from banks (TL):

Redeemable within	As at 31 March 2020	As at 31 March 2019
	Rate of interest	Rate of interest
	> 9.10% < 9.65%	> 9.10% < 9.75%
	Amount	Amount
Above 60 Months	1,22,10,774	3,75,00,000
48-60 Months	2,44,21,563	2,50,00,000
36-48 Months	4,88,43,126	2,50,00,000
24-36 Months	12,21,07,814	5,27,77,764
12-24 Months	14,92,42,884	9,16,66,672
0-12 Months	18,72,31,981	7,74,45,530
Total	**54,40,58,142**	**30,93,89,966**

(b) Term loan from holding company:

Redeemable within	As at 31 March 2020	As at 31 March 2019
	Rate of interest	Rate of interest
	10.00%	10.00%
	Amount	Amount
Above 60 Months	-	-
48-60 Months	2,00,00,00,000	3,35,00,00,000
36-48 Months	3,10,00,00,000	-
24-36 Months	-	-
12-24 Months	-	-
0-12 Months	19,13,74,474	14,00,05,488
Total	**5,29,13,74,474**	**3,49,00,05,488**

Note :

The term loan from holding company includes loan convertible into equity of Rs.1,00,00,00,000 as on 31 March 2020 (Previous Year : Rs.1,00,00,00,000). The loan amount can be fully converted into fully paid-up equity shares at a price which is higher of the fair market value of the shares of the Company or face value of equity shares, on such date as may be elected by the holding company. The portion of the loan so converted shall cease to carry interest.

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IndoStar Home Finance Private Limited

Notes to the financial statements for the year ended 31 March 2020
(Currency : Indian Rupees)

Particulars	As at 31 March 2020	As at 31 March 2019
Note 14		
Other financial liabilities		
Book overdraft	1,22,197	6,44,742
Employee benefits payable	31,54,543	1,86,93,404
Others	15,44,07,939	6,01,09,555
	15,76,84,679	**7,94,47,701**

Note 15		
Provisions		
Provision for employee benefits:		
- Gratuity	27,20,888	17,22,760
- Leave encashment	28,93,726	25,09,396
	56,14,614	**42,32,156**

Note 16		
Non-financial liabilities		
Statutory dues payable	87,92,143	2,08,98,030
Unamortised lease liabilities	19,99,699	-
	1,07,91,842	**2,08,98,030**

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IndoStar Home Finance Private Limited *

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Notes to the financial statements for the year ended 31 March 2020
(Currency : Indian Rupees)

Note 17
Equity share capital

a. Details of authorised, issued and subscribed share capital

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Authorised capital				
Equity shares of ₹10/- each	20,00,00,000	2,00,00,00,000	20,00,00,000	2,00,00,00,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10/- each fully paid up	20,00,00,000	2,00,00,00,000	20,00,00,000	2,00,00,00,000
Total	**20,00,00,000**	**2,00,00,00,000**	**20,00,00,000**	**2,00,00,00,000**

b. Reconciliation of number of shares at the beginning and at the end of the year

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	20,00,00,000	2,00,00,00,000	6,50,00,000	60,00,00,000
Add: Issued during the year (fully paid Rs. 10 each)	-	-	13,50,00,000	1,35,00,00,000
Add: Receipt of final call money during the year on partly paid up shares	-	-	-	5,00,00,000
Shares outstanding at the end of the year	**20,00,00,000**	**2,00,00,00,000**	**20,00,00,000**	**2,00,00,00,000**

c. Particulars of shares held by holding Company

Name of shareholder	Relationship	As at 31 March 2020		As at 31 March 2019	
		No of equity shares held	Percentage	No of equity shares held	Percentage
Indostar Capital Finance Limited	Holding Company	20,00,00,000	100%	20,00,00,000	100%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

d. Particulars of shareholders holding more than 5% of shares held

Name of shareholder	Relationship	As at 31 March 2020		As at 31 March 2019	
		No of equity shares held	Percentage	No of equity shares held	Percentage
IndoStar Capital Finance Limited	Holding Company	20,00,00,000	100%	20,00,00,000	100%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

e. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to proportionate vote on basis of his contribution to fully paid up share capital.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the proportionate amount of contribution made by the equity shareholders to the total equity share capital.

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IndoStar Home Finance Private Limited

Notes to the financial statements for the year ended 31 March 2020
(Currency : Indian Rupees)

Particulars	As at 31 March 2020	As at 31 March 2019
Note 18		
Other equity		
Statutory reserves u/s 29C of the National Housing Bank Act, 1987	2,92,47,176	8,52,652
Capital contribution from holding Company	1,26,95,561	72,29,315
Retained earnings	(17,73,09,302)	(29,14,93,875)
	(13,53,66,565)	(28,34,11,908)
18.1 Other equity movement		
Statutory reserves u/s 29C of the National Housing Bank Act, 1987		
Opening Balance	8,52,652	8,52,652
Add : Transferred from surplus	2,83,94,524	-
Closing Balance	2,92,47,176	8,52,652
Capital contribution from holding Company		
Opening Balance	72,29,315	-
Movement during the year	54,66,246	72,29,315
Closing Balance	1,26,95,561	72,29,315
Retained earnings		
Opening Balance	(29,14,93,875)	(10,08,40,488)
Add: Transferred from the statement of profit and loss	14,19,72,621	(19,06,63,301)
Less: Transfer to statutory reserve as per Section 29C of the National Housing Bank Act, 1987	(2,83,94,524)	-
Add: Re-measurement of defined benefit obligations	6,06,476	9,914
Closing Balance	(17,73,09,302)	(29,14,93,875)

18.2 Nature and purpose of reserves

Statutory reserves u/s 29C of the National Housing Bank Act, 1987

Statutory reserves fund is required to be created by Housing Finance Company as per Section 29C of the National Housing Bank of India Act, 1987. The Company is not allowed to use the reserve fund except with authorisation of Reserve Bank of India.

Capital contribution from holding company

Capital contribution reserve represents the proportionate amount of fair value of options charged to the Company on account of issuance of employee stock options to the employees of the Company by its Parent Company (i.e. Indostar Capital Finance Limited) on its own shares.

Retained earnings

Retained earnings represents surplus/(deficit) of accumulated earnings of the Company.

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IndoStar Home Finance Private Limited

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Notes to the financial statements for the year ended 31 March 2020
(Currency : Indian Rupees)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note 19		
Revenue from operations		
Interest income on financial assets measured at amortised cost:		
Interest on loans		
- Loan portfolio	86,74,16,159	37,34,95,199
Interest on deposits		
- Deposits with banks	-	25,58,711
	86,74,16,159	**37,60,53,910**
Fees and commission income		
- Fees	1,57,58,513	1,89,87,649
	1,57,58,513	**1,89,87,649**
Net gain on fair value changes		
Net gain/(loss) on financial instruments at fair value through profit or loss		
- Investments	1,12,31,067	65,00,328
Total fair value changes	**1,12,31,067**	**65,00,328**
Fair value changes:		
- Realised	1,12,31,067	65,00,328
Total fair value changes	**1,12,31,067**	**65,00,328**
Gain on derecognition of financial instruments measured at amortised cost category		
- Assignment income	6,23,67,159	2,41,67,091
	6,23,67,159	**2,41,67,091**
Total	**95,67,72,898**	**42,57,08,978**

Note 20		
Other Income		
- Other Income	1,46,16,863	-
	1,46,16,863	**2,41,67,091**

Note 21		
Finance cost		
Interest expense on financial liabilities measured at amortised cost:		
Interest expense on borrowings		
Loans from banks	5,52,14,174	1,06,17,344
Other borrowings (including Inter Corporate Deposits)	40,09,12,276	19,78,90,419
Interest expense on debt securities		
Commercial paper	-	1,01,94,751
Other interest expense		
Bank charges & other related costs	51,32,216	33,35,046
	46,12,58,666	**22,20,37,560**

Note 22		
Impairment on financial instruments		
Impairment on loans measured at amortised cost		
Provision for expected credit loss	4,93,64,027	1,42,24,513
Impairment on others		
Others	4,24,311	1,50,000
	4,97,88,338	**1,43,74,513**

Note 23		
Employee Benefit Expenses		
Salaries, other allowances and bonus	20,90,61,242	14,39,54,396
Gratuity expenses	18,08,595	13,67,352
Leave encashment	13,23,158	23,94,874
Contribution to provident and other funds	86,77,977	69,58,417
Staff welfare expenses	13,47,685	12,74,211
Share based payment expense	54,66,246	72,29,315
Employee shared service costs	88,73,511	49,44,430
	23,65,58,414	**26,81,61,995**

Notes to the financial statements for the year ended 31 March 2020
(Currency : Indian Rupees)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note 24		
Depreciation and amortisation expenses		
Depreciation of property, plant and equipment (PPE)	1,32,05,099	1,01,57,692
Amortisation of intangible assets	54,49,631	49,15,393
	1,86,54,730	**1,50,73,085**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note 25		
Other Expenses		
Rent	33,14,655	57,05,417
Rates & taxes	2,47,825	4,25,928
Printing and stationery	8,16,828	28,28,401
Travelling & conveyance	1,11,38,949	1,35,11,311
Advertisement	68,28,800	1,53,145
Commission & brokerage	30,14,709	2,28,17,218
Office expenses	1,28,57,009	69,80,912
Communication expenses	22,25,859	23,10,430
Payment to auditors (note below)	24,23,293	15,06,005
Legal & professional charges	2,01,32,128	1,21,37,624
Other shared service costs	3,39,37,107	2,95,50,735
Impairment allowance on assets held for sale	1,30,30,700	
	10,99,67,702	**9,79,27,126**
Payment to auditor includes:		
a) Statutory Audit	8,72,000	8,72,000
b) Tax Audit	1,36,250	1,36,250
c) Certifications	13,08,000	2,45,250
d) Other Services	1,07,043	2,52,505
Total	**24,23,293**	**15,06,005**

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IndoStar Home Finance Private Limited

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Notes to the financial statements for the year ended 31 March 2020
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Note 26
Income Taxes

(a) Movement in deferred tax balances

	31 March 2020			
	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Net deferred tax asset/liability
Deferred tax assets				
Carried forward book losses	-	4,54,62,209	-	4,54,62,209
Provision for gratuity	-	8,63,157	(2,03,991)	6,59,166
Impairment allowance on assets held for sale	-	32,89,458	-	32,89,458
Provision for leave encashment	-	3,33,012	-	3,33,012
Impairment allowance on loans	-	79,31,225	-	79,31,225
Income amortisation	-	81,35,652	-	81,35,652
Gross deferred tax assets	**-**	**6,60,14,713**	**(2,03,991)**	**6,58,10,722**
Deferred tax liability				
Depreciation on PPE and intangible assets	-	19,37,644	-	19,37,644
Assignment income amortisation	-	(1,30,63,945)	-	(1,30,63,945)
Borrowing cost amortisation	-	(32,43,223)	-	(32,43,223)
Loan acquisition cost amortisation	-	(42,57,059)	-	(42,57,059)
Lease liabilities	-	(5,77,420)	-	(5,77,420)
Gross deferred tax liabilities	**-**	**(1,92,04,003)**	**-**	**(1,92,04,003)**
Net Deferred tax assets / (liabilities)	**-**	**4,68,10,710**	**(2,03,991)**	**4,66,06,719**

(b) Movement in deferred tax balances

	31 March 2019			
	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net deferred tax asset/liability
Deferred tax assets				
Carried forward book losses	-	9,76,80,323	-	9,76,80,323
Provision for gratuity	-	4,77,807	-	4,77,807
Impairment allowance on assets held for sale	-	-	-	-
Provision for leave encashment	-	8,36,865	-	8,36,865
Impairment allowance on loans	-	50,23,030	-	50,23,030
Income amortisation	-	3,37,75,180	-	3,37,75,180
Gross deferred tax assets	**-**	**13,77,93,205**	**-**	**13,77,93,205**
Deferred tax liability				
Depreciation on PPE and intangible assets	-	1,70,385	-	1,70,385
Assignment income amortisation	-	(84,44,948)	-	(84,44,948)
Borrowing cost amortisation	-	-	-	-
Loan acquisition cost amortisation	-	(2,72,55,753)	-	(2,72,55,753)
Lease liabilities	-	-	-	-
Gross deferred tax liabilities	**-**	**(3,55,30,316)**	**-**	**(3,55,30,316)**
Net Deferred tax assets / (liabilities)	**-**	**10,22,62,889**	**-**	**10,22,62,889**
Deferred tax assets recognized (restricted upto reversal of deferred tax liabilities)	-	-	-	-

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Notes to the financial statements for the year ended 31 March 2020
(Currency : Indian Rupees)

Note 27
Earnings per share (EPS)

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
i. Profit attributable to equity holders (A)		
Profit attributable to equity holders for basic and diluted EPS	14,19,72,621	(19,06,63,301)
ii. Weighted average number of equity shares for calculating Basic EPS (B)	20,00,00,000	9,27,87,672
iii. Weighted average number of equity shares for calculating Diluted EPS (C)	20,00,00,000	9,27,87,672
iv. Basic earnings per share (₹)	0.71	(2.05)
v. Diluted earnings per share (₹)	0.71	(2.05)

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Note 28
Financial instruments – Fair values and Risk management

A. Accounting classification and fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The management has assessed that the carrying amounts of cash and cash equivalents, loans carried at amortised cost, other financial assets, trade payables, borrowings, bank/book overdrafts and other current liabilities are a reasonable approximation to their fair value.

B. Risk Management Framework

Company's risk management framework is based on :

(a) Clear understanding and identification of various risks
(b) Disciplined risk assessment by evaluating the probability and impact of each risk
(c) Measurement and monitoring of risks by establishing key risk indicators with thresholds for all critical risks, and
(d) Adequate review mechanism to monitor and control risks.

Company's risk management division works as a value centre by constantly engaging with the business providing reports based on key analysis and insights. The key risks faced by the company are credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risk, which are broadly classified as credit risk, market risk and operational risk. The company has a well established risk reporting and monitoring framework. The company identifies and monitors risks periodically. This process enables the company to reassess all critical risks in a changing environment that need to be focused on.

C. Risk governance structure:

Company's risk governance structure operates with a robust Board and Risk Management Committee ("RMC") with a clearly laid down charter and roles and responsibilities. The Board oversees the risk management process and monitors the risk profile of the company directly as well as through a Board constituted Risk Management Committee. The Committee reviews the risk management policy, implementation of risk management framework, monitoring of critical risks, and review of various other initiatives. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. The RMC reviews the risk management policies regularly to reflect the changes in market conditions and Company's activities.

The Audit Committee oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risk faced by the Company.

The risk management division has established a comprehensive risk management framework across the business and provides appropriate reports on risk exposures and analysis in its pursuit of creating awareness across the Company about risk management.

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(Currency : Indian Rupees)

Note 28
Financial instruments – Fair values and Risk management

D. Liquidity risk

Liquidity is the Company's capacity to fund increase in assets and meet both the expected and unexpected obligations without incurring unacceptable losses. Liquidity risk is the inability to meet such obligations as they become due without adversely affecting the company's financial conditions. The Asset Liability Management Policy of the Company stipulates a broad framework for Liquidity risk management to ensure that the Company can meet its liquidity obligations. The Asset Liability Management Committee ('ALCO') monitors composition, characteristics and diversification of funding sources to ensure there is no over reliance on single source of funding. The Company tracks the cash flow mismatches for measuring and managing net funding requirement through Maturity Ladder approach and reviews short-term liquidity profiles based on business projections and other commitments for planning purposes through Dynamic Liquidity analysis. The ALCO also reviews the individual mismatch in each time bucket and cumulative mismatch and ensures the bucket wise limits are not breached.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The liquidity position of the company is assessed under a variety of scenarios giving due consideration to stress factors relating to both the market in general and risk specifics to the Company. Basis the liquidity position assessed under various stress scenarios; the Company reviews the following to effectively handle any liquidity crisis:

- Adequacy of contingency funding plan in terms of depth of various funding sources, time to activate, cost of borrowing, etc
- Availability of unencumbered eligible assets

Maturity profile of undiscounted cash flows for financial liabilites as on balance sheet date have been provided below:

As on 31 March 2020

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial liabilities					
Trade payables	6,08,93,094	-	-	-	6,08,93,094
Borrowings (other than debt securities)	10,10,98,425	63,94,94,797	7,22,86,34,472	1,27,36,638	7,98,19,64,332
Other financial liabilities	15,76,84,679	-	-	-	15,76,84,679
Total	**31,96,76,198**	**63,94,94,797**	**7,22,86,34,472**	**1,27,36,638**	**8,20,05,42,105**

As on 31 March 2019

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Liabilities					
Trade payables	4,15,55,578	-	-	-	4,15,55,578
Borrowings (other than debt securities)	10,75,65,783	33,30,72,433	4,79,28,28,572	4,10,36,054	5,27,45,02,842
Other financial liabilities	7,94,47,701	-	-	-	7,94,47,701
Total	**22,85,69,062**	**33,30,72,433**	**4,79,28,28,572**	**4,10,36,054**	**5,39,55,06,121**

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Note 28
Financial Instruments – Fair values and Risk management (continued)

F. Credit risk
Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes. The Company has comprehensive and well defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises to prevent any further slippage in the credit quality.

Write off policy
Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instrument in statement of profit and loss.

Overview of the Expected Credit Loss principles
The Expected Credit Loss ('ECL') allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or 'LTECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss ('12mECL'). The 12mECL is the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2. Loans that are standard with days past due (DPD) not exceeding 30 days as on reporting period are categorized under Stage 1

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3. Loans that are standard with days past due (DPD) in the range of 31-90 days as on reporting period are categorized under Stage 2.

Stage 3: Loans considered credit impaired and crossed 90 DPD as on reporting period. The company records an allowance for the LTECL.

The calculation of ECL

The Company calculates ECL to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The key elements of the ECL are summarised below:

PD: The probability of default ('PD') is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The PD for each portfolio segment is computed based on historical default rates.

EAD: The Exposure at Default ('EAD') is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

LGD: The Loss Given Default ('LGD') is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. LGD is computed based on historical recovery rate and time taken for recovery.

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Notes to the financial statements for the year ended 31 March 2020
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Note 28
Financial Instruments – Fair values and Risk management (continued)

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	31 March 2020			
	Stage 1	Stage 2	Stage 3	Total
Financial assets measured at amortised cost				
Loans	7,43,25,71,981	3,31,46,593	6,33,98,536	7,52,91,17,110
Total	7,43,25,71,981	3,31,46,593	6,33,98,536	7,52,91,17,110

Particulars	31 March 2019			
	Stage 1	Stage 2	Stage 3	Total
Financial assets measured at amortised cost				
Loans	5,27,60,17,402	1,29,40,811	71,41,967	5,29,61,00,180
Total	5,27,60,17,402	1,29,40,811	71,41,967	5,29,61,00,180

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

Particulars	2019-20				2018-19			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,27,60,17,402	1,29,40,811	71,41,967	5,29,61,00,180	51,05,28,875	-	-	51,05,28,875
New assets originated or purchased	3,34,18,74,330	14,17,389	-	3,34,32,91,719	5,33,80,00,000	-	-	5,33,80,00,000
Assets derecognised or repaid (excluding write offs)	(1,10,75,79,726)	(13,52,625)	(13,42,438)	(1,11,02,74,789)	(55,24,28,695)	-	-	(55,24,28,695)
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	(2,93,32,191)	2,93,32,191	-	-	(1,29,40,811)	1,29,40,811	-	-
Transfers to stage 3	(4,84,07,833)	(91,91,173)	5,75,99,006	-	(71,41,967)	-	71,41,967	-
Gross carrying amount closing balance	7,43,25,71,981	3,31,46,593	6,33,98,536	7,52,91,17,110	5,27,60,17,402	1,29,40,811	71,41,967	5,29,61,00,180

Reconciliation of ECL balance is given below:

Particulars	2019-20				2018-19			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1,31,44,401	78,109	22,81,504	1,55,04,014	12,79,501	-	-	12,79,501
New assets originated or purchased	83,54,686	3,543	-	83,58,229	1,33,45,000	-	-	1,33,45,000
Assets derecognised or repaid (excluding write offs)	(27,68,949)	(3,382)	(2,68,488)	(30,40,818)	(14,26,714)	-	-	(14,26,714)
Changes to models and inputs used for ECL calculations	-	-	(5,79,953)	(5,79,953)	(3,179)	-	-	(3,179)
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	(73,330)	73,330	-	-	(32,252)	32,252	-	-
Transfers to stage 3	(1,21,020)	(22,978)	1,43,998	-	(17,855)	-	17,855	-
Impact on year end ECL on exposures transferred between stages during the year	73,14,836	(29,512)	1,13,74,014	1,86,59,338	-	45,757	22,63,649	23,09,406
Management overlay allowance*	-	-	-	2,19,67,231				
ECL allowance - closing balance	2,58,50,624	99,111	1,29,51,075	6,48,68,041	1,31,44,401	78,109	22,81,504	1,55,04,014

*Management overlay allowance includes IRAC provision at 10% in respect of accounts in default & standard where asset classification benefit is extended as per the RBI circular RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020

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Note 28
Financial Instruments – Fair values and risk management (continued)

F. Impact of COVID-19 on Company's business and financial metrics
The Novel Coronavirus (COVID-19) pandemic (declared as such by the World Health Organisation on 11 March 2020), has contributed to a significant decline and volatility, and a significant decrease in economic activity, in global and Indian markets. The Government of India announced a strict nation-wide lockdown to contain the spread of the virus till 3 May 2020, which was further extended till 8 June 2020. This has led to significant disruptions and dislocations for individuals and businesses, impacting Company's regular operations including lending and collection activities due to inability of employees to physically reach borrowers.

The COVID-19 pandemic has led to a significant impact on Company's regular operations including lending and collection activities.

Pursuant to the Reserve Bank of India circulars dated 27 March 2020 and 23 May 2020 allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between 1 March 2020 and 31 August 2020, the Company has extended/ will be extending moratorium to its borrowers in accordance with its Board approved policy.

In management's view and considering the guidance provided by the Institute of Chartered Accountants of India, providing moratorium to borrowers based on RBI directives, by itself is not considered to result in a significant increase in credit risk ('SICR') for such borrowers. The Company has recorded a management overlay allowance of approximately Rs.259.67 lakhs as part of its Expected Credit Loss, to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic based on the information available at this point in time. Given the unique nature and scale of the economic impact of this pandemic, and its timing being close to the year-end, the management overlay is based on various variables and assumptions, which could be different than that being estimated.

However, the full extent of impact of the pandemic on the Company's operations and financial metrics (including impact on impairment allowances for loan portfolio) will depend on future developments including governmental and regulatory measures and the Company's responses thereto, which are highly uncertain at this time.

Further, in view of the matters mentioned above, the Company has assessed the impact of the Novel Coronavirus (COVID-19) pandemic on its liquidity and ability to repay its obligations as and when they are due. With the gradual relaxation of lockdown rules, as well as resumption of commercial activities by borrowers in a majority of geographies in which the Company operates, management is confident that collections will resume, albeit likely at a lower level than earlier. In this regard, the Company has opened some of its branch offices in a state of readiness with optimal workforce to deal with normal business operations, while continuing to comply with regulatory guidelines on businesses, social distancing, etc. In addition, management has considered various stimulus packages announced by the Government of India which will directly or indirectly benefit, current status/outcomes of discussions with the Company's lenders to seek/extend moratorium and various other financial support from other banks, agencies and its parent entity. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future.

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Note 28
Financial instruments – Fair values and risk management (continued)

G. Market risk
Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee ('ALCO') reviews market related trends and risks and adopts various strategies related to assets and liabilities, in line with the Company's risk management framework.

H. Operational risk
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the Company are managed through comprehensive internal control systems and procedures. Failure of managing operational risk might lead to legal / regulatory implications due to non-compliance and lead to financial loss due to control failures. While it is not practical to eliminate all the operational risk, the Company has put in place adequate control framework by way of segregation of duties, well defined process, staff training, maker and checker process, authorisation and clear reporting structure. The effectiveness of control framework is assessed by internal audit on a periodic basis.

To manage fraud risk effectively, the Company has independent Risk Containment Unit ('RCU') which is responsible for implementing fraud risk management framework and ensure compliance. The RCU undertakes various activities such as pre-sanction loan applicant verification, pre-sanction and post disbursement documents verification, vendor verification, etc to prevent and manage frauds.

I. Capital Disclosure
The Company maintains adequate capital to cover risks inherent in the business and is meeting the capital adequacy requirements of regulator, National Housing Board(NHB). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB.

Company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company maintains its capital structure in line with economic conditions and the risk characteristics of its activities.

	As at 31 March 2020	As at 31 March 2019
CET1 capital ratio	45.6%	57.9%
Tier 2 capital ratio	1.2%	0.4%
Total capital ratio	**46.8%**	**58.3%**

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Note 29
Related Party disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below.

a) Relationships

I. Holding Company
IndoStar Capital Finance Limited

II. Fellow Subsidiary
IndoStar Asset Advisory Private Limited

Names of other related parties with whom the Company had transactions during the year:
Key Managerial Personnel
Shreejit Menon -Whole Time Director

b) Transactions with key management personnel :

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1) Short-term employee benefits	73,17,348	1,11,40,000
2) Reimbursement of expenses	1,16,224	2,24,712

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan.

c) Transactions other than those with key management personnel :

Particulars		Holding Company
1) Reimbursement of expenses	2020	5,17,84,130
	2019	4,24,25,860
2) Infusion of share capital	2020	-
	2019	1,40,00,00,000
3) Interest on loan from holding company	2020	40,09,12,276
	2019	19,78,90,419
4) Loan taken from holding company (net)	2020	1,75,00,00,000
	2019	3,35,00,00,000

d) The related party balances outstanding at year end are as follows:

Particulars		Holding Company	Key Management Personnel
1) Investment in share capital	2020	2,01,26,95,561	-
(including securities premium)	2019	2,00,72,29,315	-
2) Reimbursement of expenses	2020	4,56,12,618	-
	2019	3,68,54,004	-
4) Loan from holding company	2020	5,29,13,74,472	-
(including accrued interest)	2019	3,49,00,05,488	-

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(Currency : Indian Rupees)

Note 30
Set out below is the disaggregation of the revenue from contracts with customers

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Type of Services or service		
Fees	1,57,58,513	1,89,87,649
Total revenue from contracts with customers	**1,57,58,513**	**1,89,87,649**
Geographical markets		
India	1,57,58,513	1,89,87,649
Outside India	-	-
Total revenue from contracts with customers	**1,57,58,513**	**1,89,87,649**
Timing of revenue recognition		
Services transferred at a point in time	1,57,58,513	1,89,87,649
Services transferred over time	-	-
Total revenue from contracts with customers	**1,57,58,513**	**1,89,87,649**

Note 31
Contingent liabilities and Commitments

Particulars	As at 31 March 2020	As at 31 March 2019
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account	-	-
Loans sanctioned not yet disbursed	30,20,67,996	34,57,34,401

Note 32
Disclosures as required by Ind AS 116 'Leases'

(A) Lease liability movement

Particulars	As at 31 March 2020
Transition Adjustment	42,93,962
Add : Adjustment during the year	-
Add : Interest on lease liability	3,09,737
Less : Lease rental payments	(26,04,000)
	19,99,699

(B) Future lease cashflow for all leased assets

Particulars	As at 31 March 2020
Not later than one year	19,47,600
Later than one year but not later than five years	1,41,750
Later than five years	-

(C) Maturity analysis of lease liability

Particulars	As at 31 March 2020
Lease liability	
Less than 12 months	18,60,217
More than 12 months	1,39,482
	19,99,699

Note 33
Dues to Micro, Small and Medium enterprises as per MSMED Act, 2006
The following disclosure is made as per the requirement under The Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED Act') on the basis of confirmations sought from suppliers on registration with the specified authorities under MSMED :

Particulars	As at 31 March 2020	As at 31 March 2019
a. Principal and interest amount remaining unpaid	-	-
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act,2006)	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

The aforementioned is based on the responses received by the Company on its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

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Notes to the financial statements for the year ended 31 March 2020

(Currency : Indian Rupees)

Note 34

Gratuity and other post-employment benefit plans:

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service.

Based on Ind AS 19 'Employee Benefits' notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016, the following disclosures have been made as required by the standard:

A. Amount recognised in the balance sheet	As at 31 March 2020	As at 31 March 2019
Present value of the obligation as at the end of the year	27,20,888	17,22,760
Fair value of plan assets as at the end of the year	-	-
Net asset / (liability) to be recognized in the balance sheet	**27,20,888**	**17,22,760**

B. Change in projected benefit obligation	As at 31 March 2020	As at 31 March 2019
Projected benefit of obligation at the beginning of the year	17,22,760	3,65,322
Current service cost	16,77,882	13,40,012
Interest cost	1,30,713	27,340
Actuarial (gain) / loss on obligation	(8,10,467)	(9,914)
Projected benefit obligation at the end of the year	**27,20,888**	**17,22,760**

C. Change in plan assets		
Fair value of plan assets at the beginning of the year	-	-
Fair value of plan assets at the end of the year	-	-

D. Amount recognised in the statement of profit and loss		
Current service cost	16,77,882	13,40,012
Net interest cost	1,30,713	27,340
Expenses recognised in the statement of profit and loss	**18,08,595**	**13,67,352**

E. Amount recognised in other comprehensive income		
Actuarial (gains) / loss		
- change in financial assumption	2,18,269	(19,160)
- change in demographic assumption	(1,219)	-
- experience variation	(10,27,517)	9,246
Expenses recognised in other comprehensive income	**(8,10,467)**	**(9,914)**

F. Assumptions used	As at 31 March 2020	As at 31 March 2019
Discount rate	6.85%	7.60%
Salary growth rate	6.00%	6.00%
Withdrawal rates	10% at younger ages reducing to 6% at older ages	10% at younger ages reducing to 6% at older ages

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	25,72,466	28,81,980	16,31,485	18,21,767
Salary growth rate (0.5% movement)	28,73,283	25,78,041	18,18,141	16,30,213
Withdrawal rate (10% movement)	26,64,997	27,75,759	16,80,584	17,63,872

H. Other Information :

1. Plan assets comprises 100% of insurance funds
2. The expected contribution for the next year is Rs. 5,991.
3. The average outstanding term of the obligations as at valuation date is 10.04 years.

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Notes to the financial statements for the year ended 31 March 2020
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Note 35 - Maturity pattern of Assets and Liabilities

Financial statements of the Company are disclosed in the format or order of liquidity. An analysis of its assets and liabilities according to their timing of recoverability and settlement has been presented below in a tabulated format.

Particulars	Note	As on 31 March 2020			As on 31 March 2019		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
ASSETS							
Financial assets							
Cash and cash equivalents	3	16,59,96,207	-	**16,59,96,207**	31,43,36,786	-	**31,43,36,786**
Loans	4	87,74,90,699	6,58,67,58,370	**7,46,42,49,069**	16,82,47,583	5,11,23,48,583	**5,28,05,96,166**
Other financial assets	5	82,76,381	7,64,89,908	**8,47,66,289**	-	19,23,126	**19,23,126**
Non-financial assets							
Current tax assets (net)	6	-	2,19,78,321	**2,19,78,321**	-	7,56,160	**7,56,160**
Deferred tax assets (net)	7	-	4,66,06,719	**4,66,06,719**	-	-	-
Property, plant and equipment	8	-	1,77,93,476	**1,77,93,476**	-	2,50,67,141	**2,50,67,141**
Assets held for sale	9	11,72,76,300	-	**11,72,76,300**	-	-	-
Intangible assets	10	-	78,84,026	**78,84,026**	-	90,66,134	**90,66,134**
Other non-financial assets	11	84,99,873	-	**84,99,873**	64,14,969	2,39,56,529	**3,03,71,498**
TOTAL ASSETS		**1,17,75,39,460**	**6,75,75,10,820**	**7,93,50,50,280**	**48,89,99,338**	**5,17,31,17,673**	**5,66,21,17,011**

Particulars	Note	As on 31 March 2020			As on 31 March 2019		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
LIABILITIES							
Financial liabilities							
Trade payables	12	6,08,93,094	-	**6,08,93,094**	4,15,55,578	-	**4,15,55,578**
Borrowings (other than debt securities)	13	30,25,35,264	5,53,28,97,352	**5,83,54,32,616**	21,90,27,493	3,58,03,67,961	**3,79,93,95,454**
Other financial liabilities	14	15,76,84,679	-	**15,76,84,679**	7,94,47,701	-	**7,94,47,701**
Non-financial liabilities							
Provisions	15	2,77,619	53,36,995	**56,14,614**	2,48,202	39,83,954	**42,32,156**
Other non-financial liabilities	16	89,31,625	18,60,217	**1,07,91,842**	2,08,98,030	-	**2,08,98,030**
TOTAL LIABILITIES		**53,03,22,281**	**5,54,00,94,564**	**6,07,04,16,845**	**36,11,77,004**	**3,58,43,51,915**	**3,94,55,28,919**

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IndoStar Home Finance Private Limited

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Note 36 - Disclosures Pursuant to the Master Circular - Housing Finance Companies - Corporate Governance (NHB) Direction, 2016

Note : The disclosures as required by the RBI Master Directions has been prepared as per Indian Accounting Standards as mentioned in RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

I. Capital

Particulars	As at 31 March 2020	As at 31 March 2019
(i) CRAR (%)	46.8%	58.3%
(ii) CRAR – Tier I Capital (%)	45.6%	57.9%
(iii) CRAR – Tier II Capital (%)	1.2%	0.4%
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

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

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	8,52,652	8,52,652
b) Amount of special reserve u/s 36(1)(viii)of income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	8,52,652	8,52,652
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	2,83,94,524	-
b) Amount of special reserve u/s 36(1)(viii) of income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	2,92,47,176	8,52,652
b) Amount of special reserve u/s 36(1)(viii)of income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	2,92,47,176	8,52,652

III. Investments

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

IV. Derivatives

1. Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at 31 March 2020	As at 31 March 2019
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

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Notes to the financial statements for the year ended 31 March 2020
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Note 36 - Disclosures Pursuant to the Master Circular - Housing Finance Companies - Corporate Governance (NHB) Direction, 2016
2. Exchange Traded Interest Rate (IR) Derivative

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2018	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

3. Disclosures on Risk Exposure in Derivatives

Particulars	As at 31 March 2020	As at 31 March 2019
A. Qualitative Disclosure		
HFCs shall describe their risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served. The discussion shall also include:		
a) the structure and organization for management of risk in derivatives trading,	-	-
b) the scope and nature of risk measurement, risk reporting and risk monitoring systems,	-	-
c) policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants, and	-	-
d) accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation.	-	-

Quantitative Disclosure

Particulars	As at 31 March 2020		As at 31 March 2019	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	-	-	-	-
(ii) Marked to Market Positions				
(a) Assets (+)	-	-	-	-
(b) Liability (-)	-	-	-	-
(iii) Credit Exposure	-	-	-	-
(iv) Unhedged Exposures	-	-	-	-

V. Securitisation

1. Details of Securitisation

Particulars	As at 31 March 2020	As at 31 March 2019
1. No of SPVs sponsored by the HFC for securitisation transactions	-	-
2. Total amount of securitised assets as per books of the SPVs sponsored	-	-
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
(i) Off-balance sheet exposures towards Credit Enhancements	-	-
(ii) On-balance sheet exposures towards Credit Enhancements	-	-
Amount of exposures to securitisation transactions	-	-
4. other than MRR		
(i) Off-balance sheet exposures towards Credit Enhancements		
a) Exposure to own securitizations	-	-
b) Exposure to third party securitisations	-	-
(ii) On-balance sheet exposures towards Credit Enhancements		
a) Exposure to own securitisations	-	-
b) Exposure to third party securitisations	-	-

2. Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	As at 31 March 2020	As at 31 March 2019
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

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(Currency : Indian Rupees)

Note 36 - Disclosures Pursuant to the Master Circular - Housing Finance Companies - Corporate Governance (NHB) Direction, 2016

3. Details of Assignment transactions

Particulars	As at 31 March 2020	As at 31 March 2019
(i) No. of accounts	1,440	585
(ii) Aggregate value (net of provisions) of accounts assigned	74,46,91,007	23,85,28,981
(iii) Aggregate consideration	74,46,91,007	23,85,28,981
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

4. Details of non-performing financial assets purchased / sold

Particulars	As at 31 March 2020	As at 31 March 2019
A. Details of non-performing financial assets purchased:		
(a) Number of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
(a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-
B. Details of Non-performing Financial Assets sold:		
1. No. of accounts sold	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration received	-	-

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Notes to the financial statements for the year ended 31 March 2020
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vi. Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

Particulars	Up to 30/31 days (one month)	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years & upto 7 years	Over 7 years & upto 10 years	Over 10 Years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from bank	54,27,014	54,27,014	2,98,48,577	5,29,13,386	9,36,15,991	27,13,10,097	7,32,64,088	1,22,10,775	-	-	54,40,58,142
Market borrowing	-	-	-	5,31,76,225	6,21,27,058	7,60,71,191	5,10,00,00,000	-	-	-	5,29,13,74,474
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	24,31,906	28,17,938	14,91,53,485	23,68,76,246	48,62,11,122	47,61,72,251	60,05,70,216	79,84,22,864	1,27,61,66,641	3,43,54,26,398	7,46,42,49,067
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

In addition to the investments shown in the table above, the Company also has cash and cash equivalents as mentioned below and undrawn funding lines amounting to Rs. 1,09,31,00,000:

Cash & Cash Equivalents (refer note 3)	16,59,96,207
Total	**16,59,96,207**

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Notes to the financial statements for the year ended 31 March 2020
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VII. Exposure

1. Exposure to Real Estate Sector

Category	As at 31 March 2020	As at 31 March 2019
a) Direct Exposure		
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans up to 15 lakhs Rs.5,41,03,51,880. (Previous year Rs. 2,09,64,96,297)	7,46,35,03,092	5,25,27,84,807
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	1,82,34,453	2,50,57,855
(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)	-	-

2. Exposure to Capital Market

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

3. Details of financing of parent Company products: None

4. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC:
The Company has not exceeded the Single Borrower Limit (SBL) / Group Borrower Limit (GBL) during the financial year/period

5. Unsecured Advances : None

VIII. Miscellaneous

1. Registration obtained from other financial sector regulators : None

2. Disclosure of Penalties imposed by NHB and other regulators : None

3. Related party Transactions : Refer Note 29

4. Rating assigned by Credit Rating Agencies and migration of rating during the year:

Instrument	Credit Rating Agency	As at 31 March 2020	As at 31 March 2019
Commercial Paper	CARE	A1+	A1+
	ICRA	A1+	A1+
Term Loans/NCD's	India Ratings and Research Private Limited	AA-	AA-

5. Remuneration of Directors : Refer Note 29

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II. Additional Disclosures

1. Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31 March 2020	As at 31 March 2019
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income tax	-	-
3. Provision towards NPA	1,06,69,571	23,27,262
4. Provision for Standard Assets (including provision on Teaser Loan Rs. NIL, CRE-RH for Rs. NIL & CRE for Rs.NIL (Previous Year Teaser Loan Rs. NIL, CRE-RH for Rs. NIL & CRE for Rs. NIL)*	3,86,54,455	1,31,76,752
5. Other Provision and Contingencies	4,24,311	-

*Includes management overlay allowance of Rs. 2,59,67,231.

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Standard Assets				
a) Total Outstanding Amount	6,32,72,50,865	4,27,14,65,200	1,13,84,67,709	1,01,74,92,967
b) Provisions made	2,13,95,864	1,06,78,178	45,53,871	25,43,732
Sub-Standard Assets				
a) Total Outstanding Amount	4,82,52,383	34,30,210	1,18,94,358	37,11,757
b) Provisions made	99,21,840	11,67,577	23,78,872	11,13,527
Doubtful Assets – Category-I				
a) Total Outstanding Amount	32,51,815	-	-	-
b) Provisions made	5,50,363	-	-	-
Doubtful Assets – Category-II				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
TOTAL				
a) Total Outstanding Amount	6,37,87,55,063	4,27,48,95,410	1,15,03,62,067	1,02,12,04,724
b) Provisions made	3,18,68,067	1,18,46,755	69,32,743	36,57,259

2. Draw Down from Reserves : None

3. Concentration of Public Deposits, Advances, Exposures and NPAs

3a. Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at 31 March 2020	As at March 31, 2019
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	-	-

3b. Concentration of Loans & Advances

Particulars	As at 31 March 2020	As at 31 March 2019
Total Loans & Advances to twenty largest borrowers	22,86,80,212	29,18,34,061
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	3.04%	5.53%

3c. Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at 31 March 2020	As at 31 March 2019
Total Exposure to twenty largest borrowers / customers	24,09,18,609	32,38,04,034
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	3.15%	5.78%

3d. Concentration of NPAs

Particulars	As at 31 March 2020	As at 31 March 2019
Total Exposure to top ten NPA accounts	4,43,30,470	71,41,567

3e. Sector-wise NPAs

Sector	As at 31 March 2020	As at 31 March 2019
	Percentage of NPAs to Total Advances in that sector	
A. Housing Loans:		
1. Individuals	0.81%	0.08%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others	-	-
B. Non-Housing Loans:		
1. Individuals	1.03%	0.36%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others	-	-

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4. Movement of NPAs

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Net NPAs to Net Advances (%)	0.87%	0.09%
(ii) Movement of NPAs (Gross)		
a) Opening balance	71,41,967	-
b) Additions during the year	5,75,99,006	71,41,967
c) Reductions during the year	(13,42,438)	-
d) Closing balance	6,33,98,536	71,41,967
(iii) Movement of Net NPAs		
a) Opening balance	48,60,463	-
b) Additions during the year	4,60,80,995	48,60,463
c) Reductions during the year	(4,93,997)	-
d) Closing balance	5,04,47,461	48,60,463
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	22,81,504	
b) Provisions made during the year	1,15,18,011	22,81,504
c) Write-off/write-back of excess provisions	(8,68,440)	-
d) Closing balance	1,29,31,075	22,81,504

5. Overseas Assets : None

6. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) : None

X. Customers Complaints

Particulars	As at 31 March 2020	As at 31 March 2019
a) No. of complaints pending at the beginning of the year	2	-
b) No. of complaints received during the year	94	43
c) No. of complaints redressed during the year	90	41
d) No. of complaints pending at the end of the year	6	2

Note 57 - The Company does not have any unhedged foreign currency exposure for the year ended 31 March 2020.

Note 58 - Disclosure pursuant to Reserve Bank of India circular no. RBI/2019-20/220 DOR.NO.BP.BC.63/21.04.048/2019-20:

Particulars	As at 31 March 2020
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended (Granted a moratorium of three months on payment of all term loan instalments falling due between March 1, 2020 and May 31, 2020 ("moratorium period"):	17,67,40,583

(ii) Respective amount where asset classification benefits is extended due to moratorium : Loan assets worth Rs. 2,28,92,547 were classified as standard assets instead of Stage 3 assets due to moratorium.

(iii) Provisions created as per the above circular :

Particulars	As at 31 March 2020
Total Provision (10%)	1,76,74,058

Note 59 - Figures for the previous years have been regrouped and / or reclassified wherever considered necessary to conform to current year presentation.

As per our report of even date attached
For and on behalf of
For S R Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Ratugauta Patel
Partner
Membership No. 123596

Place: Mumbai
Date: 17 June 2020

For and on behalf of the Board of Directors of
IndoStar Home Finance Private Limited

Pankaj Thapar
Director
DIN: 01225255

Prashant Joshi
Director
DIN: 05485863

Prashant Shetty
Chief Financial Officer

Priyal Shah
Company Secretary

Place: Mumbai
Date: 17 June 2020

S.R. BATLIBOI & CO. LLP
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IndoStar Home Finance Private Limited