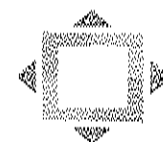


**CAPRI GLOBAL HOUSING  
FINANCE LIMITED**

**ANNUAL REPORT 2017-18**

## DIRECTORS' REPORT



The Members,  
Capri Global Housing Finance Limited

1

Your Directors have pleasure in presenting their Twelfth Annual Report together with Audited Financial Statements and Auditor's Report for the financial year ended 31<sup>st</sup> March, 2018.

### FINANCIAL RESULTS

Particulars	(Rs. in lacs.)	
	2017-2018	2016-2017
	Rs.	Rs.
Total Income	2,127.90	260.82
Expenditure	2,276.40	224.23
Profit before Interest, Depreciation, Taxes & Exceptional items	(148.50)	36.59
Depreciation	52.25	10.88
Profit before exceptional items	(200.75)	25.72
Exceptional items	1,346.78	83.73
Profit Before Tax (PBT)	1,146.03	109.45
Less: Provision for tax	91.97	24.11
Profit After Tax (PAT)	1,054.06	85.34
Profit brought forward from previous year	1,668.11	1,602.77
Less: Transfer to Reserves as per Section 29C of the National Housing Bank Act, 1987	211.00	20.00
Transferred to Balance Sheet as Reserves & Surpluses	2,511.17	1,668.11

### RESULTS OF OPERATIONS AND STATE OF AFFAIRS

The year under review was the first full year of operation as a housing finance company (HFC). Company's focus was to provide loan to first time home buyers belonging to middle and lower income earning families. The Company was able to achieve a loan book of Rs. 24,633.44 lacs as compared to Rs. 650 lacs and earned a Profit After Tax of Rs. 1,054.06 lacs as compared to Rs. 85.34 lacs of the previous year.

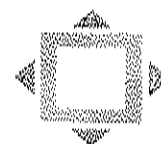
Being the first full year of operation as housing finance company, the company has incurred operational losses of Rs. 200.75 lacs due to initial customary initial set-up costs. However the full year Profit After Tax has been Rs. 1,054.06 lacs at the back of monetization of investments of Rs. 1,346.78 lacs.

**Capri Global Housing Finance Limited**

(Formerly Capri Global Housing Finance Private Limited)

(CIN: U65990MH2006PLC161153)

Regd Off: 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.  
Tel: +91 22 4088 8100/4354 8200; E-mail: [contact@cgclhomeloans.com](mailto:contact@cgclhomeloans.com); Website: [www.cgclhomeloans.com](http://www.cgclhomeloans.com)



## **CAPITAL ADEQUACY RATIO**

Your Company's total Capital Adequacy Ratio (CAR), as of March 31, 2018, is 69.52% which is well above the regulatory minimum of 12%, providing much head room to raise debt capital for business growth.

## **TRANSFER TO RESERVES AS PER NHB DIRECTIONS**

Pursuant to Section 29C (i) of the National Housing Bank Act, 1987, the Company is required to transfer atleast 20% of its net profit every year to a reserve before any dividend is declared. Thus, during the year ended March 31, 2018, Company has transferred Rs. 211 lacs to Reserves.

## **DIVIDEND**

In order to conserve resources for business growth of the Company, your Directors do not recommend payment of any dividend on equity shares for the year ended March 31, 2018.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Mr. Sunil Kapoor (DIN 01436404), resigned as a Director of the Company on May 18, 2017. The Board, places on record its sincere appreciation for the contribution and the services rendered by Mr. Sunil Kapoor during his tenure as a Director of the Company.

During the year under review, Mr. Kaushik Chatterjee (DIN: 07779158) was appointed as an Additional Director w.e.f. February 1, 2018, as per the terms of the provisions of Section 161 of the Companies Act, 2013, Mr. Kaushik Chatterjee shall hold office as Director only up to the date of the ensuing Annual General Meeting (AGM). It is proposed to consider the candidature of Mr. Kaushik Chatterjee for appointment as Director.

During the year under review, Ms. Trusha Dand has resigned as Company Secretary w.e.f. March 8, 2018 and Ms. Kajal Jakharia was appointed as Company Secretary of the Company w.e.f. May 25, 2018.

## **SHARE CAPITAL**

During the year under review, the Authorised Share Capital of the Company was increased to Rs. 65.00 Crores from Rs. 40.00 Crores after the approval of the Shareholders at their Extra-ordinary General Meeting held on September 27, 2017. During the year, the paid-up equity share capital increased as a result of allotment of 1,19,04,760 equity shares of the face value of Rs.10/- at a premium of Rs.32/- to the holding company i.e. Capri



Global Capital Limited. As at March 31, 2018, the equity share capital stood at Rs.36,90,47,600 divided into 3,69,04,760 equity shares of Rs.10/- each.

### **EMPLOYEE STOCK OPTION SCHEME**

No Stock Options were vested and exercised during the year, nor was there any grant of Stock Options during the year under review.

### **CREDIT RATING**

During the year under review, the Company received the following ratings:

<b>Nature of Borrowing</b>	<b>Rating Agency</b>	<b>Amount</b>	<b>Rating</b>
Long-term Bank Facilities	CARE	Rs. 600 crores (enhanced from Rs. 300 crores)	CARE A-; Stable (Single A Minus; Outlook: Stable)

### **POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Work Place. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the Company has not received any complaints in this regard.

### **DECLARATION BY INDEPENDENT DIRECTOR(S)**

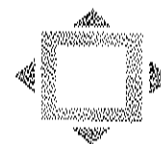
The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence prescribed under the Companies Act, 2013.

### **FORMAL ANNUAL PERFORMANCE EVALUATION**

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors meeting was held on May 23, 2018 and the Board has carried out an annual performance evaluation of Independent Directors, Board and Committee, along with the performance evaluation of Directors of the holding company.

### **COMPLIANCE**

The Company has complied and continues to comply with all applicable provisions of the Act and the National Housing Bank ("NHB") Act, 1987, NHB Directions, 2010 and other applicable rules/regulations/guidelines, issued from time to time.



## **MANAGEMENT DISCUSSION & ANALYSIS**

### **i) Overview**

Owning a home is a dream for most even after 70 years of independence. As per CREDAI 50% of the Indian population needs a house. Further, 90% of this demand lies in the low-ticket affordable housing segment (EWS, LIG, MIG with income <Rs 18 lacs). With the mortgage to GDP ratio at just 9% (Asian average 20%+), the mortgage market in India remains underpenetrated and presents an opportunity to any institution that is willing to cater to this segment.

### **ii) Industry Outlook**

#### **Current Scenario**

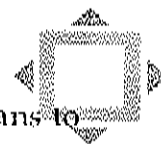
In India, there is an estimated shortage of around 60 million houses including urban and rural, almost all of it in economically weaker sections and low-income group. In addition, population growth of 1.3 % per annum, favourable demographics, nuclear families, urban migration, monetary benefits and rising incomes are leading to consistent increase in demand for housing. Rapid urbanisation has given rise to severe housing shortages in cities, especially, in the low-cost segment.

The Government's recent thrust on affordable housing through policy measures, viz., government incentive schemes, accordance of infrastructure status, interest subsidy scheme under Pradhan Mantri Awas Yojana (PMAY) have resulted in sharp rise in new housing projects in the affordable segment for low income groups. PMAY envisages 20 million units in urban areas of which 3.1 million units have been sanctioned till December 2017. The Government is also undertaking PPP model for affordable housing wherein Government secures land to overcome land related challenges in urban areas. The availability of low cost credit and policies like Real Estate Regulatory Authority (RERA) Act are infusing fresh buyer interest by making housing affordable and providing higher confidence in timely completion of projects.

#### **Government Initiatives**

Housing sector is currently on a high growth path propelled by the Government's focus on 'Housing for All by 2022', which intends to close the gap of 50 million units, and its push for affordable housing.

In February 2018, National Urban Housing Fund was approved with an outlay of Rs. 60,000 Crore to finance 'Housing for All' in urban areas of the next four year. In addition, there is a significant increase in the planned spending under the PMAY, from about Rs. 29,000 Crore in FY 2018 to Rs. 64,500 Crore in FY 2019. The Budget 2018-19 has also proposed a dedicated Affordable Housing Fund in National Housing Bank for rural housing, funded from priority sector lending shortfall and fully serviced bonds authorized by the Government of India.



During FY 2018, RBI modified the provisioning or risk-weight norms for home loans to make them cheaper - it cut the standard asset provisioning on housing loans to 0.25% from 0.4%. In its Monetary Policy Statement of October 2017, RBI has indicated that faster rollout of affordable housing programme with time bound single window clearances and rationalisation of high stamp duties by the state governments can support growth. Currently, Madhya Pradesh, Chhattisgarh and Gujarat provide rebates on stamp duty rates levied on housing for the EWS, low and middle income groups.

### **Affordable Housing Finance**

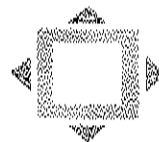
The housing finance industry has grown at a rapid pace of about 16% in the last few years to reach a portfolio size of Rs 15.3 trillion as of September 2017. Apart from banks which have been financing this segment, Housing Finance Companies (HFCs) have also been able to establish their position accounting for almost 40% of the total housing finance industry. Housing loans comprise two-thirds of the total market and the rest is broadly equally divided between loan against property and construction finance. Overall penetration of mortgage loans continues to remain low, at less than 10% and projected to increase to 14% by FY 2022, citing significant growth potential for housing loans.

Responding to policy efforts, affordable housing is currently driving home loan growth in India. Affordable housing market was Rs. 1.6 trillion in September 2017 growing at 20%+ annual rate and is outpaced only the fast growth rate of smaller & new HFCs who largely focus on affordable housing loans to non-salaried individuals. HFCs in affordable housing segment operate across the yield of 12% - 18%. Additionally, increase in supply and demand in affordable segment supported by tax incentives/subsidy through CLSS has kept the growth and profitability higher.

### **iii) Opportunities and Threats**

A large proportion of the Indian population is below the age of 30 years. The expanding urbanization, increase in supply of affordable homes, rising disposable incomes, reasonable interest rates and improved affordability on home loans will drive the demand in this sector. Further, Government initiatives to drive affordable housing under 'Housing For All', will be a major growth driver for the small and mid-size HFCs.

The Housing sector also faces a new challenge, that of implementation and execution. A very large number of schemes have been launched by the Government and there is huge amount of work to be done to bring them into reality. Only with the unified effort of the Government, real estate developers and financial institutions, success can be achieved. There has been a steady increase of new entrants in the small and mid-size housing finance sector and this increase in competition may lead to price wars, loan transfers and drop in portfolio quality.



#### **iv) Business and Operational Overview**

FY 2018 was the first full year of operation of housing finance business post its launch in December 2016. The loan book at the end of the year was Rs.24,633.44 lacs with an average ticket size of Rs.11 lacs and most of the loans were towards affordable housing.

As on March 31, 2018, the Company had a wide distribution network with branches at 52 locations, spread over 8 states – Maharashtra, Gujarat, Delhi, Rajasthan, Madhya Pradesh, Haryana, Chhatisgarh and Uttar Pradesh.

#### **v) Outlook**

India Ratings and Research projects demand for affordable housing will increase to 25 million homes in the period FY 2017 to FY 2022 in the MIC and LIG categories. The projected increase is four times the entire housing stock financed currently and will create a Rs. 6 trillion opportunity for affordable housing finance and lead to faster pace of growth of over 30%. Policy interventions are likely to keep the growth potential high for these HFCs though there may be some deterioration in asset quality with portfolio seasoning.

The Company expects to deliver high growth rate in its housing finance business in the foreseeable future on the back of incremental business from smaller towns. It will consolidate its presence in North and West India and drive higher profitability from its existing operations.

#### **vi) Risks and concerns**

As a lending entity, CGHFL is exposed to various risks such as credit risk, market risk, liquidity risk, legal risks, interest rate risk, and operational risk. The Company emphasises on risk management practices to ensure an appropriate balance between risks and returns. The Company has put in place a Risk Management framework as to safeguard its assets and ensure sustainable business operations in the long term.

#### **vii) Internal control systems and their adequacy**

The Company has put in place adequate Internal controls systems to ensure efficiency in business operations, safeguarding of company's assets, protect against the chances of frauds & errors, strict compliance with applicable laws & regulations and the reliability of financials reporting. Internal Audits are conducted at regular intervals to provide assurance to management that the transactions are carried out as per set policies & processes and that system controls are duly implemented & are working as defined. The Audit Committee of the Company oversees the internal audit function, risk management



systems and internal controls systems over financial reporting to ensure that business is conducted effectively.

#### **vii) Human Resource Development**

The Company firmly believes that human resource forms the backbone of an organization and good HR practices are imperative to an employee oriented productive workplace in which employees are energized and engaged.

Headcount increased to 253 employees in the current year as compared to 30 in the previous year, at 52 branches spread across 8 states.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186**

Since the Company is a housing finance company, the disclosure regarding particulars of loans given, guarantees given and security provided is exempted under the provisions of Section 186 (11) of the Companies Act, 2013.

#### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the period underreview, the Company has entered into transaction with holding company in which directors are interested and that the same is on arm's length basis and were in the ordinary course of business. There were no materially significant RPT made by the Company with Promoters, Directors, KMP or Body Corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPT as required under the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

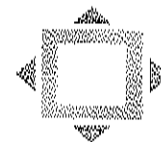
The Directors draw attention of the Members to Note No. 29 to the Financial Statements which sets out related party disclosures.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) of the Act and based on the information provided by the management, the Board of Directors of the Company, to the best of their knowledge and belief, confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the Profit of the Company for the year ended on that date;





- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern basis';
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems are adequate and are operating effectively.

#### **PUBLIC DEPOSITS**

The Company has not accepted any public deposit during the year under review.

#### **STATUTORY AUDITORS**

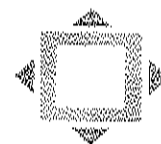
Pursuant to the provisions of Section 139 of the Act and the rules framed there under, the Members at their eleventh Annual General Meeting (AGM) held on July 17, 2017 appointed M/s. Deloitte Haskins and Sells LLP, Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of eleventh AGM till the conclusion of Sixteenth AGM, subject to ratification of their appointment at every AGM.

The Central Government on May 7, 2018 has notified provisions of Companies (Amendment) Act, 2017 and pursuant to the notification; the need for ratification has been omitted. Accordingly, resolution pertaining to ratification of auditor does not form part of Notice of the AGM.

The Notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### **NOMINATION AND REMUNERATION POLICY**

The Board of Directors of the Company has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection of Directors, determining Directors independence and payment of remuneration to Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Policy is enclosed as Annexure-I.



## DISCLOSURES

### Audit Committee

The Audit Committee comprises of Independent Directors namely Mr. Beni Prasad Rauka (Chairman), Ms. Bhagyam Ramani, and Mr. T. R. Bajalia as other members. Four meetings of the Audit Committee were held during the year.

### Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises of Ms. Bhagyam Ramani (Chairperson), Mr. Beni Prasad Rauka and Mr. Rajesh Sharma as other members. One meeting of the Nomination & Remuneration was held during the year.

### Meetings of Board

Eight meetings of the Board of Directors were held during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The provisions of section 134(3)(m) of the Companies Act, 2013, relating to conservation of energy and technology absorption are not applicable to the Company. There was no inflow or outflow of foreign exchange during the year under review.

### Risk Management

During the year under review, the Company has constituted Risk Management Committee in addition to the Assets Liability Management Committee. At present there are no identified risks which can threaten the existence of the Company or the continuing nature of the business of the Company.

### Extract of Annual Return

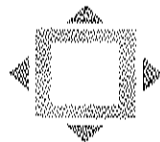
The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith marked as Annexure -II.

### Particulars of Employees

There are no employees drawing remuneration in excess of amount prescribed as per the provisions of section 197(12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.



## ACKNOWLEDGEMENTS

The Board of Directors of the Company would like to express their gratitude to the Company's bankers, clients, stock exchanges, and other statutory/regulatory authorities for the cooperation extended by them. The Board also would like to place on record their sincere appreciation for the efforts made by the employees at all levels of the organization.

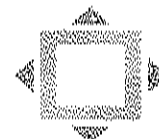


For and on behalf of the Board

Mr. Rajesh Sharma  
Director  
DIN: 00020037

Mr. Kaushik Chatterjee  
Director  
DIN: 07779158

Place: Mumbai  
Date: May 25, 2018



## Capri Global Housing Finance Limited

### Nomination and Remuneration Policy

This Policy has been laid down on the recommendations of the Nomination and Remuneration Committee of the Board, and is in compliance with the requirements of the Section 178 Companies Act, 2013.

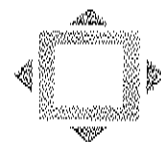
#### 1.1 Objectives

The Policy lays down the:

- (i) Criteria for determining *inter-alia* qualification, positive attributes and independence of Directors for their appointment on the Board of the Company;
- (ii) Criteria for payment of remuneration to Directors, Key Managerial Personnel and other Employees.

#### 1.2 Definitions

- i. "Board" means Board of Directors of the Company.
- ii. "Company" means "Capri Global Housing Finance Limited."
- iii. "Employees' Stock Option" means the option given to the Directors, Officers or Employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, Officers or Employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.
- iv. A. 'fit and proper' shall mean an individual who is :
  - a. more than thirty years in age;
  - b. a graduate;
  - c. has minimum five years experience;
  - d. a person of integrity, reputation and character in the opinion of the Committee;
- v. "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- vi. "Key Managerial Personnel" (KMP) means
  - a) Chief Executive Officer or the Managing / Executive Director or the Manager,
  - b) Company Secretary,
  - c) Whole-time Director,
  - d) Chief Financial Officer and
  - e) Such other officer as may be prescribed.
- vii. "Committee" shall mean the Nomination & Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.



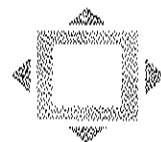
- viii. "Policy or This Policy" means, "Nomination and Remuneration Policy."
- ix. "Managerial Person" means the Managing Director, Whole-time Director and/or Manager.
- x. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- xi. "Senior Management" means, personnel of the Company who are members of its core management team excluding Board of Directors and who may be qualified to become directors.

### **1.3 Interpretation**

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI Act, 1992, as notified by the Securities and Exchange Board of India from time to time.

### **1.4 Appointment and Removal of Managerial Person, Director, Key Management Personnel and Senior Management Personnel**

- i. Appointment criteria and qualifications:
  - a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Person, Director, KMP or Senior Management Personnel who may be qualified to become directors and recommend to the Board his / her appointment.
  - b) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the designated position.
  - c) With respect to appointment of a Senior Management Personnel other than the one mentioned above, the Human Resource Department with the consultation/advice/recommendations of the respective Functional Heads/Promoter Director of the Company, as the case may be, can decide on their appointments and the same need not be recommended to the Committee/Board as the case may be.
- ii. Term / Tenure:
  - a) The Company shall appoint or re-appoint a person as its Managerial Person by passing of a resolution and disclosure of such appointment in the Directors Report forming part of the Annual Report.



- b) No Independent Director shall hold office for more than two consecutive Terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
- c) Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. Term can be for a maximum period of five years.
- d) the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of the Company.

iii. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013 ('Act'), rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Person, Director, subject to the provisions and compliance of the Act, rules and regulations.

iv. Retirement:

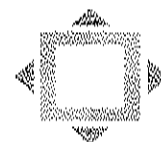
The Managerial Person, Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managerial Person, Director, and KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## 1.5 Disqualifications for Appointment of Directors

- i. A person shall not be eligible for appointment as director of the company if:
  - a) he is of unsound mind and stands so declared by a competent court;
  - b) he is undischarged insolvent;
  - c) he has applied to be adjudicated as an insolvent and his application is pending;
  - d) He has been convicted by a court of any offence, weather involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company:

- 1) An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order in force;



- 2) He has not paid any calls in respect of any shares of the company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call;
- 3) He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
- 4) He has not complied with sub-section (3) of section 152 of the Companies Act, 2013.

ii. A person who has been a Director of the company which:

- a) has not filed financial statements or annual returns for any continuous period of three financial years; or
- b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay dividend declared and such failure to pay or redeem continues for one year or more,

shall be ineligible to be appointed as a director of the Company for a period of five years from the date on which the other company fails to do so.

iii. A person shall not be eligible for appointment and continuance as a Director, if he / she is not found 'fit and proper' by the Committee.

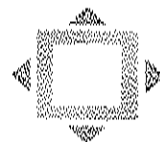
## **1.6 Remuneration Policy**

Remuneration Policy of Company is designed to attract, motivate, and retain manpower in a competitive environment considering qualification, positive attribute, integrity and independence, and is guided by the common reward framework and set of principles and objectives. The Remuneration Policy applies to the Company's Senior Management Personnel, including its Key Managerial Person and the Board of Directors.

The policy captures remuneration strategies, policies and practices of Company, including compensation, variable-compensation, equity-based plans and the process for the measurement and assessment of employee and executive performance. The remuneration / compensation / commission etc. to the Managerial Person, Director, KMP and Senior Management Personnel (who may be qualified to become directors) will be determined by the Committee and recommended to the Board for approval.

### **1.6.1 Remuneration Strategy for Employees at Company**

The Company adopts a total compensation philosophy in rewarding employees. The Total compensation package for the employees comprises of Fixed and Variable Component. Fixed pay consists of the base salary and any recurring, regular allowances payable in the specific location. Variable pay includes performance bonuses and ESOP's for eligible employees.



The level of Total compensation is designed to be appropriate to attract, retain and motivate employees to contribute their best. In determining the Total compensation of employees, the Company takes into account the role and its responsibilities, the individuals' and teams' performance, and the Company's performance, as well as market factors. The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent.

Factors such as profitability and achievement of key performance indicators are taken into consideration, in determining the bonus pool for the Company and its business units. Individual bonus allocation is based on performance against various set of pre-defined objectives.

The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

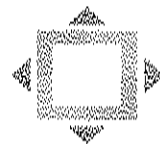
#### 1.6.2 Remuneration of Key Management Personnel

The Company shall review, at least annually, the Key Management personnel's remuneration arrangements in light of current market benchmarks and expert advice on remuneration levels and, with due consideration to law and corporate governance principles.

Remuneration of the Key Management Personnel consists of a fixed component and a variable performance incentive. The annual appraisal of the Key Management personnel is based on a detailed performance evaluation of their Key Performance Indicators (KPI's)

- i. Fixed Component: Consists of Basic Pay (Usually 40%-60% of the gross Fixed Salary).
- ii. Perquisites: In the form of house rent allowance/ accommodation, reimbursement of medical expenses, conveyance, children education, telephone, communication equipments like Ipad's etc.
- iii. Retirement Benefits: Pension contributions, Gratuity payments are made in accordance with applicable laws and employment agreements.
- iv. Severance payments: In accordance with termination clauses in employment agreements, the severance payment is in accordance with applicable local legal framework.
- v. Personal benefits: Based on employment agreements and Company policy, Company Car and Driver is provided to specific grade.
- vi. Medical Insurance - Coverage of Rs. 5 Lacs every year to the personnel, his/her spouse, two children and parents (In case of female employees they can choose the option for including their in-laws in lieu of her parents).





- vii. Term Insurance – Coverage between Rs. 50 Lacs to Rs. 1 Cr. based on the grade.
- viii. Variable pay is linked to the below three factors:
  - a) the financial results of the company;
  - b) targets achieved;
  - c) the individual performance and that of the department/ team
- ix. Annual Performance Linked Bonus: Individual bonus allocation takes performance ratings and performance against various set of objectives mentioned below into consideration:
  - a) In the beginning of the year the Board sets the organization performance objectives based on qualitative and quantitative measures.
  - b) These objectives are reviewed periodically to ensure they remain consistent with the Company's priorities and the changing nature of the Company's business.
  - c) These objectives form part of the performance targets for the Managerial Personnel.
  - d) Performance against these objectives is reviewed annually by the Board and is reflected in the Managerial Personnel's remuneration review.

#### 1.6.3 Remuneration of Non-executive Directors including Independent Directors

The Non-Executive Directors of the Company (who are not in the employment of the Company and/or its subsidiaries/associates) shall be paid sitting fees as per the limits prescribed under the Companies Act, 2013. Commission, if any, payable to NEIDs shall be approved by the Board of the Company based on the recommendation of the Committee.

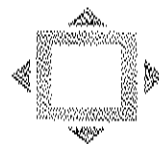
An independent Director shall not be entitled to any Stock Options of the Company.

#### 1.7 Deviations from the Policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

#### 1.8 Amendments

The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.



## Annexure II

### MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i.	CIN	U65990MH2006PTC161153
ii.	Registration Date	17/04/2006
iii.	Name of the Company	Capri Global Housing Finance Limited
iv.	Category / Sub-Category of the Company	Public Limited
v.	Address of the Registered office and contact details	502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, India Tel: +91 22 4088 8100 ; Fax: +91 22 40888170
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel. No. 022-49186000 Fax: 022-49186060 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company:-

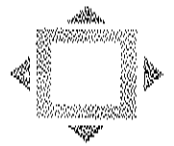
Sl.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Activities of housing finance companies.	65922	55.31
2	Investment in mutual funds, fixed deposits and other securities	6599	44.69



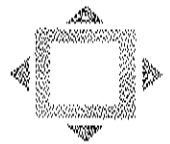
#### IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

[illegible]



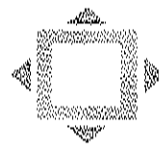


Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
lakh									
<b>c) Others (specify)</b>									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B)(2):</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	25000000	0	25000000	100.00	36904760	0	36904760	100.00	0.00



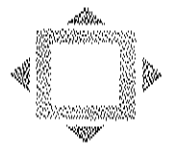
**ii) Shareholding of Promoters**

Sl. No	Shareholders Name	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No of Shares	% of Total Shares	% of shares pledged / encumbered to total shares	No of Shares	% of Total Shares	% of shares pledged / encumbered to total shares	
1.	Rajesh Sharma as a nominee of Capri Global Capital Limited	100	0.00	Nil	100	0.00	Nil	0.00
2.	Ashok Agarwal as a nominee of Capri Global Capital Limited	10	0.00	Nil	10	0.00	Nil	0.00
3.	Harish Agrawal as a nominee of Capri Global Capital Limited	10	0.00	Nil	10	0.00	Nil	0.00
4.	Suresh Gattani as a nominee of Capri Global Capital Limited	10	0.00	Nil	10	0.00	Nil	0.00
5.	Ramesh Chandra Sharma as a nominee of Capri Global Capital Limited	10	0.00	Nil	10	0.00	Nil	0.00
6.	Seema Sharma as a nominee of Capri Global Capital Limited	10	0.00	Nil	10	0.00	Nil	0.00
7.	Capri Global Capital Limited	24999850	100.00	Nil	36904610	100.00	Nil	0.00
	<b>TOTAL</b>	<b>25000000</b>	<b>100.00</b>	<b>Nil</b>	<b>36904760</b>	<b>100.00</b>	<b>Nil</b>	<b>0.00</b>



iii) Change in Promoters' Shareholding:

Sr No.	For Each of the Promoter	Shareholding at the beginning of the year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reason for increase / decrease			Shareholding at the end of the year	
	Name of the Promoter	No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of total shares of the Company
1	Rajesh Sharma as a nominee of Capri Global Capital Limited	100	0.00	NA	0	NA	100	0.00
2	Ashok Agarwal as a nominee of Capri Global Capital Limited	10	0.00	NA	0	NA	10	0.00
3	Harish Agrawal as a nominee of Capri Global Capital Limited	10	0.00	NA	0	NA	10	0.00
4	Suresh Gattani as a nominee of Capri Global Capital Limited	10	0.00	NA	0	NA	10	0.00
5	Ramesh Chandra Sharma as a nominee of Capri Global Capital Limited	10	0.00	NA	0	NA	10	0.00
6	Seema Sharma as a nominee of Capri Global Capital Limited	10	0.00	NA	0	NA	10	0.00
7	Capri Global Capital Limited	24999850	100.00	26.8.17	11904760	Rights Issue	36904610	100.00
	<b>Total</b>	<b>25000000</b>	<b>100.00</b>				<b>36904760</b>	<b>100.00</b>



**iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Top Ten Shareholders details are not applicable as the Company is wholly owned subsidiary of Capri Global Capital Limited

**v) Shareholding of Directors and Key Managerial Personnel**

A. No Director holds any share in the Company

B. None of the Key Managerial Personnel holds any share in the Company.

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(Rs. in Lacs.)

	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	--	--	--	--
<b>Change in Indebtedness during the financial year</b>				
Addition	11,010.00	--	--	11,010.00
Reduction	25.33	--	--	25.33
<b>Net Change</b>	<b>10,984.67</b>	--	--	<b>10,984.67</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	10,984.67	--	--	10,984.67
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>10,984.67</b>	--	--	<b>10,984.67</b>

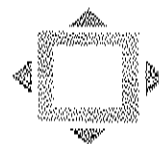
**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

**B. Remuneration to other Directors:**

**I. Independent Directors :**





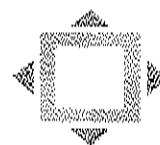
Particulars of Remuneration	Name of Director			Total Amount
	Mr. Beni Prasad Rauka	Ms. Bhagyam Ramani	Mr. T. R. Bajalia	
Fee for attending Board/Committee Meetings (Rs.)	90,000	75,000	90,000	2,55,000
-Commission	"	"	"	"
- Others, please specify	"	"	"	"
<b>Total (B)(1) (Rs.)</b>	<b>90,000</b>	<b>75,000</b>	<b>90,000</b>	<b>2,55,000</b>

2. Other Non Executive Directors : NIL

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

Sl.No	Particulars of Remuneration	Trusha Dand** Company Secretary
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	11,40,021
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil
2	Stock Options	Nil
3	Sweat Equity	Nil
4	Commission	
	- as % of profit	Nil
	- others	Nil
5	Others, please specify	Nil
	<b>Total (C) Rs.</b>	<b>11,40,021</b>

\*Resigned w.e.f. March 08, 2018



## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

## **INDEPENDENT AUDITORS' REPORT**

**To The Members of Capri Global Housing Finance Limited  
(Formerly Known as Capri Global Housing Finance Private Limited)**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of CAPRI GLOBAL HOUSING FINANCE LIMITED (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, based on our audit, we report that:

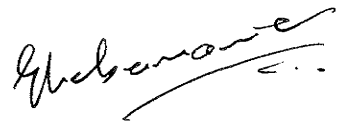
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



# Deloitte Haskins & Sells LLP

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at 31st March, 2018 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts as at 31<sup>st</sup> March, 2018, for which there were any material foreseeable losses.
  - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)



**G. K. Subramaniam**  
Partner  
(Membership No. 109839)

Place: Mumbai  
Date: May 25, 2018

## **ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of CAPRI GLOBAL HOUSING FINANCE LIMITED (the "Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policy, 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



# **Deloitte Haskins & Sells LLP**

## **Meaning of Internal Financial Controls Over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-100018)



**G. K. Subramaniam**

Partner

(Membership No. 109839)

Place: Mumbai

Date: May 25, 2018

## **ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

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

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that the title deeds, comprising of the immovable properties of land are held in the erstwhile name of the Company as at the balance sheet date.
- (ii) To the best of our knowledge and according to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.
- (iii) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any loans, made investments or provide guarantees under the provisions of Sections 185 and 186 of the Act and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals in regards to the Company.
- (vi) To the best our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company.





# Deloitte Haskins & Sells LLP

- (vii) To the best of our knowledge and according to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. There were no amounts payable in respect of Sales Tax, Value Added Tax, Customs Duty, Work Contract Tax, and Excise Duty.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Income-tax and Service tax as on 31st March, 2018 on account of disputes.
- (viii) To the best of our knowledge and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loan from government and financial institutions. The Company has not issued any debentures.
- (ix) To the best of our knowledge and according to the information and explanations given to us, the money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer/ further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration and hence reporting under clause (xi) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.



# **Deloitte Haskins & Sells LLP**

- (xv) To the best of our knowledge and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)



**G. K. Subramaniam**  
Partner  
(Membership No. 109839)

Place: Mumbai  
Date: May 25, 2018

**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**BALANCE SHEET AS AT 31st March, 2018**

(Amount in Rs.)

	Notes	As At 31-Mar-18	As At 31-Mar-17
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders Fund</b>			
Share Capital	2	369,047,600	250,000,000
Reserves and Surplus	3	661,025,038	173,811,092
		1,030,072,638	423,811,092
<b>2 Non-Current Liabilities</b>			
Long Term Borrowings	4	1,052,753,173	-
Long Term Provisions	5	9,992,389	1,427,412
		1,062,745,562	1,427,412
<b>3 Current Liabilities</b>			
Trade Payables	6	-	-
a) Micro enterprises and Small enterprises		-	-
b) Others		28,391,875	1,791,101
Other Current Liabilities	7	501,277,169	32,539,886
Short Term Provisions	8	5,969,668	473,633
		535,638,712	34,804,620
<b>Total</b>		<b>2,628,456,912</b>	<b>460,043,124</b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
<b>Fixed Assets</b>	9		
Tangible Assets		24,271,578	1,291,446
Intangible Assets		1,675,525	429,389
		25,947,103	1,720,835
Non Current Investments	10	10,973,681	124,095,911
Deferred Tax Assets (Net)	11	5,295,448	14,793,450
Long Term Loans and Advances - Financing	12	2,370,430,890	63,862,061
Long Term Loans and Advances - Others	13	40,536,521	7,012,708
Other Non-Current Assets	14	-	74,320,260
		2,427,236,540	284,084,390
<b>2 Current Assets</b>			
Current Investments	10	-	4,501,326
Trade Receivables	15	4,594,526	1,038,587
Cash and Bank Balances	16	3,533,675	6,685,022
Short Term Loans and Advances - Financing	12	50,364,438	1,150,190
Short Term Loans and Advances - Others	13	6,379,989	130,440
Other Current Assets	14	110,400,641	160,732,334
		175,273,269	174,237,899
<b>Total</b>		<b>2,628,456,912</b>	<b>460,043,124</b>

Significant Accounting Policies

1B

The accompanying notes are an integral part of the Financial Statements.

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

For and on behalf of

**Deloitte Haskins & Sells LLP**

Chartered Accountants



G. K. Subramaniam  
Partner

Mumbai  
Date: May 25, 2018

**For and on behalf of the Board of Directors**

(Rajesh Sharma)  
Director  
DIN 00020037

(Bhagyam Ramani)  
Independent Director  
DIN 00107097

(J.R. Bajalia)  
Independent Director  
DIN 02291892

(Beni Prasad Rauka)  
Independent Director  
DIN 00295213

(Koushik Chatterjee)  
Director  
DIN 07779158

(Kajal Jakharia)  
Company Secretary

Mumbai  
Date: May 25, 2018

**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st March 2018**

(Amount in Rs.)

	Notes	Year Ended	
		31-Mar-18	31-Mar-17
<b>I INCOME</b>			
Revenue from Operations	17	158,489,403	2,652,884
Other Income	18	54,300,290	23,429,129
<b>Total Revenue</b>		<b>212,789,693</b>	<b>26,082,013</b>
<b>II EXPENSES</b>			
Employee Benefit Expenses	19	106,221,714	14,705,341
Finance Costs	20	28,608,013	236,265
Depreciation and Amortization Expenses	21	5,224,828	1,087,629
Loan Provisions	22	6,567,279	261,223
Other Expenses	23	86,242,697	7,219,823
<b>Total Expenses</b>		<b>232,864,531</b>	<b>23,510,281</b>
<b>III (Loss)/Profit before Exceptional Items and Tax</b>		<b>(20,074,838)</b>	<b>2,571,732</b>
Exceptional items	24	134,677,772	8,373,402
<b>IV Profit before Tax</b>		<b>114,602,934</b>	<b>10,945,134</b>
Less: Tax Expenses			
Current Tax		25,852,627	1,811,502
MAT Credit Entitlement		(25,852,627)	-
Deferred Tax		(7,009,614)	581,250
Income Tax Adjustments		16,206,912	18,409
		9,197,298	2,411,161
<b>V Profit for the year</b>		<b>105,405,636</b>	<b>8,533,973</b>
<b>VI Earnings per Equity Share (Face Value Rs. 10)</b>	31		
Basic		3.30	0.34
Diluted		3.27	0.34

Significant Accounting Policies 1B

The accompanying notes are an integral part of the Financial Statements.

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

For and on behalf of

**Deloitte Haskins & Sells LLP**

Chartered Accountants

G. K. Subramaniam  
Partner

Mumbai

Date: May 25, 2018

**For and on behalf of the Board of Directors**

(Rajesh Sharma)  
Director  
DIN 00020037

(Beni Prasad Rauka)  
Independent Director  
DIN 00295213

(Bhagyam Ramani)  
Independent Director  
DIN 00107097

(Kaushik Chatterjee)  
Director  
DIN 07779158

(A.R. Bajalia)  
Independent Director  
DIN 02291892

(Kajal Chatterjee)  
Company Secretary

Mumbai

Date: May 25, 2018

**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018**

(Amount in Rs.)

Particular	Year Ended	
	31-Mar-18	31-Mar-17
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & extraordinary items	(20,074,838)	2,571,732
adjusted for:		
Loss on Sale of Fixed Assets	-	2,161,132
Depreciation	5,224,828	1,087,629
Share Issue Expense	1,875,000	-
Employee Stock Options Expense	855,989	-
Net (gain) / loss on sale of investments	(8,276,985)	-
Interest Income	(106,890,873)	(23,657,883)
Interest Expense	15,119,262	236,265
Provision for Standard Assets	6,030,142	261,223
Provision for Non Performing Assets	489,167	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(105,648,308)</b>	<b>(17,339,902)</b>
Add/(Less): Extraordinary Items	-	-
<b>Operating Profit before working capital changes</b>	<b>(105,648,308)</b>	<b>(17,339,902)</b>
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	-	-
Trade receivables	(3,555,939)	(45,905,966)
Short-term loans and advances	(55,463,797)	(1,204,286)
Long-term loans and advances	(2,320,897,989)	(63,764,742)
Other current assets	(2,492,595)	62,396,188
Other non-current assets	1,553,174	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	26,600,774	106,434
Other current liabilities	468,737,283	32,479,398
Other long-term liabilities	-	-
Short-term provisions	591,992	2,629,042
Long-term provisions	8,564,977	220,388
<b>Cash generated from Operating Activities</b>	<b>(1,982,010,429)</b>	<b>(30,383,446)</b>
Interest Received	96,354,711	23,423,098
Interest Paid	(15,119,262)	(236,265)
<b>Net Cash generated from Operating Activities</b>	<b>(1,900,774,980)</b>	<b>(7,196,613)</b>
Direct Taxes Paid	(20,509,215)	(679,955)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(1,921,284,195)</b>	<b>(7,876,568)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(29,451,096)	(1,908,778)
Sale of Fixed Assets	-	4,550
Sale of Shares	247,800,003	11,997,240
Sale of Mutual Fund	12,778,311	(4,501,326)
Decrease in Fixed Deposits	136,127,536	8,442,920
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>	<b>367,254,754</b>	<b>14,034,606</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Share Capital	119,047,600	-
Share Issue Expense	(1,875,000)	-
Increase in Securities Premium	380,952,321	-
Long Term Borrowings	1,052,753,173	-
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>1,550,878,094</b>	<b>-</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(3,151,347)</b>	<b>6,158,038</b>
Cash and Cash Equivalents at the beginning of the year	6,685,022	526,984
Cash and Cash Equivalents at the end of the year	3,533,675	6,685,022

**Note:-**

1. Cash and cash Equivalents at the end of the period consists of Cash in hand and Balance with banks as follows:-

Particulars	31-Mar-18	31-Mar-17
Cash in Hand	81,072	-
Balance with Bank	3,452,603	6,685,022
Fixed deposits with Original Maturity of Less than 3 Months	-	-
	<b>3,533,675</b>	<b>6,685,022</b>

2. Previous year's figures have been regrouped, rearranged wherever necessary in order to confirm to current year's figures.  
3. Figures in bracket denotes cash outflow.

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

For and on behalf of  
**Deloitte Haskins & Sells LLP**  
Chartered Accountants

G. K. Subramaniam  
Partner

**For and on behalf of the Board of Directors**

(Rajesh Sharma)  
Director  
DIN 00020037

(Bhagyam Ramani)  
Independent Director  
DIN 00107097

(T.R. Bajalia)  
Independent Director  
DIN 02291892

(Beni Prasad Rauka)  
Independent Director  
DIN 00295213

(Kaustubh Chatterjee)  
Director  
DIN 07779158

(Kajal Jakharia)  
Company Secretary

Mumbai  
Date: May 25, 2018

Mumbai  
Date: May 25, 2018

**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

**1A. Corporate Information**

Capri Global Housing Finance Limited (the "Company") is engaged in the business of providing loans to retail customers including individuals, Companies, Corporations, Societies or Association of Persons for purchase / construction / repair and renovation of residential property and loans against property. The Company holds registration with National Housing Bank under section 29A of the National Housing Bank Act, 1987 dated 28th September 2015.

**1B. Significant Accounting Policies**

**1B.1 Basis of Accounting and Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, rules thereunder and the relevant provisions of the Companies Act, 2013 (the "Act"), as applicable, so far as these are not inconsistent with Master Circular-The Housing Finance Companies (NHB) Directions, 2010 issued by the National Housing Board(NHB). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

**1B.2 Use of Estimates:**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**1B.3 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

**a) Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate, except that no income is recognized on non-performing assets as per the prudential norms for income recognition issued by the NHB.

Delayed Payment charges, Penal Interest, Other Penal Charges, etc., are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

**b) Loan processing fees**

Loan processing fees on loans is collected towards processing of loan and documentation charges. This is recognised as income when the amount become due and there is no uncertainty in realisation.

**c) Income from traded goods**

Revenue from sale of traded goods is recognized when all the significant risks and rewards of ownership of the traded goods have been passed to the buyer.

**d) Interest on deposits**

Interest on deposits is recognised on accrual basis.

**e) Dividends**

Dividend income is accounted as and when right to receive dividend is established.

**1B.4 Property, plant and equipment**

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation / amortisation and impairment loss, if any. Cost comprises of purchase / acquisition price, non-refundable taxes, duties, freight and directly attributed cost of bringing the assets to its working condition for its intended use.

Intangible Assets are stated at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**1B.5 Depreciation And Amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

**a) Tangible Fixed Assets**

Depreciation on tangible assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act.

**b) Intangible Fixed Assets**

Intangible assets are amortised over the useful life on prorata basis under the straight line method as estimated by the management, which is generally between three to five years.

c) All capital assets with individual value less than Rs 5000/- are depreciated fully in the year in which they are purchased.



**1B.6 Impairment of tangible and intangible assets**

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**1B.7 Foreign currency translation**

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items as at the Balance Sheet date are restated at the year end rates. Exchange differences arising on realisation and year end restatements are recognised as income or expense in the Statement of Profit and Loss.

**1B.8 Investments**

Long-term investments are carried at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**1B.9 Borrowing Costs**

The Company borrows funds, primarily in Indian Rupees, and carry a fixed rate or floating rate of interest. Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss.

**1B.10 Retirement and other employee benefits**

The Company has adopted the revised Accounting Standard 15 – Accounting for Employee Benefits. The accounting policy followed by the Company in respect of its employee benefit schemes is set out below:

**Provident fund**

The Company's contribution paid/ payable during the year towards Provident Fund are charged to Statement of Profit and Loss every year.

**Gratuity and leave encashment**

The Company has funded Defined Benefit Obligation Plan for gratuity to its employees, who have completed five years or more of service, under the group gratuity scheme of Life Insurance Corporation (LIC) of India and HDFC Standard Life Insurance Company (HDFC Life). The Company has created planned assets by contribution to the gratuity fund with LIC and HDFC Life.

The Company's liability towards gratuity and compensated absences is determined on the basis of actuarial valuation done by an independent actuary. The actuarial gains and losses determined by the actuary are recognised immediately in the Statement of Profit and Loss as an income or expense.

**1B.11 Employee stock compensation cost**

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India (ICAI). The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

**1B.12 Leases**

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

**1B.13 Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**1B.14 Cash Flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**1B.15 Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.



**1B.16 Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set-off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

**1B.17 Provisions for Non-Performing Assets ("NPAs")**

Loans are initially recorded at the disbursed principal amounts and are subsequently adjusted for recoveries and any unearned income.

A loan is recognized as non-performing ("NPA") at the earlier of the date it has been individually provided for when the Company is no longer reasonably assured of the timely collection of the full amount of principal and interest and a loan where the repayment of installment or interest has been in arrears for more than 90 days.

The provision on Standard and Non-Performing Loans is made as per the prudential norms prescribed in the guidelines issued by NHB as amended. Additional provisions (over and above the prudential norms) if required is made as per the Guidelines approved by the Board of Directors from time to time.

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the Company's loan portfolios based on the NHB directions.

**1B.18 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**1B.19 Service Tax / Good and Service Tax input credit**

Service tax / Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

**1B.20 Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.





**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

(Amount in Rs.)

**2. Share Capital**

**Authorized Shares**

6,50,00,000 (31st March 2017 : 2,50,00,000) Equity Shares of Rs. 10 each

As At 31-Mar-18	As At 31-Mar-17
--------------------	--------------------

650,000,000 250,000,000

**650,000,000 250,000,000**

**Issued, Subscribed and fully paid up Shares**

3,69,04,760 (31st March 2017 : 2,50,00,000) Equity Shares of Rs. 10 each

369,047,600 250,000,000

**Total 369,047,600 250,000,000**

**2.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year**

**Equity Shares:**

	31-Mar-18		31-Mar-17	
	Nos.	Rs.	Nos.	Rs.
Equity shares outstanding as at the beginning of the year	25,000,000	250,000,000	25,000,000	250,000,000
Issued during the year - Right issue	11,904,760	119,047,600	-	-
<b>Equity shares outstanding as at the end of the year</b>	<b>36,904,760</b>	<b>369,047,600</b>	<b>25,000,000</b>	<b>250,000,000</b>

**2.2 Terms/Rights attached to equity shares:**

The company has only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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 proportion to the number of equity shares held by the shareholders.

**2.3 Shares held by holding/ultimate holding company and/or their subsidiaries/associates & its nominees :**

	31-Mar-18	31-Mar-17
<b>Holding Company :</b>		
Capri Global Capital Limited		
3,69,04,760 (31st March 2017 : 2,50,00,000) Equity Shares of Rs. 10 each fully paid	369,047,600	250,000,000

**2.4 Details of shareholders holding more than 5% share in the company as at 31st March 2018 are given below:**

Equity Shares of Rs. 10 each fully paid up:	31-Mar-18		31-Mar-17	
Name of Shareholder	Nos.	%	Nos.	%
Capri Global Capital Limited	36,904,760	100%	25,000,000	100%

**3. Reserve and Surplus**

**3.1 Surplus in the Statement of Profit and Loss**

	31-Mar-18	31-Mar-17
Balance as per the last Financial Statements	166,811,092	160,277,119
Profit for the year	105,405,636	8,533,973
<b>Less: Appropriations</b>		
Transfer to Statutory Reserves as per Section 29C of the National Housing Bank Act, 1987	21,100,000	2,000,000
<b>Net surplus in the Statement of Profit and Loss</b>	<b>251,116,728</b>	<b>166,811,092</b>

**3.2 Statutory Reserve under Section 29C of the National Housing Bank Act, 1987**

	31-Mar-18	31-Mar-17
Balance as per the last Financial Statements	7,000,000	5,000,000
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	21,100,000	2,000,000
<b>Closing Balance</b>	<b>28,100,000</b>	<b>7,000,000</b>

**3.3 Security Premium A/c**

	31-Mar-18	31-Mar-17
Balance as per the last Financial Statements	-	-
Add: Security Premium on right shares issued during the year	380,952,321	-
<b>Closing Balance</b>	<b>380,952,321</b>	<b>-</b>

**3.4 Employee Stock Options Outstanding**

	31-Mar-18	31-Mar-17
Employee Stock Options Outstanding	3,490,800	-
Less: Deferred employee stock compensation	2,634,811	-
<b>Closing Balance</b>	<b>855,989</b>	<b>-</b>

**Total Reserves and Surplus (A+B+C+D) 661,025,038 173,811,092**



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

(Amount in Rs.)

**4. Long Term Borrowings**

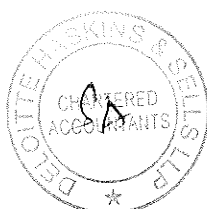
Secured

Term Loans from Banks

	31-Mar-18	31-Mar-17
	1,052,753,173	-
<b>Total</b>	<b>1,052,753,173</b>	<b>-</b>

Note : The above term loans are secured against the pari passu charge on the standard identified receivables of the company.

Name of Bank (Term Loan)	Facility Amount (Rs. in Lakh)	Drawn Amount (Rs. in Lakh)	Floating Interest Rate	Repayment Schedule
Union Bank of India	5,000	2,000	1-Y MCLR + 0.50%	Repayable in 28 Equal Quarterly Installment starting from 28 Feb 2019
State Bank of India	5,000	5,000	1-Y MCLR + 0.70%	Repayable in 28 Equal Quarterly Installment starting from 31 March 2019
Yes Bank	5,000	500	1-Y MCLR	Repayable in 20 Equal Quarterly Installment starting from 31 March 2018
Bank of Maharashtra	7,500	1,000	1-Y MCLR + 0.30%	Repayable in 24 Equal Quarterly Installment starting from 15 May 2019
Andhra Bank	2,500	500	1-Y MCLR + 0.30%	Repayable in 28 Equal Quarterly Installment starting from 28 May 2019
Vijaya Bank	3,000	1,000	1-Y MCLR + 0.20%	Repayable in 28 Equal Quarterly Installment starting from 31 May 2019
United Bank of India	2,500	10	1-Y MCLR + 0.10%	Repayable in 28 Equal Quarterly Installment starting from 31 May 2019
UCO Bank	5,000	1,000	1-Y MCLR + 0.25%	Repayable in 28 Equal Quarterly Installment starting from 31 May 2019



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
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(Amount in Rs.)

**5. Provisions**

	<b>31-Mar-18</b>	<b>31-Mar-17</b>
<b>5.1 Provisions for employee benefits:</b>		
Provision for gratuity (net)	1,307,076	951,576
Provision for compensated absences	2,078,502	220,388
<b>5.2 Other Provisions</b>		
Provision on Standard Assets	6,129,447	255,448
Provision on Non Performing Assets	477,364	-
<b>Total</b>	<b>9,992,389</b>	<b>1,427,412</b>

**6. Trade payables**

	<b>31-Mar-18</b>	<b>31-Mar-17</b>
<b>6.1 Amount due and payable to Micro and Small Enterprises</b>		
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>6.2 Accrued employee benefit expense</b>		
Accrued expenses	9,000,000	1,500,000
Other trade payables	7,379,863	-
	12,012,012	291,101
<b>Total</b>	<b>28,391,875</b>	<b>1,791,101</b>

Note: Based on the intimation received by the Company, there is no amount due and payable to micro and small suppliers registered under the Micro, Small & Medium Enterprises Development Act, 2006 at the end of the year. No Interest has been paid/ is payable by the Company during/ for the year to these "Suppliers".

**7. Other Current Liabilities:**

	<b>31-Mar-18</b>	<b>31-Mar-17</b>
Books Overdraft	447,151,499	31,997,579
Term Loans from Banks with current maturities within 12 months	45,714,286	-
Statutory Dues	8,411,384	542,308
<b>Total</b>	<b>501,277,169</b>	<b>32,539,887</b>

**8. Short Term Provisions**

	<b>31-Mar-18</b>	<b>31-Mar-17</b>
<b>Provisions for employee benefits:</b>		
Provision for compensated absences	469,095	45,049
<b>Other Provisions</b>		
Provision on Standard Assets	161,918	5,775
Provision on Non Performing Assets	11,803	-
Income Tax provision (Net of Advance Tax of Rs. 20,525,775/- (as on 31st March 2017 of Rs. 10,477,192/-))	5,326,852	422,809
<b>Total</b>	<b>5,969,668</b>	<b>473,633</b>



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
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(Amount in Rs.)

**9. Fixed Assets**

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
	As at 01.04.2017	Additions	Disposals	As at 31.03.2018	For the year 01.04.2017	Adjustment on Disposals	As at 31.03.2018	As at 31.03.2017
<b>(a) Tangible Assets</b>								
Computers	1,669,931	15,299,077	-	16,969,008	1,377,515	2,962,389	12,629,104	292,416
Furniture and Fixtures	-	7,253,376	-	7,253,376	-	768,957	6,484,419	-
Office Equipments	13,400	4,949,831	-	4,963,231	438	746,947	4,215,846	12,962
Electric Installation	-	302,300	-	302,300	-	46,643	255,657	-
Motor Vehicles	1,077,338	-	-	1,077,338	91,270	299,516	686,552	986,068
<b>Current Year</b>	2,760,669	27,804,584	-	30,565,253	1,469,223	4,824,452	24,271,578	1,291,446
Previous Year	28,687,450	1,327,628	27,254,409	2,760,669	25,622,083	935,867	1,291,446	3,065,366
<b>(b) Intangible Assets</b>								
Software	581,150	1,646,512	-	2,227,662	151,761	400,376	1,675,525	429,389
<b>Current Year</b>	581,150	1,646,512	-	2,227,662	151,761	400,376	1,675,525	429,389
Previous Year	-	581,150	-	581,150	-	151,761	429,389	-
<b>Total of Current Year</b>	3,341,819	29,451,096	-	32,792,915	1,620,984	5,224,828	25,947,103	1,720,835
Total of Previous Year	28,687,450	1,908,778	27,254,409	3,341,819	25,622,083	1,087,628	1,720,835	3,065,366



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

(Amount in Rs.)

**10. Investments**

	Non-Current		Current	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
<b>10.1 Non-Trade Investments, Quoted</b>				
<b>Investment in Equity Shares:</b>				
Nil (31st March 2017 : 1,55,000) Equity Shares of Rs. 10/- each of Credit Analysis & Research Limited	-	113,122,230	-	-
	-	113,122,230	-	-
<b>10.2 Non-trade Investments, Unquoted</b>				
<b>Investment in Mutual Funds</b>				
Nil units (31st March 2017:6676.290) ICICI PRU MF Money Market DG Investment	-	-	-	1,501,326
Nil units (31st March 2017:12482.260) ICICI PRU Liquid Fund DG Investment	-	-	-	3,000,000
	-	-	-	4,501,326
<b>10.3 Other Non-Current Investments</b>				
Investment in Immovable Property	10,973,681	10,973,681	-	-
	10,973,681	10,973,681	-	-
<b>Total</b>	<b>10,973,681</b>	<b>124,095,911</b>	<b>-</b>	<b>4,501,326</b>
Aggregate Book Value of Quoted Investment (Equity Shares)	-	113,122,230	-	-
Aggregate Market Value of Quoted Investment (Equity Shares)	-	262,368,500	-	-
<b>Aggregate Book Value of Unquoted Investment</b>				
In Mutual Fund	-	-	-	4,501,326
In Immovable Property	10,973,681	10,973,681	-	-

**11. Deferred Tax Assets/(Liabilities) Net**

(Disclosure as per AS - 22, Accounting for Taxes on Income)

**Timing Difference on account of:**

Excess of WDV of assets as per Income Tax over Book value of the Assets	(13,772)	46,290
Carry Forward of Losses	2,909,109	14,659,399
Provision for Leave encashment	425,620	87,761
Provision for Standard assets	1,974,491	-
<b>Deferred Tax Assets/(Liabilities) Net</b>	<b>5,295,448</b>	<b>14,793,450</b>

**12. Loans And Advances - Financing Activity-Secured Unless Otherwise Stated**

**(a) Housing Loans**

	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
(i) Considered good	2,275,229,698	58,750,770	47,818,640	1,058,133
(ii) Considered doubtful	3,182,429	-	57,501	-
<b>Total (a)</b>	<b>2,278,412,127</b>	<b>58,750,770</b>	<b>47,876,141</b>	<b>1,058,133</b>

**(b) Non Housing Loans**

(i) Considered good	92,018,764	5,111,291	2,488,297	92,057
(ii) Considered doubtful	-	-	-	-
<b>Total (b)</b>	<b>92,018,764</b>	<b>5,111,291</b>	<b>2,488,297</b>	<b>92,057</b>

<b>Total (a+b)</b>	<b>2,370,430,891</b>	<b>63,862,061</b>	<b>50,364,438</b>	<b>1,150,190</b>
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**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

(Amount in Rs.)

**13. Loans And Advances - Others**

	Non-Current		Current	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Capital Advance	-	-	1,419,336	-
Security Deposit	7,543,875	395,000	326,500	-
Income Tax Deposits (Net of provision for taxation of Rs. 1,811,502/- (as on 31st March 2017 of Rs. 7,609,202/-))	6,471,490	6,610,154	-	-
Loans to Employees	139,579	-	162,504	-
MAT Entitlement (A.Y. 2018-19)	25,852,627	-	-	-
Prepaid Expenses	528,950	7,554	3,215,524	70,440
Other Advances	-	-	1,256,125	60,000
<b>Total</b>	<b>40,536,521</b>	<b>7,012,708</b>	<b>6,379,989</b>	<b>130,440</b>

**14. Other Assets**

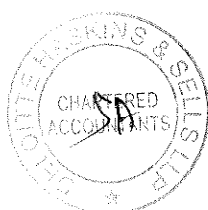
	Non-Current		Current	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Interest earned but not due	-	-	10,770,947	234,785
Fixed Deposits with maturity of more than 12 months	-	72,767,086	-	-
Fixed Deposits with maturity of less than 12 months	-	-	90,502,534	153,862,984
Interest Accrued on Fixed Deposits	-	1,553,174	6,502,249	5,909,245
GST Receivable	-	-	2,624,911	-
Service Tax Receivable	-	-	-	725,320
<b>Total</b>	<b>-</b>	<b>74,320,260</b>	<b>110,400,641</b>	<b>160,732,334</b>

**15. Trade receivable**

	31-Mar-18	31-Mar-17
Outstanding for period exceeding six months from the due date of payment	-	-
Outstanding for period less than six months	4,594,526	1,038,587
<b>Total</b>	<b>4,594,526</b>	<b>1,038,587</b>

**16. Cash and Bank Balances**

	31-Mar-18	31-Mar-17
Cash and Cash equivalents		
Cash in hand	81,072	-
Balance with banks:		
In Current Accounts	3,452,603	6,685,022
<b>Total</b>	<b>3,533,675</b>	<b>6,685,022</b>



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

(Amount in Rs.)

**17. Revenue from Operations**

Interest Income on loans  
Income from financing activities (Refer note below)

	31-Mar-18	31-Mar-17
	94,571,258	719,980
	63,918,145	1,932,904
<b>Total</b>	<b>158,489,403</b>	<b>2,652,884</b>

Note: Income from financing activities includes loan processing fees & other financial charges

**18. Other Income**

Interest Income on Bank Deposits  
Interest on Income Tax Refund  
Advertisement Income  
Profit on Sale of Short Term Investments  
Other Income

	31-Mar-18	31-Mar-17
	12,319,616	21,544,412
	-	1,393,491
	33,689,000	357,000
	8,276,985	-
	14,689	134,226
<b>Total</b>	<b>54,300,290</b>	<b>23,429,129</b>

**19. Employee Benefit Expenses**

Salaries, Wages and Bonus  
Contribution to Provident Fund(Employers)  
Employee Stock Option (ESOP) Expense (Refer note 27)  
Gratuity Expenses  
Staff Welfare Expenses

	31-Mar-18	31-Mar-17
	98,789,705	14,242,930
	1,336,175	66,087
	855,989	-
	442,568	327,911
	4,797,277	68,413
<b>Total</b>	<b>106,221,714</b>	<b>14,705,341</b>

**20. Finance Costs**

Interest on Bank Overdraft  
Interest on Term Loan  
Loan Processing Fees

	31-Mar-18	31-Mar-17
	240,403	236,265
	14,878,859	-
	13,488,751	-
<b>Total</b>	<b>28,608,013</b>	<b>236,265</b>

**21. Depreciation and Amortization Expenses**

Depreciation on Tangible Assets  
Amortization of Intangible Assets

	31-Mar-18	31-Mar-17
	4,824,452	935,867
	400,376	151,762
<b>Total</b>	<b>5,224,828</b>	<b>1,087,629</b>

**22. Loan Provisions**

Bad Debts Written Off  
Provision for standard assets  
Provision for non performing Assets

	31-Mar-18	31-Mar-17
	47,970	-
	6,030,142	261,223
	489,167	-
<b>Total</b>	<b>6,567,279</b>	<b>261,223</b>



(Amount in Rs.)

	31-Mar-18	31-Mar-17
Profit on Sale of Long Term Investments	134,677,772	3,893,402
Dividend Income on Investments	-	4,480,000
<b>Total</b>	<b>134,677,772</b>	<b>8,373,402</b>





**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended on 31st March, 2018**

**25. Gratuity and other post employment benefit plans (AS - 15)**

The Company has funded defined benefit obligation plan for gratuity under the Group Gratuity scheme of Life Insurance Corporation of India (LIC) and HDFC Standard Life Insurance Company (HDFC Life). The company has created plan assets by contributing to the Gratuity Fund with LIC and HDFC Life.

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of profit and loss, and the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

**A) Principal actuarial assumptions as at the balance sheet date:**

	<b>2017-18</b>	<b>2016-17</b>
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Discount Rate	7.80%	7.22%
Salary Escalation	5.00%	5.00%
Employee Attrition Rate	10.00%	10.00%

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

	<b>2017-18</b>	<b>2016-17</b>
Liability at the beginning of the Year	990,044	356,342
Interest Cost	71,481	28,329
Current Service Cost	449,522	52,385
Liability transferred in/Acquisitions	958,098	676,476
Liability transferred out/Divestments	(45,163)	-
Benefits paid from the Fund	-	(397,212)
Actuarial (Gain)/Loss on Obligations - Due to Change in Demographic Assumptions	-	36,973
Actuarial (Gain)/Loss on Obligations - Due to Change in Financial Assumptions	(111,619)	54,300
Actuarial (Gain)/Loss on Obligations - Due to Experience	66,091	182,451
<b>Liability at the end of the Year</b>	<b>2,378,454</b>	<b>990,044</b>

**C) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Investments with LIC	38,468	409,153
Expected return on plan assets	2,777	32,528
Contributions with HDFC Life	1,000,000	-
Benefits Paid	-	(397,212)
Actuarial (Gain)/Loss on Plan Assets - Due to Experience	30,133	(6,001)
Fair value of plan assets at the end of the year	1,071,378	38,468

**D) Amount Recognized in Balance Sheet**  
**Provision for Gratuity**

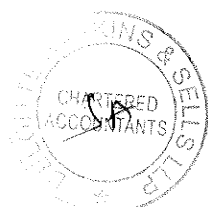
	<b>2017-18</b>	<b>2016-17</b>
Liability at the end of the Year	2,378,454	990,044
Fair Value of plan assets at the end of the year	1,071,378	38,468
Difference	(1,307,076)	(951,576)
<b>Amount in Balance Sheet</b>	<b>(1,307,076)</b>	<b>(951,576)</b>

**E) Statement of Profit and Loss**  
**Net Employee Benefit Expenses (recognised in employee cost)**

	<b>2017-18</b>	<b>2016-17</b>
Current Service Cost	449,522	52,385
Interest on defined benefit obligation	71,481	28,329
Expected returns on plan assets	(2,777)	(32,528)
Net actuarial losses/(gains) recognised in the year	(75,661)	279,725
<b>Total included in employee benefit expense</b>	<b>442,565</b>	<b>327,911</b>

**F) Experience Adjustment**

	<b>2017-18</b>	<b>2016-17</b>
Actuarial (Gain) /Losses on Obligations - Due to Experience	133,831	-
Actuarial Gain /(Losses) on Plan Assets - Due to Experience	-	-



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
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**Notes to Financial Statements for the year ended on 31st March, 2018**

**26. Leave Encashment:**

**A) Actuarial assumptions as at the balance sheet date:**

	<b>2017-18</b>	<b>2016-17</b>
	Indian Assured Life Mortality (2006-08)	Indian Assured Life Mortality (2006-08)
Mortality		
Mortality Rate After Employment	N.A.	N.A.
Discount Rate	7.80%	7.22%
Salary Escalation	5.00%	5.00%
Employee Attrition Rate	10.00%	10.00%
Expected Return on Plan Assets	N.A.	N.A.

**B) Changes in the present value of the Projected Benefit Obligation are as follows:**

**(Amount in Rs.)**

	<b>2017-18</b>	<b>2016-17</b>
Liability at the beginning of the Year	265,437.00	-
Interest Cost	19,165.00	-
Current Service Cost	280,967	13,236
Past Service Cost (Vested Benefit)	1,374,307	-
Liability Transferred In/Acquisitions	1,148,885	252,201
Liability Transferred Out/Divestments	(328,331)	-
Benefits paid	(262,081)	-
Actuarial (Gain)/Loss on Obligations - Due to change in Financial Assumptions	(84,583)	-
Actuarial (Gain)/Loss on Obligations - Due to Experience	133,831	-
<b>Liability at the end of the Year</b>	<b>2,547,597</b>	<b>265,437</b>

**C) Amount Recognized in Balance Sheet**  
**Provision for Leave Encashment**

	<b>2017-18</b>	<b>2016-17</b>
Present Value of Benefit Obligation at the end of the Year	(2,547,597)	(265,437)
<b>Amount in Balance Sheet</b>	<b>(2,547,597)</b>	<b>(265,437)</b>

**D) Statement of Profit and Loss**

**Net Employee Benefit Expenses (recognised in employee cost)**

	<b>2017-18</b>	<b>2016-17</b>
Current Service Cost	280,967	13,236
Net Interest Cost	19,165	-
Past Service Cost	1,374,307	-
Actuarial (gain)/losses	49,248	-
<b>Total included in employee benefit expense</b>	<b>1,723,687</b>	<b>13,236</b>

**F) Experience Adjustment**

	<b>2017-18</b>	<b>2016-17</b>
Actuarial (Gain) /Losses on Obligations - Due to Experience	66,091	182,451
Actuarial Gain /(Losses) on Plan Assets - Due to Experience	30,133	(6,001)



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended on 31 March, 2018**

**27. Employee Stock Option Plan**

The Company has granted 5,00,000 Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2017 (ESOP 2017) to an employee spread over a period of 5 years. The said ESOPs will start its vesting period from August 3, 2019. The details of which are as follows:

Financial Year in which options will vest	ESOPs equivalent to number of equity shares of face value of Rs 10/- each
2019-20	150,000
2020-21	150,000
2021-22	200,000

**28. Segment Information (AS - 17)**

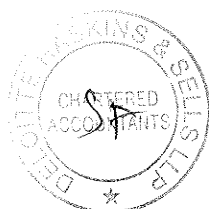
**Primary Segment (Business Segment)**

The Company's reportable segments consist of Financing Activity and others, and one geographic segment viz. India. Financing activity consist of Housing Finance and Term Loan. Others primarily includes Treasury activities and Investment management.

**Secondary Segment (Geographical Segment)**

The Company operates only in domestic markets. As a result separate segment information for different geographical segments is not disclosed.

(Amount in Rs.)		
Particular	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
<b>Segment Revenue</b>		
-Financing Activity	212,789,693	26,082,013
-Other Activity	134,677,772	8,373,402
<b>Total</b>	<b>347,467,465</b>	<b>34,455,415</b>
<b>Segment Results</b>		
-Financing Activity	(20,074,838)	2,571,732
-Other Activity	134,677,772	8,373,402
<b>Total</b>	<b>114,602,934</b>	<b>10,945,134</b>
<b>Unallocable Expenses</b>	-	-
<b>Profit before Tax</b>	<b>114,602,934</b>	<b>10,945,134</b>
<b>Segment Assets</b>		
-Financing Activity	2,623,161,464	332,127,444
-Other Activity	-	113,122,230
-Unallocated	5,295,448	14,793,450
<b>Total Assets</b>	<b>2,628,456,912</b>	<b>460,043,124</b>
<b>Segment Liabilities</b>		
-Financing Activity	1,598,384,274	36,232,032
-Other Activity	-	-
-Unallocated	-	-
<b>Total Liabilities</b>	<b>1,598,384,274</b>	<b>36,232,032</b>
<b>Capital Employed</b>		
-Financing Activity	1,030,072,638	310,688,862
-Other Activity	-	113,122,230



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended on 31 March, 2018**

**29. Related Party Disclosures (AS - 18)**

**Name of related parties and related party relationship:**

a) Related parties where control exists:

Capri Global Capital Limited (Holding Company)

b) Key Management Personnel :

Kaushik Chatterjee

Trusha Dand

Director (from 1st February 2018)

Company Secretary (upto 8th March, 2018)

c) Fellow Subsidiary Companies :

Capri Global Resources Private Limited

Capri Global Asset Reconstruction Private Limited

Capri Global Capital (Mauritius) Limited

d) Related parties with whom transactions have taken place during the year

(Amount in Rs.)

Nature of Transactions	Holding Company	Key Management Personnel	Fellow Subsidiary Companies	Total
<b>1) Statement of Profit &amp; loss Items:</b>				
<b>i Incomes</b>				
a) Sale of Scrap	250 (-)	- (-)	- (-)	250 (-)
<b>ii Expenses</b>				
a) Service Fee	12,775,480 (325062)	- (-)	- (-)	12,775,480 (325062)
b) Salaries, Commission and Other benefits				
Trusha Dand	- (-)	1,153,667 (727,795)	- (-)	1,153,667 (727,795)
<b>2) Balance Sheet Items:</b>				
<b>i Recoverable amount</b>				
a) Expenses incurred on behalf of	1,733,486 (958,477)	- (-)	- (-)	1,733,486 (958,477)
b) Reimbursement of Expenses	- (26,630)	- (-)	- (-)	- (26,630)
<b>3) Balance Sheet Items (Closing Balances):</b>				
Amount Receivable	1,733,486 (928,677)	- (-)	- (-)	1,733,486 (928,677)

(Figures in bracket represent previous year's figures)

Note : Related Parties are as disclosed by the Management and relied upon by the Auditors.

**30. Leases (AS - 19)**

Operating Leases:

The company has taken office premises under operating lease and the leases are of cancellable/ non-cancellable in nature. The lease arrangement are normally renewable on expiry of the lease period at the option of the lessor/ lessee ranging from 3 to 5 years. Some of the lease agreements are having lock in period of eleven months to forty eight months which are non-cancellable during that period. After the expiry of the lock in period, the lease agreement becomes cancellable in nature at the option of the lessor or the lessee by giving 1-3 months notice to the either party. There are no restrictions imposed by the lease agreement. There is no contingent rent in the lease agreement. There is escalation clause in some lease agreements. The future minimum lease payments in respect of the non cancellable lease are as follows :

(Amount in Rs.)

Particulars	2017-2018	2016-2017
a) Payable not later than one year	14,595,972	3,060,045
b) Payable later than one year and not later than five years	43,991,399	5,068,098
c) Payable later than five years	2,741,839	-

The lease payments recognized in the Statement of Profit & Loss in respect of non-cancellable lease for the year are Rs.97,89,067/- (31st March 2017: Rs. Rs.2,75,682/-).

The lease payments recognized in the Statement of Profit & Loss in respect of cancellable lease for the year are Rs.45,93,792/- (31st March 2017: Rs.2,99,196/-).



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**Notes to Financial Statements for the year ended on 31 March, 2018**

31. In accordance with Accounting Standard - 20 Earnings per Share, the computation of earnings per share is set out below:

Particulars			For Year Ended March 31, 2018	For Year Ended March 31, 2017
Net Profit after tax as per Statement of Profit and Loss	( A )	Rs.	105,405,636	8,533,973
Weighted average number of equity shares for calculating Basic EPS	( B )	Nos.	31,947,161	25,000,000
Weighted average number of equity shares for calculating Diluted EPS	( C )	Nos.	32,270,513	25,000,000
Basic earnings per equity share (in Rupees) (Face value of Rs. 10/- per share)	(A)/(B)	Rs.	3.30	0.34
Diluted earnings per equity share (in Rupees) (Face value of Rs. 10/- per share)	(A)/(C)	Rs.	3.27	0.34

Particulars			For Year Ended March 31, 2018	For Year Ended March 31, 2017
Weighted average number of equity shares for calculating EPS		Nos.	31,947,161	25,000,000
Add : Equity shares for no consideration arising on grant of stock options under ESOP		Nos.	323,352	-
Weighted average number of equity shares in calculation of diluted EPS		Nos.	32,270,513	25,000,000

32. The Company believes that no impairment of assets arises during the year as per the recommendations of Accounting Standard - 28 "Impairment of Assets".

**33. Contingent Liability**

There is no contingent liability as on the Balance Sheet date.

**34. Capital and other commitments**

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil /- (31st March, 2017 Rs. 4,00,000/-)
- b) Other Commitments  
Pending disbursements of Sanctioned Loans : Rs. 75,16,16,661 (31st March 2017 Rs. 23,59,742)

**35. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished.

36. In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

37. The requirement of Provision for Corporate Social Responsibility is not applicable to the Company as per section 135 of Companies Act, 2013.



**CAPRI GLOBAL HOUSING FINANCE LIMITED****(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)****Notes to Financial Statements for the Year ended on 31st March, 2018**

**38 Disclosures have been given in terms of notification no. NHB.HFC.CG-DIR.1/MD & CEO/2016 dated February 9, 2017 issued by the National Housing Bank.**

**38.1 Capital To Risk Assets Ratio (CRAR):**

Particulars	[Amount in Rs.]	
	Current Year	Previous Year
(i) CRAR (%)	69.52	215.18
(ii) CRAR – Tier I Capital (%)	69.09	215.04
(iii) CRAR – Tier II Capital (%)	0.43	0.14
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

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

Particulars	[Amount in Rs.]	
	Current Year	Previous Year
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	7,000,000	5,000,000
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	7,000,000	5,000,000
Addition / Appropriation / Withdrawal during the year		
Add:	21,100,000	2,000,000
a) Amount transferred u/s 29C of the NHB Act, 1987		
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
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	28,100,000	7,000,000
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	28,100,000	7,000,000



**CAPRI GLOBAL HOUSING FINANCE LIMITED****(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)****Notes to Financial Statements for the Year ended on 31st March, 2018****38.3 Investments**

			[Amount in Rs.]	
Particulars			Current Year	Previous Year
(1)	Value of Investments			
	(i)	Gross Value of Investments		
	(a)	In India	10,973,681	128,597,237
	(b)	Outside India,	Nil	Nil
	(ii)	Provisions for Depreciation		
	(a)	In India	Nil	Nil
	(b)	Outside India,	Nil	Nil
	(iii)	Net Value of Investments		
	(a)	In India	10,973,681	128,597,237
	(b)	Outside India.	Nil	Nil
(2)	Movement of provisions held towards depreciation on investments.			
	(i)	Opening balance	Nil	Nil
	(ii)	Add: Provisions made during the year	Nil	Nil
	(iii)	Less: Write-off/ write-back of excess provisions during the year	Nil	Nil
	(iv)	Closing balance	Nil	Nil

**38.4 Derivatives**

The company has not entered into any derivatives transactions.

**38.5 Disclosures relating to Securitisation**

There are no securitization/ Assignment transactions during the year ended 31<sup>st</sup> March, 2018. Hence, the related disclosures are not applicable.



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
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**Notes to Financial Statements for the Year ended on 31st March, 2018**

**38.6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)**

Current Year [Amount in Rs.]											
Particulars	Upto 30/31 Days (1 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 & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 Years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	-	-	2,500,000	2,500,000	40,714,286	642,397,748	213,926,856	142,857,144	53,571,425	-	1,098,467,459
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	13,479,921	6,886,334	3,621,313	11,961,608	27,587,433	122,600,332	152,785,891	889,583,042	245,948,834	985,628,414	2,460,083,122
Investments	-	-	-	-	10,973,681	-	-	-	-	-	10,973,681
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Previous Year [Amount in Rs.]											
Particulars	Upto 30/31 Days (1 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 & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 Years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	-	-	-	-	-	-	-	-	-	-	-
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	279,673	104,031	81,754	274,394	645,123	2,846,634	3,684,821	4,723,088	9,743,796	42,863,722	65,247,036
Investments	4,501,326	-	-	113,122,230	-	10,973,681	-	-	-	-	128,597,237
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-





**CAPRI GLOBAL HOUSING FINANCE LIMITED**

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**Notes to Financial Statements for the Year ended on 31st March, 2018**

**38.7 Exposure**

**Exposure to Real Estate Sector**

		[Amount in Rs.]	
Category		Current Year	Previous Year
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 may be shown separately)		
	Loans <= 15 Lakhs	1,394,900,955	20,803,686
	Loans > 15 Lakhs	1,055,213,606	44,208,565
(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.	Nil	Nil
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a) Residential	Nil	Nil
	b) Commercial Real Estate	Nil	Nil
	<b>Indirect Exposure</b>		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	Nil	Nil

**Exposure to Capital Market**

		[Amount in Rs.]	
Particulars		Current Year	Previous Year
(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	Nil	117,623,556
(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	Nil	Nil
(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	Nil	Nil
(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	Nil	Nil



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

(v)	secured and unsecured advances to stock brokers and guarantees issued on behalf of stockbrokers and market makers	Nil	Nil
(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	Nil	Nil
(vii)	bridge loans to companies against expected equity flows / issues	Nil	Nil
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
<b>Total Exposure to Capital Market</b>		Nil	117,623,556

**38.8 Details of financing of parent company products**

These details are not applicable to company since the company is not financing any parent company products.

**38.9 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL)exceeded by the HFC**

These details are not applicable to company since the company has not exceeded the SGL / GBL limit.

**38.10 Unsecured Advances**

The exposure to unsecured advances is Rs. Nil (Previous year Rs. Nil)

**38.11 Miscellaneous**

**a) No registration obtained from other financial sector regulators**

**b) No penalties imposed by NHB and other regulators during the year**

**c) Related party Transactions**

Details of all material transactions with related parties are disclosed in Note no. 29

**d) Rating assigned by Credit Rating Agencies and migration of rating during the year**

Sr. No.	Instrument	Rating assigned	Agency
1	Long Term Bank Facilities	CARE A- Stable	CARE Ratings

CARE A- Stable (Assigned by CARE Ratings) further during the year there has been no migration of rating.

**e) Revenue Recognition**

There have been no instances in which revenue recognition has been postponed pending resolution of significant uncertainties.



**CAPRI GLOBAL HOUSING FINANCE LIMITED**

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**Notes to Financial Statements for the Year ended on 31st March, 2018**

**38.12 Additional Disclosures**

**38.12.1 Provisions and Contingencies**

[Amount in Rs.]		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	Current Year	Previous Year
Provisions for depreciation on Investment	Nil	Nil
Provision made towards Income tax	9,197,298	2,411,161
Provision towards NPA	489,167	Nil
Provision for Standard Assets (with details like teaser loan, CRE, CRE-EH etc.)	6,030,142	261,223
Other Provision and Contingencies includes:		
Provision for depreciation on fixed assets	5,224,828	1,087,628
Provision for gratuity	442,568	327,911
Provision for leave encashment	1,461,606	13,236

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	Current Year	Previous Year	Current Year	Previous Year
<b>Standard Assets</b>				
a) Total Outstanding Amount	2,365,374,603	60,024,897	94,708,519	5,222,139
b) Provisions made	5,912,531	240,316	378,834	20,907
<b>Sub-Standard Assets</b>				
a) Total Outstanding Amount	3,261,111	Nil	Nil	Nil
b) Provisions made	489,167	Nil	Nil	Nil
<b>Doubtful Assets – Category-I</b>				
a) Total Outstanding Amount	Nil	Nil	Nil	Nil
b) Provisions made	Nil	Nil	Nil	Nil
<b>Doubtful Assets – Category-II</b>				
a) Total Outstanding Amount	Nil	Nil	Nil	Nil
b) Provisions made	Nil	Nil	Nil	Nil
<b>Doubtful Assets – Category-III</b>				
a) Total Outstanding Amount	Nil	Nil	Nil	Nil
b) Provisions made	Nil	Nil	Nil	Nil
<b>Loss Assets</b>				
a) Total Outstanding Amount	Nil	Nil	Nil	Nil
b) Provisions made	Nil	Nil	Nil	Nil
<b>TOTAL</b>				
a) Total Outstanding Amount	2,368,635,714	60,024,897	94,708,519	5,222,139
b) Provisions made	6,401,698	240,316	378,834	20,907



**CAPRI GLOBAL HOUSING FINANCE LIMITED****(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)****Notes to Financial Statements for the Year ended on 31st March, 2018****38.12.2 Draw Down from Reserves**

The Company has not made any draw down from reserves during the previous year.

**38.12.3 Concentration of Public Deposits, Advances, Exposures and NPAs****Concentration of Public Deposits**

The disclosure of the concentration of deposits taken is not applicable as the company carries on the business of a housing finance institution without accepting public deposits.

**Concentration of Loan and Advances**

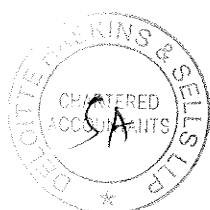
[Amount in Rs.]			
		Current Year	Previous Year
	Total Loans and Advances to twenty largest borrowers	94,275,771	44,576,139
	Percentage of Loans and Advances to twenty largest borrowers to Total Advances of the Company	3.83%	68.32%

**Concentration of Exposures**

[Amount in Rs.]			
		Current Year	Previous Year
	Total Exposure to twenty largest borrowers/customers	94,462,370	45,172,011
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	2.94%	66.76%

**Concentration of NPAs**

[Amount in Rs.]		
	Current Year	Previous Year
Total Exposure to top ten NPA accounts (Gross)	3,261,111	Nil



**CAPRI GLOBAL HOUSING FINANCE LIMITED****(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)****Notes to Financial Statements for the Year ended on 31st March, 2018****Sector-wise NPAs**

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
<b>A.</b>	<b>Housing Loans:</b>	
1.	Individuals	0.13%
2.	Builders/Project Loans	Nil
3.	Corporates	Nil
4.	Others	Nil
<b>B.</b>	<b>Non-Housing Loans:</b>	
1.	Individuals	Nil
2.	Builders/Project Loans	Nil
3.	Corporates	Nil
4.	Others	Nil

**Movement of NPAs**

[Amount in Rs.]			
Particulars		Current Year	Previous Year
(i)	Net NPAs to Net Advances (%)	0.11%	Nil
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	Nil	Nil
	(b) Additions during the year	3,261,111	Nil
	(c) Reductions during the year	Nil	Nil
	(d) Closing balance	3,261,111	Nil
(iii)	Movement of Net NPAs		
	(a) Opening balance	Nil	Nil
	(b) Additions during the year	2,771,944	Nil
	(c) Reductions during the year	Nil	Nil
	(d) Closing balance	2,771,944	Nil
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	Nil	Nil
	(b) Provisions made during the year	489,167	Nil
	(c) Write-off / write-back of excess provisions	Nil	Nil
	(d) Closing balance	489,167	Nil



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the Year ended on 31st March, 2018**

**38.12.4 Overseas Assets**

The company does not have any overseas assets.

**38.12.5 Off-balance Sheet SPVs sponsored**

The company has not sponsored any SPVs. Accordingly, the disclosure is not applicable.

**38.12.6 Disclosure of Complaints**

**Customer Complaints**

	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	1	Nil
(c)	No. of complaints redressed during the year	1	Nil
(d)	No. of complaint spending at the end of the year	Nil	Nil



**CAPRI GLOBAL HOUSING FINANCE LIMITED**  
**(FORMERLY KNOWN AS CAPRI GLOBAL HOUSING FINANCE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended on 31 March, 2018**

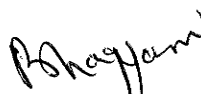
39. a) Figures are rounded off to nearest rupee.

b) Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

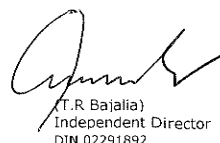
**For and on behalf of the Board of Directors**



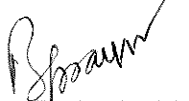
(Rajesh Sharma)  
Director  
DIN 00020037



(Bhagyam Ramani)  
Independent Director  
DIN 00107097



(T.R. Bajalia)  
Independent Director  
DIN 02291892



(Beni Prasad Rauka)  
Independent Director  
DIN 00295213



(Kausmik Shatterjee)  
Director  
DIN 07779158



(Kajal Sakheria)  
Company Secretary

Mumbai  
Date: May 25, 2018

