

HUMANA FINANCIAL SERVICES PRIVATE LIMITED

**YEAR ENDED MARCH 31, 2018
ASSESSMENT YEAR 2018-19**

AUDITED FINANCIAL STATEMENTS

**Auditors: N S B & ASSOCIATES.
Chartered Accountants,
nsb@icai.org,
Tel: 011-43686055, Mob.91-9899407675**



INDEPENDENT AUDITOR'S REPORT

To the Members of
HUMANA FINANCIAL SERVICES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **HUMANA FINANCIAL SERVICES PRIVATE LIMITED ("the Company")** which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone 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 standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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,

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, the Cash Flow Statement for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we are giving in the annexure a statement on the matters specified in paragraph 3 and 4 of the order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, 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 standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies



(Accounts) Rules, 2014;

- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: New Delhi
Dated: June 14, 2018

For N S B AND Associates
Chartered Accountants
Firm Registration No. 023043N



A handwritten signature in blue ink, appearing to read "Nandan Singh Bisht".

Nandan Singh Bisht
Partner
Membership No 099805

“Annexure A” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Humana Financial Services Private Limited

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

We have audited the internal financial controls over financial reporting of Humana Financial Services Private Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Place: New Delhi
Dated: June 14, 2018

For N S B AND Associates
Chartered Accountants
Firm Registration No. 023043N




Nandan Singh Bisht
Partner
Membership No 099805



Annexure to the Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of HUMANA FINANCIAL SERVICES PRIVATE LIMITED on the accounts of the company for the year ended March 31, 2018]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - There was no disposal of a substantial part of fixed assets during the year.

- (ii) In respect of its inventory:
- The company's business does not involve inventories and, accordingly, the requirement therefore sub-clauses (a), (b), & (c) of the order are not applicable to the company.

- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act, 2013:

According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable and hence not commented upon

In our opinion and according to the information and explanation given to us, the company has not granted any loans, Secured or unsecured to companies, firm or other parties covered in the registered maintained under section 301 of the Act and therefore paragraph 3(iv) of order is not applicable hence not commented upon.

- (iv) In our opinion and according to the information and explanation given to us by the company, the company has not accepted any deposits from the public and so the directions issued by the Reserve Bank of India and the provisions of the Act and rules framed there under are not applicable. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- (v) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.



- (vi) In respect of statutory dues:
- a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Investor Education and Protection Fund, Income-tax, Tax Collected at Source, Professional Tax, Sales Tax, Value Added Tax (VAT), Service Tax, GST, Wealth Tax, EPF, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
 - b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Sales Tax, VAT, EPF, Service Tax, GST Cess and other material statutory dues in arrears outstanding as at 31 March, 2018 for a period of more than six months from the date they became payable.
 - c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise as at 31st March, 2018, the Company has been registered for less than 5 years; hence, clause 3(vii)(c) of the Order is not applicable to it.
- (vii) In our opinion and according to the information and explanation given to us by the company, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (viii) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) .
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (x) According to the information and explanations given to us, during the year the company has paid managerial remuneration amounting to Rs.NIL/- which is in accordance with the requisite approvals mandated by the provision of section 197 read with schedule 5 to the Companies act 2013.
- (xi) The company is not a Nidhi Company and hence clause XII of the report is not applicable over it.
- (xii) According to the information and explanations given to us by the company, it has disclosed all the related party transactions in the financial statements.



- (xiii) According to the information and explanations given to us by the company there have been no preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xiv) According to the information and explanations given to us by the company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xv) The Company has obtained a certificate of registration as a Non-Banking Financial Company vide Certificate (NBFC-MFI) N-14.03370 dated August 04, 2017 pursuant to Sec 45IA of the Reserve Bank of India Act, 1934 (2 of 1934).

For N S B & ASSOCIATES
Chartered Accountants
ICAI Firm's Registration No. 023043N



Nandan Singh Bisht
Partner
Membership No.: 099805



Place: New Delhi
Date: June 14, 2018

Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Balance Sheet as at	Notes	31-Mar-18	31-Mar-17
Equity and liabilities			
Shareholder's funds			
Share capital	3	51,000,000	51,000,000
Reserves and surplus	4	3,145,402	1,367,304
Current liabilities			
Other current liabilities	5	1,133,118	1,431,330
Short-term provisions	6	743,444	-
TOTAL		56,021,964	53,798,634
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	156,965	-
Deferred Tax Assets		538	-
Current assets			
Cash and cash equivalents	10	42,669,709	51,000,000
Short-term loans and advances	8	9,094,985	-
Other current assets	9	4,099,767	2,798,634
TOTAL		56,021,964	53,798,634

Summary of significant accounting policies 1E
 The accompanying notes are an integral part of the financial statement

As per our report of even date

For N S B & ASSOCIATES

Chartered Accountants

FRN: 023043N

Nand Singh Bisht
 Nandan Singh Bisht

Partner

Membership No. 099805

Place: New Delhi

Date: *June 14, 2018*



For and on behalf of the Board of Directors of Humana Financial Services Private Limited

Kailash

Kailash Khandelwal
 Managing Director
 DIN. 03617258

Snorre Westgaard

Snorre Westgaard
 Director
 DIN. 02859761

Harsh

Harsh Ranjan
 Company Secretary
 ACS: 35889



(Amount in Rupees unless otherwise stated)

Statement of profit and loss for the year e	Notes	31-Mar-18	31-Mar-17
Income			
Revenue from operations	11	433,162	-
Other income	12	3,655,747	2,183,266
Total revenue (I)		4,088,909	2,183,266
Expenses			
Finance costs	13	2,578	-
Employee benefit expense	14	867,785	-
Other expenses	15	669,548	233,592
Depreciation and amortisation expenses	7	27,994	-
Provision on Loan Portfolio		81,444	-
Total expenses (II)		1,649,349	233,592
Profit / (Loss) Before prior period adjustments & tax		2,439,559	1,949,674
Prior period adjustments			
		-	-
Profit before tax (III) = (I)-(II)		2,439,559	1,949,674
Tax expense			
Current tax		662,000	582,370
Deferred tax		(538)	-
Total tax expense (IV)		661,462	582,370
Profit/(loss) after tax (III)-(IV)		1,778,098	1,367,304
APPROPRIATION			
Profit brought forward from the previous years			
Available for appropriation		1,778,098	1,367,304
Transfer to:			
Statutory reserve		355,620	-
General reserve		-	-
Balance carried to balance sheet		1,422,478	1,367,304
Earnings per equity share			
[Nominal value of share Rs.10 (March 31, 2016: Rs.10)]			
<i>Basic (Computed on the basis of total profit for the year)</i>		<i>0.35</i>	<i>0.27</i>
<i>Diluted (Computed on the basis of total profit for the year)</i>		<i>0.35</i>	<i>0.27</i>

Summary of significant accounting Policies

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The accompanying notes are an integral part of the financial statement


As per our report of even date

For N S B & ASSOCIATES
Chartered Accountants

FIRN : 023043N


Sandan Singh Bisht
Partner
Membership No. 099805
Place: New Delhi

Date: June 14, 2018

For and on behalf of the Board of Directors of Humana
Financial Services Private Limited

Kailash Khandelwal
Managing Director
DIN: 03617258


Snorre Westgaard
Director
DIN: 02859761


Harsh Ranjan
Company Secretary
ACS: 35889


(Amount in Rupees unless otherwise stated)

Cash flow statement for the year ended	31-Mar-18	31-Mar-17
Cash flow from operating activities		
Profit before tax	2,439,559	1,949,674
Non-cash adjustment to reconcile loss before tax to net cash flows		
Depreciation and amortization	27,994	-
Contingent provision against standard assets	81,444	-
Previous year adjustment in reserves and surplus	-	-
Operating profit before working capital changes	2,548,997	1,949,674
Movements in working capital :		
Increase / (decrease) in other current liabilities	(298,212)	848,960
Decrease / (increase) in loans and advances	(9,122,979)	-
Decrease / (increase) in other current assets	(1,301,132)	(2,798,634)
Cash generated from / (used in) operations	(8,173,325)	-
Direct taxes paid	-	-
Net cash flow from / (used in) operating activities (A)	(8,173,325)	-
Cash flows from investing activities		
Purchase of fixed assets	(156,965)	-
Investment in fixed deposits	-	51,000,000
Maturity of margin money deposits	-	-
Net cash flow from/ (used in) investing activities (B)	(156,965)	51,000,000
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	-
Long-term borrowings (net)	-	-
Net cash flow (used in) / from in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(8,330,290)	-
Cash and cash equivalents at the beginning of the Year	51,000,000	5,100,000
Cash and cash equivalents at the end of the year	42,669,709	5,100,000
Components of cash and cash equivalents		
Cash in hand	5,384	-
With banks		
- in Current account	42,664,325	51,000,000
Total cash and cash equivalents	42,669,709	51,000,000

Summary of Significant Accounting Policies

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The Accompanying Notes Are An Integral Part Of The Financial Statement

As per our report of even date

For N S B & ASSOCIATES

Chartered Accountants

FRN : 023043N

Nandan Singh Bisht

Partner

Membership No. 099805

Place: New Delhi



For and on behalf of the Board of Directors of Humana Financial Services Private Limited

Kailash Khandelwal

Managing Director

DIN. 03617258

Susanne Westgaard

Director

DIN: 02859761

Harsh Ranjan

Company Secretary

ACS: 35889

Date June 14, 2018



1. Corporate Information – Note on Activities

HUMANA FINANCIAL SERVICES PRIVATE LIMITED ('the Company'), incorporated on July 08, 2016, having CIN: U65990DL2016PTC302788 under Companies Act 2013.

The Company is engaged in the business of providing financial support and carries on the business of Micro credit. HUMANA FINANCIAL SERVICES PRIVATE LIMITED holds a valid certificate of registration no. **N-14.03370** dated **August 04, 2017** issued by the Reserve Bank of India.

The Company is engaged in providing financial services to women, in the rural and semi-urban areas of India, who are organized as Joint Liability Groups ('JLG'). The Company provides small value collateral free loans and other loans to women in groups. In the initial stages of group formation and mobilization, the operations also involve efforts on development training, efforts on financial discipline, advice on the micro enterprises carried out by the individual members, and later, constant monitoring through weekly/ monthly meetings.

2. Significant accounting policies:

a. Basis of preparation of financial statements:

The financial statements have been prepared under historical cost conventions and on accrual system unless stated otherwise elsewhere, assuming the principle of going concern and applying all the accounting standards notified under Companies Act, 2013 and also complying with mandatory accounting standards issued by Institute of Chartered Accountants of India. Various accounting standards and accounting policies are consistently followed by the Company unless stated otherwise.

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition:

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

i. Interest income on loans given is recognised under the internal rate of return method. Income including interest or any other charges on non-performing asset is recognized only when realized. Any such income recognized before the asset became non-performing and remaining unrealized shall be reserved.

ii. Interest income on deposits with banks is recognised on a time proportion accrual basis, taking into account the amount outstanding and the rate applicable.

iii. Loan processing fees collected from members are recognized on an upfront basis.



v. All other income is recognised on an accrual basis.

d. Cash Flow Statement:

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard -3.

e. Fixed assets, intangible and related depreciation / amortization:

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost is inclusive of freight, duties, taxes and other directly attributable costs of bringing the assets to their working condition for intended use, incurred till the date of installation of asset

Depreciation on fixed assets has been provided on Straight Line Method using the rates prescribed as per useful life of assets prescribed under Schedule II of the Companies Act, 2013. Assets individually costing less than ₹5,000 are depreciated fully in the year of purchase.

f. Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

g. Taxation:

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge. The current charge for income tax is based on estimated tax liability as computed after taking credit for allowances and exemptions in accordance with the Income-tax Act, 1961 applicable for the year ended. In accordance with the Accounting Standard-22, Accounting for Taxes on Income, the Company provided for deferred tax liability for all temporary differences that arise in one accounting year and are capable of reversal in subsequent accounting year.

h. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

i. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation

Notes to financial statements for the year ended March 31, 2018

(Amount in Rupees)

and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

j. Contingent liabilities

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

k. Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and in hand and short-term fixed deposits/ investments.

l. Classification of loan portfolio:

i) Loans to JLG are classified as standard assets, sub-standard assets, doubtful assets and loss assets in terms of Master Circular- 'Non-Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) – Directions (NBFC-MFI Directions) dated July 1, 2015.

ii) Loans and advances other than loans to JLG are classified as standard, sub-standard, doubtful and loss assets in accordance with the Systemically Important Non – Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions.

m. Provisioning policy for loan portfolio

i) Unsecured loan portfolio is provided for in accordance with the NBFC-MFI Directions. These Directions require the total provision to be higher of:

- (a) 1% of the outstanding loan portfolio or
50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

ii. All other loans and advances are provided as higher of management estimates and provision in accordance with the NBFC Prudential Norms in accordance with Non – Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions.

n. Investments:

No investments have been made by the Company during the year ended March 31, 2018.



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(Amount in Rupees unless otherwise stated)

Notes to financial statements for the year ended	31-Mar-18	31-Mar-17
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Note 3: Share capital**Authorised:**

70,00,000 (March 31, 2017: 7,000,000) equity shares of Rs.10/- each	70,000,000	70,000,000
	<u>70,000,000</u>	<u>70,000,000</u>

Issued and subscribed:

51,00,000 (March 31, 2017: 51,00,000) equity shares of Rs.10/- each, fully paid	51,000,000	51,000,000
Total issued, subscribed, fully paid-up equity and preference share capital	51,000,000	51,000,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**Equity Shares**

Equity shares of Rs.10 each fully paid	31-Mar-18		31-Mar-17	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	5,100,000	51,000,000	5,100,000	51,000,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	5,100,000	51,000,000	5,100,000	51,000,000

Details of shareholders holding more than 5% shares in the company

Equity shares of Rs.10 each fully paid	31-Mar-18		31-Mar-17	
	No. of Shares	% holding	No. of Shares	% holding
Humana Trust For Financial Inclusion and Development	5,094,900	99.90%	5,094,900	99.90%

Note 4 : Reserve and surplus**General reserve**

As per last balance sheet	1,367,304	-
Add: Transfer from profit and loss account	1,422,478	1,367,304
	<u>2,789,782</u>	<u>1,367,304</u>
Statutory Reserve	355,620	-

Total reserves and surplus	3,145,402	1,367,304
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Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Notes to financial statements for the year **31-Mar-18** **31-Mar-17**

Note 5: Other liabilities

Employee benefit payable	176,994	-
Expenses and other payable	842,298	820,210
Auditor Fee Payable	67,500	28,750
Statutory dues payable	46,326	-
Total	1,133,118	848,960

Note 6: Short-term provisions

Provision for income tax	662,000	582,370
Provision on standard loan portfolio	81,444	-
Total	743,444	582,370



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Note 7: Fixed assets

(Amount in Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At April 1, 2017	Additions	Deletions	As At March 31, 2018	As At April 1, 2017	For the Year	Deletions	Total	As At March 31, 2018	As at March 31, 2017
Furniture and Fixtures	-	51,400		51,400	-	3,901		3,901	47,499	-
Office Equipments	-	13,729		13,729	-	1,814		1,814	11,915	-
Computers & Periphera	-	119,830		119,830	-	22,279		22,279	97,551	
TOTAL	-	184,959	-	184,959	-	27,994	-	27,994	156,965	-



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Humana Financial Services Private Limited

Notes to financial statements for the year ended	31-Mar-18	31-Mar-17
Note 8: Loans and Advances		
A. Portfolio Loans		
Micro finance loans under Joint Liability Group		
Unsecured, considered good	8,144,393	-
Total (A)	8,144,393	-
B. Security deposits		
Unsecured, considered good	-	-
Total (B)	-	-
C. Advances recoverable in cash or kind		
Unsecured, considered good	112,502	-
Total (C)	112,502	-
D. Other loans and advances		
Advance TDS+GST	-	-
Preliminary Expenses	461,526	615,368
TDS Recoverable	376,564	-
Total (D)	838,090	615,368
Total (A+B+C+D)	9,094,985	615,368
Note 9: Other current assets		
Non-Current bank balances (note 11)	-	-
Interest accrued but not due	3,822,767	1,964,940
Advance Tax	277,000	-
	4,099,767	1,964,940
Note 10: Cash and bank balances		
Cash and cash equivalents		
Cash in hand	5,384	-
Balance with bank - in current account	10,313,197	-
Total (A)	10,318,581	-
Other bank balances		
Fixed Deposits	32,343,628	51,000,000
Security Deposit(Rent)	7,500	-
Total (B)	32,351,128	51,000,000
Amount disclosed under non-current assets (note 10)		
	-	-
Total (A+B+C)	42,669,709	51,000,000

*Margin Money Deposits Placed to Avail Loans From Financial Institutions.



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Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Notes to Financial statements for the year ended	31-Mar-18	31-Mar-17
Note 11: Revenue from operations		
Interest income		
Interest income on portfolio loans	129,614	-
Other operating revenue		
Processing fee on portfolio loans	83,746	-
Business Commission	219,802	-
Total	433,162	-
Note 12: Other income		
Interest on fixed deposits	3,655,747	2,183,266
Gain on maturity of current investment (Non trade)	-	-
Total	3,655,747	2,183,266
Note 13: Finance costs		
Bank charges	2,578	-
Total	2,578	-
Note 14: Employee benefit expenses		
Salaries and bonus / incentives	844,358	-
Contribution to Provident Fund	20,377	-
Staff welfare expenses	3,050	-
Total	867,785	-
Note 15: Other expenses		
Travelling expenses	8,405	-
Rent	24,900	-
Repairs and maintenance	20,228	-
Printing and stationery	70,218	51,000
Statutory filing Fee	610	-
Professional and consultancy charges	61,078	-
Honorium	83,065	-
Sitting Fees to Director	40,000	-
Audit Fees	75,000	28,750
Insurance Charges	5,330	-
Telephone & Internet	5,515	-
Interest on Late deposit of Tax	44,017	-
Postage & Courier	165	-
Preliminary Expense	153,842	153,842
Rating Expense	42,000	-
GST Not Eligible for Input	29,025	-
Other Expenses	6,150	-
Miscellaneous expenses	-	-
Total	669,548	233,592
Auditors' remuneration		
As auditor:		
Audit fees	75,000	28,750
In other capacity:		
Certification fees	-	-
Reimbursement of expenses	-	-
Total	75,000	28,750



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16. Segment information

The Company operates in a single reportable segment i.e. lending to loan members, which have similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company operates in a single geographical segment i.e. domestic.

17. Directors Remuneration for the year ended – NIL/-

18. Related Party Disclosure

Sr. No.	Name	Relation	Amount	Remarks
1	Kailash Khandelwal	Managing Director	83,065/-	Honorarium
2	Pradyuman Singh Rawat	Additional Director (Independent)	40,000/-	Sitting Fee
Total			123065/-	

19. Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account not provided for: Rs. Nil (Previous year: Nil)

20. Contingent Liability for the year ended - Nil.

21. Earnings per share

Particulars	For the year ended March 31, 2018	For the period ended March 31, 2017
Total equity shares (in numbers)	51,00,0000	51,00,0000
Basic weighted average number of equity shares during the year (A)	51,00,0000	51,00,0000
Profit / (loss) available for equity shareholders (B)	17,78098,	13,67,304
Basic and diluted earnings / (loss) per equity share (Rs.) (C) = (B)/(A)	0.35	0.27



22. **Loan Portfolio Classification and Provisions for Non-Performing Assets:**

Loan & Advances Classification and Provisions thereon, Classifications of Loans and Provision and Provision made for Standard/Sub-Standard/ Doubtful/ Loss assets are given below:

S. No.	Assets Classification	Amount Rs.	Provision %	Current Year Provision Amount Rs.	Previous Year Provision Amount Rs.
1	Standard	81,44,393	1%	81,444	Nil
2	Sub-standard	Nil		Nil	Nil
	Total	81,44,393		81,444	Nil

23. Depreciation for the year ended Rs. 27,944/-- (Previous Year Rs. NIL).

24. NBFC-MFI activities of the company started from January 22, 2018 i.e. after obtaining license from Reserve Bank of India on August 04, 2017.

25. **Deferred Tax:**

In accordance with Accounting Standard- 22 "Accounting for Taxes on Income" the Company has recognized Rs. 538/- (Previous Year Rs. Nil) as deferred tax credit as detailed below:

Particulars	Deferred tax Assets/Liabilities as on April 1, 2017	Current Period (credit)/ change	Deferred tax Assets/(Liabilities) as on Mar 31, 2018
Difference between book and tax depreciation	NIL	2090	538
Provision on Loans	NIL	NIL	* NIL
Net Deferred tax Assets/(Liabilities)	NIL	NIL	538

26. **Additional disclosures**a. **Capital to Risk Assets Ratio ('CRAR'):**

Particulars	March 31, 2018	March 31, 2017
i) CRAR (%)	426.81%	-
ii) CRAR – Tier I Capital (%)	426.17%	-
iii) CRAR – Tier II Capital (%)	0.64%	-

b. **Derivatives:**

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure has been made for the same.

The Company has no unhedged foreign currency exposure as on March 31, 2018 (March 31, 2017: Nil).



c. Disclosures relating to Securitisation:

The Company has not entered into any securitisation transactions during the current and previous year and had no outstanding securitisation transaction for earlier years. Hence, no disclosure has been made for the same.

d. Details of financial assets sold to securitisation / reconstruction company for asset reconstruction:

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year.

e. Details of assignment transactions undertaken:

The Company has not undertaken assignment transactions in the current and previous year.

f. Details of non-performing financial assets purchased / sold:

The Company has not purchased / sold non-performing financial assets in the current and previous year.

g. Exposures:

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current and previous year.

h. Registration obtained from other financial sector regulators:

The Company is registered with following other financial sector regulators (*Financial regulators as described by Ministry of Finance*):

Reserve Bank of India vide Certificate No N-14.03370 dated August 04, 2017

i. Disclosure of penalties imposed by RBI and other regulators:

No Penalties were imposed by RBI and other regulators during current and previous year.

j. Following ratings assigned by credit rating agencies and migration of ratings during the year:

Sr. No.	Rating by/ rating for	Rating assigned during the year	Previous Rating
1	CRISIL	BB/Stable	First time of company hence no previous rating available

k. Provisions and Contingencies (shown under the head expenditure in Statement of Profit and Loss)

Particulars	March 31, 2018	March 31, 2017
Provision made towards Income tax	6,62,000	5,82,370
Provision towards NPA	-	-
Provision for Standard Assets	81,444	NIL

l. Draw down from Reserves:

There is no draw down from reserves.

m. Concentration of Advances, Exposures and NPAs:

Particulars	March 31, 2018	March 31, 2017
Concentration of Advances		
Total advances to twenty largest borrowers	6,00,000	-
(%) of advances to twenty largest borrowers to total advances	7.37%	-
Concentration of Exposures		
Total exposure to twenty largest borrowers/customers	6,00,000	-
(%) of exposure to twenty largest borrowers/customers to total exposure	7.37%	-
Concentration of NPAs		
Total exposure to top four NPA accounts	-	-

n. Sector-wise NPAs

Sector	(%) of NPAs to total advances in that sector as at March 31, 2018	(%) of NPAs to total advances in that sector as at March 31, 2017
Agriculture and allied activities	0.00%	0.00%
MSME	0.00%	0.00%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured personal loans	0.00%	0.00%
Auto loans	0.00%	0.00%
Other personal loans	0.00%	0.00%

o. Disclosure of Customer Complaints

Particulars	No. of complaints
(i) No. of complaints pending at the beginning of the year	-
(ii) No. of complaints received during the year	-
(iii) No. of complaints redressed during the year	-
(iv) No. of complaints pending at the end of the year	-

The Company has a Customer Grievance Redressal Mechanism for convenience of customers to register their complaints and for the Company to monitor and redress them.

p. Information on instances of fraud

Instances of fraud for the year ended March 31, 2018:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off

Notes to financial statements for the year ended March 31, 2018*(Amount in Rupees)*

Cash embezzlement	Nil	Nil	Nil	Nil
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Instances of fraud for the year ended March 31, 2018:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Cash embezzlement	Nil	Nil	Nil	Nil

q. Outstanding of loans against security of gold as a percentage to total assets is Nil (March 31, 2018: Nil).

r. Information on Margin:

Sr. No.	Particulars	For the Year ended March 31, 2018
1	Average Interest charged	24.64%
2	Average effective cost of borrowing	NIL
	Margin (1-2)	24.64%

27. There are no micro and small enterprises to whom the Company owes dues, which are outstanding for more than 45 days on the date of Balance Sheet. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. The Auditors have relied this upon.
28. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

For N S B & ASSOCIATES

Chartered Accountants

FRN : 023043N

Nandan Singh Bisht

Partner

Membership No. 099805

Place: New Delhi

Date: June 14, 2018

**For and on behalf of the Board of Directors of Humana Financial Services Private Limited**

Kailash Khandelwal
Managing Director
DIN. 03617258

Snorre Westgaard
Director
DIN: 02859761

Harsh Ranjan
Company Secretary
ACS: 35889



Name of the Non-Banking Financial Company : **Humana Financial Services Private Limited**
 Address of the Company : 111/9-Z, Kishangarh, Aruna Asaf Ali Marg, Vasant Kunj, ND-110070, India
 Registration number (as given by RBI) : **N-14.03370**
 Classification of the company (as given by RBI) : Non - Banking Financial Institution - MFI with out accepting Public deposits

Net Owned Fund
Balance sheet as on March 31, 2018 of the Company
Humana Financial Service Private Limited

Item No.	Item Name	Item Code	Amount
1	Capital Funds – Tier I		
	(i) Paid-up Equity Capital	311	51,000,000
	(ii) Preference shares to be compulsorily convertible into equity	312	-
	(iii) Free reserves	313	3,145,402
2	Total (311+312+313)	310	54,145,402
3	(i) Accumulated balance of loss	321	-
	(ii) Deferred Revenue Expenditure	322	-
	(iii) Deferred Tax Assets (Net)	323	-
	(iv) Other Intangible Assets	324	538
4	Total (321 +322+ 323+324)	320	538
5	Owned Fund (310 - 320)	330	54,144,864
6	Book Value of Investments in shares of :		
	(i) Subsidiaries	341	-
	(ii) Companies in the same Group	342	-
	(iii) Other non-banking financial companies (Details in Annexure no. I)	343	-
7	Book value of investment in debentures and bonds of :		
	(i) Subsidiaries	344	-
	(ii) Companies in the same Group	345	-
8	Outstanding loans and advances including bills purchased/ discounted,		
	(i) Subsidiaries	346	-
	(ii) Companies in the same Group (Details in Annexure no II)	347	-
9	Total (341 to 347)	340	-
10	Amount of Item 340 in excess of 10% of item 330 above	351	-
11	Net owned fund (330 -351)	350	54,144,864

For NSB & Associates
 Chartered Accountants
 Firm Registration Number: 383043N

 Nandan Singh
 Partner
 Membership No. 099805


For and on behalf of the Board of Directors of Humana Financial Services Private Limited

  
 Kailash Khandelwal Snorre Westgaard Harsh Ranjan
 Managing Director Director Company Secretary
 DIN. 03617258 DIN: 02859761 ACS: 35889

Place: New Delhi

Date: **June 14, 2018**



NOTE :

1. "Free Reserves" mentioned under item I(iii) above shall include the balance in the Share Premium Account, Capital and Debenture Redemption Reserves and any other Reserve shown or published in the Balance Sheet and created through an allocation of Profits (including credit balance of Profit & Loss Account) but not being :

(i) a Reserve created for repayment of any future liability or for depreciation of assets or for provision against non-performing assets / bad debts; or

(ii) a Reserve created by Revaluation of the Assets of the Company.

2. Hire Purchase and Lease Finance mean :

(i) in the case of hire purchase asset, the amount of future instalments receivable reduced by the balance of the unmatured finance charges; and

(ii) in the case of lease assets, the depreciated book value of the lease asset plus/minus the balance in the lease adjustment account;

Amount due but not received should be added in both the cases.



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STATEMENT OF CAPITAL FUNDS AND RISK ASSETS AS ON MARCH 31, 2018

(Rs. in Lakh)

PART A
CAPITAL FUNDS - TIER-I

Item Name	Item Code	Amount Rs.
(i) Paid-up Equity Capital	111	510.00
(ii) Free reserves (Please see note below) :		-
(a) General Reserves	112	-
(b) Share Premium	113	-
(c) Capital Reserves (representing surplus on sale of assets held in separate account)	114	-
(d) Debentures Redemption Reserve	115	-
(e) Capital Redemption Reserve	116	-
(f) Credit Balance in P & L Account	117	27.90
(g) Other free reserves (Statutory Reserve)	118	3.55
(iii) Total (111 to 118)	110	541.45
(iv) Accumulated balance of loss	121	-
(v) Deferred Tax Assets (Net)	122	-
(vi) Other Intangible Assets	123	-
(vii) Total (121 to 123)	120	541.45
(viii) Owned funds (110 + 120)	130	541.45

Note : 'Free reserves' shall include balance in share premium account, capital and debenture redemption reserves and any other reserves shown in the balance-sheet and created through an allocation out of profits but not being (a) a reserve created for repayment of any future liability or for depreciation on assets or for bad debts, or (b) a reserve created by revaluation of assets of the company.

Item Name	Item Code	Amount Rs.
(ix) Investment in shares of: [please see Note (1) below] :		
(a) Subsidiaries	141	-
(b) Companies in the same Group	142	-
(c) Other non-banking financial companies	143	-
(x) The book value of debentures bonds, outstanding loans and advances (including hire-purchase and lease finance) made to and deposits with [please see note (2) below] :		-
(a) Subsidiaries	144	-
(b) Companies in the same Group	145	-
(xi) Total (141 to 145)	140	-
(xii) Amount of item 140 in excess of 10 per cent of item 130 above	150	-
(xiii) Tier-I Capital: Net owned funds (130 - 150)	151	541.45



Notes :

1. Investments in shares includes investment in fully convertible debentures and/or convertible portion of partially convertible debentures. Investments held either in investment account or stock-in-trade should be included under this item.
2. Debentures whether held in investment account or by way of stock-in-trade should be included under this item. Non-convertible debentures, non-convertible portion of partially convertible debentures and optionally convertible debentures should also be included under this item.

PART B
CAPITAL FUNDS - TIER-II

<i>Item Name</i>	<i>Item Code</i>	<i>Amount Rs.</i>
(i) Preference Share Capital	161	-
(ii) Revaluation reserves (<i>see</i> para 5.2-2 of guidelines)	162	-
(iii) General provisions and loss reserves (<i>see</i> para 5.2-3 of guidelines)	163	0.81
(iv) Hybrid debt capital instruments (<i>see</i> para 5.2-4 of guidelines)	164	-
(v) Subordinated debt (<i>see</i> para 5.2-5 of guidelines)	165	-
(vi) Aggregate Tier-II Capital (161 to 165) (<i>see</i> para 6 of the guidelines)	160	0.81
Total Capital Funds (151 + 160)	170	542.26

PART C
RISK ASSETS AND OFF-BALANCE SHEET ITEMS

<i>Item Name</i>	<i>Item Code</i>	<i>Amount Rs.</i>
(i) Adjusted value of funded risk assets, <i>i.e.</i> , on-balance sheet items (Totally with Part D)	181	127.05
(ii) Adjusted value of non-funded and off-balance sheet items (Totally with Part E)	182	-
(iii) Total risk-weighted assets/exposures (181 + 182)	180	127.05
(iv) Percentage of capital funds to risk-weighted assets/exposures:		-
(a) Tier-I capital (Percentage of Item 151 to Item 180)	191	426.17%
(b) Tier-II capital (Percentage of Item 160 to Item 180)	192	0.64%
(c) Total (Percentage of Item 170 to Item 180)	193	426.81%



PART D

WEIGHTED ASSETS, I.E., ON-BALANCE SHEET ITEMS

<i>Item Name</i>	<i>Item code</i>	<i>Book value</i>	<i>Risk weight</i>	<i>Adjusted value</i>
I. Cash and bank balances including fixed deposits & Certificates of Deposits	210	426.69	-	-
II. Investments (<i>see</i> paras 2.6-1 to 2.6-7 of the guidelines)—		-		
(a) Government and approved securities as defined under section 45-IB of RBI Act, 1934	221	-	-	-
(b) Shares/debentures/bonds/ units of mutual funds—				
(i) Amounts deducted in Part 'A' [Item (ix)]	222	-	-	-
(ii) Amounts not deducted in Part A	223	-	100	
III. Current Assets—				
(a) Stock on hire (Please <i>see</i> Note 3 below):				
(i) Amounts deducted in Part A [Item (x)]	231	-	-	-
(ii) Amounts not deducted in Part A	232	-	100	
(b) Inter-corporate loans/deposits :				
(i) Amounts deducted in Part 'A' [Item (x)]	233	-	-	-
(ii) Amounts not deducted in Part A	234	-	100	
(c) Loans and advances fully secured by company's own deposits	235	-	-	-
(d) Loans to staff	236	-	-	-
(e) Other secured loans and advances considered goods :				
(i) Amounts deducted in Part A [Item (x)]	241	-	-	-
(ii) Amounts not deducted in Part A	242	-	100	-



(f) Bills purchased/discounted:				
(i) Amounts deducted in Part A [Item (x)]	243	-	-	-
(ii) Amounts not deducted in Part A	244	-	100	
(g) Others (to be specified)	245	82.57	100	82.57
IV. Fixed Assets: (net of depreciation)				
(a) Assets leased out—		-	-	-
(i) Amounts deducted in Part A [Item (x)]	251	-	-	-
(ii) Amounts not deducted in Part A	252	-	100	-
(b) Premises	253	-	100	-
(c) Furniture & Fixtures	254	0.47	100	0.47
V. Other assets:		-		
(a) Income-tax deducted at source (net of provisions)	255	3.77	-	-
(b) Advance tax paid (net of provision)	256	2.77	-	-
(c) Interest due on Government Securities	257	-	-	-
(d) Others (Deferred Revenue Expenditure)	258	44.01	100	44.01
Total weighted assets (Items 210 to 258)	200	560.21	—	127.05

Notes :

1. Netting may be done in respect of assets where provisions for depreciation or for bad and doubtful debts have been made.
2. Unquoted shares are to be valued at cost or break-up value of the shares (as per last audited balance-sheet of the company concerned), whichever is less.
3. Stock on hire should be shown net of finance charges; *i.e.*, interest and other charges, recoverable.
4. Assets which have been deducted from owned fund to arrive at net owned fund pursuant to Paragraph 5.1 of the guidelines will have a weightage of 'O'.



PART E

WEIGHTED NON-FUNDED EXPOSURES/OFF-BALANCE SHEET ITEMS

<i>Items</i>	<i>Item code</i>	<i>Book value</i>	<i>Conversion factor</i>	<i>Equivalent value</i>	<i>Risk weight</i>	<i>Adjusted value</i>
1. Financial & Other guarantees	310	-	100	-	100	-
2. Share/debenture underwriting obligation	320	-	50	-	100	-
3. Partly paid shares/debentures	330	-	100	-	100	-
4. Bills discounted/rediscounted	340	-	100	-	100	-
5. Lease contracts entered into but yet to be executed	350	-	100	-	100	-
6. Other contingent liabilities (To be specified)	360	-	50	-	100	-
7. Total non-funded exposures (Items 310 to 360)	300	-	-	-	-	-

Note : Cash margin/deposits shall be deducted before applying the conversion factors.



PART F
OTHER DATA

I. Aggregate of credit exposures categories into :

<i>Item Name</i>	<i>Item Code</i>	<i>Amount Rs.</i>
(i) Standard assets	411	81.44
(ii) Sub-standard assets	412	-
(iii) Doubtful assets	413	-
(iv) Loss assets	414	-

II. Aggregate provisioning in respect of I above as per the guidelines prescribed:

<i>Item name</i>	<i>Item code</i>	<i>Provision required</i>	<i>Actual provision made</i>
(i) Sub-standard assets (10 per cent of total outstanding)	421	-	-
(ii) Doubtful assets (100 per cent to the extent not covered by realisable value of security + 20 to 50 per cent of the secured portion for the period the asset has remained doubtful)	422	-	-
(see Para 4 of the guidelines)			
(iii) Loss assets (100 per cent of the outstanding balance)	423	-	-

III. Other provisions in respect of :

<i>Item name</i>	<i>Item code</i>	<i>Provision required</i>	<i>Actual provision made</i>
(i) Depreciation in fixed assets	431	-	-
(ii) Depreciation in investments	432	-	-
(iii) Loss/intangible assets	433	-	-
(iv) Taxation	434	-	-
(v) Gratuity/provident fund	435	-	-
(vi) Others (to be specified)	436	-	-



PART G

PARTICULARS REGARDING INVESTMENTS IN AND ADVANCES TO COMPANIES/FIRMS
IN THE SAME GROUP AND OTHER NBFCs

<i>Item Name</i>	<i>Item Code</i>	<i>Amount Rs.</i>
(i) Book value of bonds and debentures and outstanding loans and advances to and deposits with subsidiaries and companies in the same group (Details to be enclosed in Appendix No.i).	510	-
(ii) Investments in shares of subsidiaries and companies in the same group and all non-banking financial companies (Details to be enclosed in Appendix No.ii)	520	-
(iii) Investments by way of shares, debentures, loans and advances, leasing, hire purchase finance, deposits etc. in other companies, firms and proprietary concerns where directors of the company hold substantial interest (Details to be enclosed in Appendix No.iii).	530	-

PART H

PARTICULARS REGARDING CONCENTRATION OF ADVANCES (INCLUDING OFF-
BALANCE SHEET EXPOSURE AND INVESTMENTS) TO PARTIES OTHER THAN THOSE IN
PART G ABOVE

<i>Item Name</i>	<i>Item Code</i>	<i>Amount Rs.</i>
(i) Loans and advances, including off-balance sheet exposures, to any single party in excess of 15 per cent of owned fund of the NBFC (Details enclosed in Appendix No.)	610	-
(ii) Loans and advances, including off-balance sheet exposures, to a single group of parties in excess of 25 per cent of owned fund of the NBFC (Details enclosed in Appendix No.)	620	-
(iii) Investments in other companies in excess of 25 per cent of the owned fund of the NBFC (Details enclosed in Appendix No.)	630	-

Certified that the data/information furnished in this statement are in accordance with the guidelines issued by the Reserve Bank of India relating to income recognition, accounting standards, asset classification, provisioning for bad and doubtful debts, capital adequacy and concentration of credit and investments. They have been compiled from the books of account and other records of the company and to the best of my knowledge and belief they are correct.



For and on behalf of

	Name of the Company :	HUMANA FINANCIAL SERVICES PRIVATE LIMITED
	Signature :	
Date:14.06.2018	Name :	Kailash Khandelwal
	Designation :	Managing Director
Place: New Delhi	Company Seal :	

AUDITOR'S REPORT



We have examined the books of account and other records maintained by **Humana Financial Services Private Limited** in respect of the capital funds, risk assets/exposures and risk asset ratio, etc., as on March 31, 2018 and report that to the best of our knowledge and according to the information and explanations given to us and as shown by the record examined by us, the figures shown in Parts A, B, C, D, E, F, G and H of the statement are correct.

N S B & ASSOCIATES

Chartered Accountants

Firm Registration No. 023043N

Place: New Delhi

Date: June 14, 2018



Nandan S. Bisht

Partner

Membership No 099805



**AUDITORS' REPORT OF EVEN DATE TO THE BOARD OF DIRECTORS OF
HUMANA FINANCIAL SERVICES PRIVATE LIMITED**

[Pursuant to Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008]

We have audited the attached Balance Sheet of **HUMANA FINANCIAL SERVICES PRIVATE LIMITED** as at March 31, 2018, the Statement of Profit and Loss, and Cash Flow Statement for the year ended on that date annexed thereto and report that:

Further to our audit report of even date issued under Sec 143 (2) of the Companies Act, 2013, as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 based on the information and explanations given to us and based on the records produced, we state below a statement of matters specified in paragraph 3 of the said Directions.

1. IN THE CASE OF ALL NON-BANKING FINANCIAL COMPANIES (PARAGRAPH 3 (A) OF THE ORDER):

- a) The Company has obtained a certificate of registration as a Non-Banking Financial Company vide **Certificate (NBFC-MFI) N-14.03370** dated **August 04, 2017** pursuant to Sec 45IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- b) The Company is continuously undertaking the business of NBFC-MFI during the financial year 2017-18 and the Company is entitled to continue to hold such Certificate of Registration issued by Reserve Bank of India, in terms of its asset/income pattern as on March 31, 2018.
- c) Assets / Income pattern of the Company based on audited financial statement as on March 31, 2018 is as follows;

S.No.	Particulars	Amount In lakhs	% age to Total Assets for the as on March 31, 2018
1	Net Fixed Assets	1.57	0.28%
2	Net Leased Assets	-	0.00%
3	Net Stock on hire/ hypothecation	-	0.00%
4	Loan and Advances	83	14.74%
5	Investment in Govt. Sec.		0.00%
6	Interest on Govt. Sec. if any		0.00%
7	Fixed Deposits	323.44	57.75%
8	Interest on FDRs	38.23	6.83%
9	Cash and Bank Balances	103.18	18.02%
10	Investments in Group Companies		0.00%
11	Other Investments		0.00%
12	Sundry Debtors		0.00%
13	Security Deposit (Telephone)	-	0.00%
14	Advance Tax & Tds Recoverable	6.54	1.15%
15	Other Assets	4.69	0.83%
	TOTAL ASSETS	560.21	100%



S.No.	Particulars	Amount in lakhs	% age to Total Income for the Year Ended on March 31, 2018
1	Income from Hire Purchase/Hyp		
2	Interest Earned on FDRs	36.6	89.41%
3	Interest on Govt. Securities if any	-	0.00%
4	Investment Income	-	0.00%
5	Investment Income on loans and Advances	2.13	5.22%
6	Interest Earned others (ICDs) /Int. on I. Tax Refund	-	0.00%
7	Excess amt. of prov. Written Back	-	0.00%
8	Bad Debts recovered or rent received	-	0.00%
9	Other	2.20	5.38%
	Total Income	41	100%

d) The Company's predominant assets are Loans and Advances and income of the Company is derived from these Loans and Advances and hence making the Company eligible to be classified as a Loan Company.

2. IN THE CASE OF NON-BANKING FINANCIAL COMPANIES NOT ACCEPTING PUBLIC DEPOSITS (PARAGRAPH 3 (C) OF THE ORDER)

- a) The Board of Directors has passed a resolution in the meeting held on March 28, 2018 for the non-acceptance of public deposits during financial year 2017-18.
- b) The Company has not accepted any public deposits during the year under review.
- c) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, during the FY 2017-18.

Place: New Delhi
Dated: June 14, 2018

For N S B AND Associates
Chartered Accountants
Firm Registration No. 023043N



Nandan Singh Bisht
Nandan Singh Bisht
Partner
Membership No 099805



N S B & ASSOCIATES

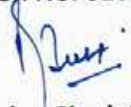
Chartered Accountants

CERTIFIED THAT M/S HUMANA FINANCIAL SERVICES PRIVATE LIMITED 111/9-Z, having its Registered Office at 111/9-Z, Kishangarh Aruna Asaf Ali Marg, Vasant Kunj New Delhi-110070 as on the date of this certificate is not holding any public deposits as defined in Para 2(1) (xii) of Non banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998 issued vide notification No.DFC 118/DG/ (SPT)-98 dated January 31, 1998 as amended. Further, to certify that the company did not mobilize any public deposit during the financial year ended March 31, 2018.

Place: New Delhi
Dated: June 14,2018

for N S B & Associates
Chartered Accountants
Firm Registration No. 023043N




Nandan Singh Bisht
Partner

Membership No. 099805



N S B & ASSOCIATES

Chartered Accountants

We have examined the books of accounts and other records of **M/s. HUMANA FINANCIAL SERVICES PRIVATE LIMITED** for the financial year ending March 31, 2018. On the basis of the information submitted to us, we certify the following:

Sr.no.	Particulars	Details
1	Name of the company	HUMANA FINANCIAL SERVICES PRIVATE LIMITED
2	Certificate of Registration No	(NBFC-MFI) N-14.03370 dated August 04, 2017
3	Registered office Address	111/9-Z, Kishangarh Aruna Asaf Ali Marg, Vasant Kunj New Delhi-110070
4	Corporate office Address	111/9-Z, Kishangarh Aruna Asaf Ali Marg, Vasant Kunj New Delhi-110070
5	The company has been classified by RBI as: (Investment Company / Loan Company/ AFC/NBFC-MFI/NBFC-Factor/IFC/IDF- NBFC)	The company has been classified as NBFC—MFI by RBI
6	Net Owned Fund (in ` lacs) <i>(Calculation of the same is given in the Annex-1)</i>	The Net owned Fund of the Company as on March 31, 2018 is Rs. 541.45 lacs
7	Total Assets (in ` lacs)	The total Assets of the Company is Rs.560.21
8	Asset Income Pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income <i>(Calculation of the same is given in the Annex-2)</i>	14.54% 5.22%



9	Whether the company was holding any Public Deposits, as on March 31, 2018. If Yes, the amount in ` lacs	The Company is not accepting/holding any Public Deposit as on date March 31, 2018.
10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (In terms of Sec 45-IC of the RBI Act, 1934).	The Company has transferred 20% of the Net Profit to the statutory reserve fund as per section 45-IC of RBI Act 1934.
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	No, the company has not received any FDI during the year.
12	If the company is classified as an NBFC-Factor: % of Factoring Assets to Total Assets a) % of Factoring Income to Gross Income	NA
13	If the company is classified as an NBFC-MFI: % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)	The percentage of qualifying assets to Net Assets of Humana Financial Services Private Limited stands 85.46%
14	If the company is classified as an AFC: a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of Income generated out of these assets to Total Income	NA
15	If the company is classified as an NBFC-IFC % of Infrastructure Loans to Total Assets	NA




In terms of paragraph 2 of Notification No. DNBS.201/DG (VL)-2008 dated September 18, 2008, a separate report to the Board of Directors of the company has been made.

I have read and understood paragraph 5 of Notification No. DNBS.201/DG (VL)-2008 dated September 18, 2008.

Place: New Delhi
Dated: June 14, 2018

For N S B & Associates
Chartered Accountants
Firm Registration No. 023043N




Nandan Singh Bisht

Partner
Membership No. 099805

ASSET INCOME PATTERN**Annexure – 2****i) Assets Pattern:**

Sl.No	Details	Amounts (Rs. lacs)	% of total Assets
1	Total Assets	560.09	100%
2	Total Financial Assets (i.e. 3+4+5)	81.44	14.54%
3	Investment	-	-
4	Loans & Advances	81.44	14.54%
5	Assets Finance (EL & HP)	-	-

ii) Income Pattern:

Sl.No	Details	Amounts (Rs. lacs)	% of total Income
1	Total Income	40.89	100%
2	Income from Financial Assets (i.e. 3+4+5)	2.13	5.22%
3	Income from Investment	-	-
4	Income from Loans & Advances	2.13	5.22%
5	Total Income from Assets Finance (EL& HP)	-	-



HUMANA FINANCIAL SERVICES PRIVATE LIMITED

Statement of Net Owned Funds at the end of March 31, 2018

Item No.	Item Name	Item Code	Amount(Lacs)
(i)	Paid-up Equity Capital	111	510
(ii)	Preference Shares to be compulsory	112	
(iii)	Free reserves(Please note below)		-
	(a) General Reserves	113	-
	(b) Share Premium	114	-
	(c) Capital Reserves (representing surplus on sale of assets held in separate	115	-
	(d) Debenture Redemption Reserve	116	-
	(e) Capital Redemption Reserve	117	-
	(f) Credit Balance in P & L Account	118	27.90
	(g) Other Free Reserve (Statutory reserve)	119	3.55
(iv)	Total (111 to 119)	110	541.45
(iv)	Accumulated balance of loss	121	-
(v)	Deferred Revenue/Expenditure	122	
(vi)	Other Intangible Assets	123	-
	Total (121 to 123)	120	-
(vii)	Owned Fund (110 - 120)	130	541.45
(viii)	Investments in shares of other NBFCs and in shares, debentures of Subsidiaries and group companies in excess of 10% of the owned fund material above		
(ix)	Net Owned Fund		541.45

For N S B & Associates

Chartered Accountants

Firm Registration Number : 023043N


Nandan Singh Bisht

Partner

Membership No. 099805



Place: New Delhi

Date: June 14, 2018

