

INDEPENDENT AUDITOR'S REPORT

To the Members of Satin Housing Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Satin Housing Finance Limited ("the Company")**, which comprise the balance sheet as at 31 March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019 and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for 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, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

- 1> As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure - A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2> As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, Change in Equity 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 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 B".
 - (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.



Rajeev Bhatia & Associates
Chartered Accountants

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

Place of Signature: Gurugram

Date: 2 May 2019

For Rajeev Bhatia & Associates
Chartered Accountants

Firm's Registration No. - 021776N



Rajeev Bhatia
Partner

Membership No. 089018

Annexure A to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date of **Satin Housing Finance Limited** on the financial statements for the period ended 31 March 2019)

Fixed Assets

- (i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (ii) The Fixed Asset of the Company was physically verified as at the year-end by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us no material discrepancy was noticed on such verification.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property during the period under audit. Thus, paragraph 3(i)(c) of the Order is not applicable to the Company.

Inventories

- (iv) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

Loans granted by company

- (v) The company has not granted loans to any party covered in the register maintained under Section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

Compliance of Section 185 and 186 of The Act

- (vi) In our opinion and according to the information and explanations given to us, the Company has not given any loan, guarantee or security and not made any investment during the period under audit. Thus, paragraph 3(iv) of the Order is not applicable.

Acceptance of Deposits

- (vii) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the period. Thus, paragraph 3(v) of the Order is not applicable.



Maintenance of Cost records

To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for the services of the Company.

Payment of Applicable Taxes

- a) According to the information and explanations provided to us and the records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including income-tax, goods and services tax, provident fund, employees' state insurance, and other statutory dues as applicable with the appropriate authorities in India.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and services tax, provident fund, employees' state insurance and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and the records of the company examined by us, during the period under audit, there are no dues of income tax service tax, goods and services tax and other statutory dues as applicable which have not been deposited on account of any dispute.

Dues to a Financial Institution or bank or debenture holder

- (viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution.

Initial Public Offer

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the period. The Company has raised money through term loan from financial institutions and applied for the purpose for which it has been raised.

Fraud by the Company or on the Company

- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the period.

Managerial Remuneration

- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.



Nidhi Company

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

Related Party Transactions

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

Preferential Allotment or Private Placement

- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made private placement of shares, u/s 42 of the Companies Act 2013, during the period. Accordingly, paragraph 3(xiv) of the Order is not applicable.

Non – Cash Transactions

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

Registration with RBI

- (xvi) The Company is registered with National Housing Bank as a Housing Finance Company and is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

Place of Signature: Gurugram

Dated: 2 May 2019

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No. 021776N



Rajeev Bhatia
Partner
M. No. 089018

Annexure B to the Independent Auditors' Report

(Referred to in Paragraph 2 (f) under the heading of "Report on other legal and regulatory requirements" of our report of even date of **Satin Housing Finance Limited** on the financial statements for the period ended 31 March 2019)

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 **Satin Housing Finance Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the period 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 ("ICAI"). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and 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.



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 and 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 March 2019, 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 of Signature: Gurugram

Dated: 2 May 2019

For Rajeev Bhatia & Associates
Chartered Accountants
Firm Registration No. 021776N



Rajeev Bhatia
Partner
M. No. 089018

To,

The Board of Directors,
Satin Housing Finance Limited,
505, 5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Delhi - 110033

Sub:- Housing Finance Companies – Auditor’s Report (NHB) Directions, 2016

We, Rajeev Bhatia & Associates, have audited the financial statements of Satin Housing Finance Limited (the “Company”) for the period ended 31 March 2019 and have issued our report dated 2 May 2019.

Based on the audited financial statements of the Company referred to above and information / explanations and representations received from the management, we confirm the following particulars:-

A> Applicable to all Housing Finance Companies:

- 1> The housing finance company has obtained the Certificate of Registration (CoR – not valid for acceptance of public deposit) granted by the NHB dated 14 November 2017.
- 2> The housing finance company is meeting the required Net Owned Fund (NOF) requirement as prescribed under Section 29A of the National Housing Bank Act, 1987 during the period under audit and as on 31 March 2019.

B> Applicable to Housing Finance Companies not accepting/holding public deposits

- 1> The Company has incurred losses during the period ended 31 March 2019. Accordingly provisions of section 29C of the National Housing Bank Act, 1987 are not applicable.
- 2> The Board of Directors of the Company has passed a resolution on 28 May 2018 for non-acceptance of any public deposits.
- 3> The Company has not accepted any public deposits during the period under audit.
- 4> The Company has availed borrowings during the period under audit which is in compliance with the limit prescribed under paragraph 3(2) of the Housing Finance Companies (NHB) Directions, 2010.
- 5> The Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in the Housing Finance Companies (NHB) Directions, 2010 to the extent applicable to the Company.
- 6> The capital adequacy ratio as disclosed in the Schedule-II return submitted to the National Housing Bank in terms of the Housing Finance Companies (NHB) Directions, 2010 has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio (CRAR) prescribed therein.



- 7> The Company has furnished to the Bank within the stipulated period the Schedule-II return as specified in the Housing Finance Companies (NHB) Directions, 2010.
- 8> The Company is registered with NHB dated 14 November 2017 as a non-accepting/holding public deposit housing finance company and having assets size less than Rs. 100.00 Crores as on 31 March 2019. Accordingly the Schedule-III quarterly return on Statutory Liquid Assets as specified in the Housing Finance Companies (NHB) Directions, 2010 is not applicable to the Company during the period under audit.
- 9> In the case of opening of new branches /offices or in the case of closure of existing branches/offices, the Company has complied with the requirements contained in the Housing Finance Companies (NHB) Directions, 2010.
- 10> The Company has complied with the provisions contained in paragraph 38 of the Housing Finance Companies (NHB) Directions, 2010 to the extent applicable to the Company.

This certificate has been issued solely at the request of the Company for its submissions to the National Housing Bank pursuant to Housing Finance Companies - Auditor's Report (NHB) Directions, 2016 and it is not to be used, circulated, quoted, or otherwise referred to for any other purposes without our prior written consent.

Place of Signature: Gurugram

Dated: 2 May 2019

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N



Rajeev Bhatia
Partner
M. No. 089018

Satin Housing Finance Limited
Balance Sheet as at March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Financial assets			
Cash and cash equivalents	1	133.75	1,009.43
Bank balances other than above	2	215.32	202.49
Loans	3	7,868.82	205.97
Other financial assets	4	7.02	9.58
		8,224.91	1,427.47
Non Financial assets			
Current tax assets (net)		14.04	5.82
Deferred tax assets (net)	5	47.14	18.36
Property, plant and equipment	6	27.54	-
Other non financial assets	7	12.73	1.52
		101.45	25.70
TOTAL		8,326.36	1,453.17
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade payables	8	-	-
total outstanding dues of MSMEs		-	-
total outstanding dues of creditors other than MSMEs		-	-
Borrowings (other than debt securities)	9	3,348.73	-
Other financial liabilities	10	21.50	2.16
		3,370.23	2.16
Non Financial Liabilities			
Provisions	11	22.77	4.57
Other non financial liabilities	12	106.84	0.69
Total Liabilities		129.61	5.26
		3,499.84	7.42
EQUITY			
Equity share capital	13	5,000.00	1,496.00
Other equity	14	(173.48)	(50.25)
Total equity		4,826.52	1,445.75
TOTAL		8,326.36	1,453.17

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

This is the balance sheet referred to in our report of even date.

For Rajeev Bhatia & Associates.
Chartered Accountants
Firm's Registration No.: 021776N

Rajeev Bhatia
Partner
M. No. 089018



Place: Gurugram
Date: 2nd May 2019

For and on behalf of the Board of Directors
Satin Housing Finance Limited

Harvinder Pal Singh
(Director)
DIN: 00333754

Prince Kumar
(Company Secretary)
ACS: 41094

Amit Sharma
(WTD & CEO)
DIN: 08050304

Anil Kumar Kalra
(Director)
DIN: 07361739

Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited
Statement of Profit and Loss for the year ended March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2019	For the period ended March 31, 2018
I. Revenue from operations			
Interest income	15	441.83	58.95
Fees and commission income	16	55.36	4.91
Net gain on fair value changes	17	52.12	-
Total Revenue from operations		549.31	63.85
II. Other income	18	157.77	-
III. Total income (I+II)		707.08	63.85
IV. Expenses:			
Finance costs	19	111.12	-
Impairment on financial instruments	20	30.85	0.84
Employee benefits expenses	21	482.26	91.46
Depreciation, amortization and impairment	22	9.42	-
Other expenses	23	225.62	40.16
Total expenses		859.28	132.46
V. Profit/(loss) before tax for the year		(152.19)	(68.61)
VI. Tax expense			
Deferred tax credit		(28.83)	(18.36)
Total tax expense		(28.83)	(18.36)
VII. Net profit / (loss) for the year		(123.36)	(50.25)
VIII. Other comprehensive income			
Item that will not to be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		0.19	-
Income tax relating to these items		(0.05)	-
Other comprehensive income/(loss) for the year		0.14	-
XV. Total comprehensive income/(loss) for the year		(123.22)	(50.25)
XVI. Earnings per share (basic and diluted)	24		
(in ₹ per share)			
Basic		(0.41)	(0.44)
Diluted		(0.41)	(0.44)

Accompanying notes form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Rajeev Bhatia & Associates.
Chartered Accountants
Firm's Registration No.: 021776N

Rajeev Bhatia
Partner
M. No. 089018



Place: Gurugram
Date: 2nd May 2019

For and on behalf of the Board of Directors
Satin Housing Finance Limited

Harvinder Pal Singh
(Director)
DIN: 00333754

Prince Kumar
(Company Secretary)
ACS: 41094

Amit Sharma
(WTD & CEO)
DIN: 08050304

Anil Kumar Kalra
(Director)
DIN: 07361739

Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited
Statement of Changes in Equity as at March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

A Equity share capital		Balance as at April 1, 2017	Change in equity share capital during the period	Balance as at March 31, 2018	Change in equity share capital during the year	Balance as at March 31, 2019
Particulars						
Equity Share Capital			1,496.00	1,496.00	3,504.00	5,000.00

B Other equity		Reserves and surplus		Total
Particulars		Retained earnings		
Balance as at April 1, 2017				
Profit/(Loss) for the period		(50.25)		(50.25)
Other comprehensive income for the year				
Balance as at March 31, 2018		(50.25)		(50.25)
Profit for the period		(123.36)		(123.36)
Other comprehensive income for the year		0.14		0.14
Balance as at March 31, 2019		(173.48)		(173.48)

Accompanying notes form an integral part of the interim financial statements.


For Rajeev Bhatia & Associates.
Chartered Accountants
Firm's Registration No.: 021776N


Rajeev Bhatia
Partner
M. No. 0890018

Place: Gurugram
Date: 2nd May 2019



For and on behalf of the Board of Directors
Satin Housing Finance Limited


Harvinder Pal Singh
(Director)
DIN: 00333754


Prince Kumar
(Company Secretary)
ACS: 41094


Amit Sharma
(WTD & CEO)
DIN: 08050304


Anil Kumar Kaith
(Director)
DIN: 07361739


Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited
Statement of Cash Flows for the year ended March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(152.19)	(68.61)
Adjustments for:		
Interest expense on borrowings	111.12	-
Depreciation and amortisation expense	9.42	-
Interest income on security deposits	(0.34)	-
Re-measurement gains on defined benefit plans	0.14	-
Operating Profit Before Working Capital Changes	(31.84)	(68.61)
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Loans	(7,662.85)	(205.97)
Other bank balances	(12.82)	(202.49)
Other financial assets	2.89	(9.58)
Other non financial assets	(11.21)	(1.52)
<i>Adjustments for (increase) / decrease in operating liabilities:</i>		
Trade payables	-	-
Other financial liabilities	4.76	2.16
Other non financial liabilities	106.15	0.69
Provisions	18.20	4.57
Movement in Operating Assets and Liabilities	(7,554.90)	(412.14)
Cash used in operations	(7,586.74)	(480.74)
Less: Income tax paid	8.17	5.82
Net cash used in operating activities	(7,594.91)	(486.56)
	(A)	
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(36.96)	-
Net cash used in investing activities	(36.96)	-
	(B)	
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of equity share capital	3,504.00	1,496.00
Proceeds from borrowings	4,800.00	-
Repayment of borrowings	(1,451.27)	-
Interest paid on borrowings	(96.54)	-
Net cash flow from financing activities	6,756.19	1,496.00
	(C)	
Net (Decrease)/Increase in Cash and Cash Equivalents	(875.68)	1,009.44
	(A+B+C)	
Cash and Cash Equivalents at the Beginning of the Year	1,009.43	-
Cash and Cash Equivalents at the End of the Year	133.75	1,009.43
Reconciliation of cash and cash equivalents as per the cash flow statement*	(875.68)	1,009.43

The accompanying Restated Standalone Statement of Significant Accounting Policies in Annexure V and Notes to the Restated Standalone Financial Information in Annexure VI are an integral part of this statement.

For Rajeev Bhatia & Associates.
Chartered Accountants
Firm's Registration No.: 021776N

Rajeev Bhatia
Partner
M. No. 089018

Place: Gurugram
Date: 2nd May 2019

For and on behalf of the Board of Directors
Satin Housing Finance Limited

Harvinder Pal Singh
(Director)
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(WTD & CFO)
DIN: 08050304

Anil Kumar Kalra
(Director)
DIN: 07361739

Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

1 Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks in current accounts	133.60	63.86
Cash in hand	0.14	-
Term deposits with banks for original maturity of 3 months or less	-	945.57
	<u>133.75</u>	<u>1,009.43</u>

Note:

There are no repatriation restrictions with respect to Cash and Cash equivalents as at the end of the reporting year and prior years.

2 Bank balances other than above

Particulars	As at March 31, 2019	As at March 31, 2018
Term deposits with Banks for remaining maturity of more than 3 months and upto 1 year*	215.32	202.49
	<u>215.32</u>	<u>202.49</u>

Note*:

The above term deposit is lien against bank overdraft facility of Rs. 1.8 Crores.

3 Loans

Particulars	As at March 31, 2019	As at March 31, 2018
	As at amortised cost	
Housing loans	6,907.20	167.15
Non Housing loans	993.31	39.66
Total - Gross	7,900.51	206.81
<i>Less:</i> Allowance for impairment loss for loan assets	(31.69)	(0.84)
Total - Net	7,868.82	205.97

Outstanding Loans

Standard

Housing loans	6,907.20	167.15
Non Housing loans	993.31	39.66
Sub-Standard	-	-
Doubtful	-	-
Loss	-	-
Total	7,900.51	206.81

Provisions

Standard

Housing loans	27.81	0.70
Non Housing loans	3.88	0.14
Sub-Standard	-	-
Doubtful	-	-
Loss	-	-
Total	31.69	0.84

Note:

- 1) All loan assets have been provided against tangible assets being immovable properties only.
- 2) All loan assets have been provided to beneficiaries/members of public only.
- 3) All loan assets have been provided in India only.
- 3) Refer note 28 - Financial instruments for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Particulars

Interest accrued	53.83	0.36
Unamortized loan processing fees	147.00	4.73



Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

4 Other financial assets

Particulars	As at	As at
	March 31, 2019	March 31, 2018
	As at amortised Cost	
Security deposits (unsecured, considered good)	7.02	9.58
	<u>7.02</u>	<u>9.58</u>

5 Deferred tax assets (net)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Deferred tax assets recognised on account of:		
(a) Carried forward losses	30.74	12.46
(b) Preliminary and pre-operative expenses	2.57	3.08
(c) Employee benefits	5.64	1.27
(d) Others	0.70	-
(e) Allowance for impairment of loans	8.82	0.23
(f) Measurement of financial assets and liabilities at amortised cost	-	1.32
Deferred tax liabilities recognised on account of:		
(g) Measurement of financial assets and liabilities at amortised cost	(0.05)	-
(h) Depreciation and amortisation	(1.28)	-
Net deferred tax asset	<u>47.14</u>	<u>18.36</u>

Notes:

(i) Movement in deferred tax assets/(liabilities) for year ended March 31, 2019:

Particulars	As at April 1, 2018	Recognised in other comprehensive income	Recognised statement of profit and loss	As at March 31, 2019
Tax effect of items constituting deferred tax assets:				
(a) Carried forward losses	12.46	-	18.28	30.74
(b) Preliminary and pre-operative expenses	3.08	-	(0.51)	2.57
(c) Employee benefits	1.27	(0.05)	4.42	5.64
(d) Others	-	-	0.70	0.70
(e) Allowance for impairment of loans	0.23	-	8.58	8.82
(f) Measurement of financial assets and liabilities at amortised cost	1.32	-	(1.32)	-
	<u>18.36</u>	<u>(0.05)</u>	<u>30.15</u>	<u>48.46</u>
Tax effect of items constituting deferred tax liabilities:				
(g) Measurement of financial assets and liabilities at amortised cost	-	-	(0.05)	(0.05)
(h) Depreciation	-	-	(1.28)	(1.28)
	<u>-</u>	<u>-</u>	<u>(1.32)</u>	<u>(1.32)</u>
Net deferred tax asset	<u>18.36</u>	<u>(0.05)</u>	<u>28.83</u>	<u>47.14</u>

(ii) Movement in deferred tax assets/(liabilities) for year ended March 31, 2018:

Particulars	As at April 1, 2017	Recognised in other comprehensive income	Recognised statement of profit and loss	As at March 31, 2018
Tax effect of items constituting deferred tax assets:				
(a) Carried forward losses	-	-	12.46	12.46
(b) Preliminary and pre-operative expenses	-	-	3.08	3.08
(c) Employee benefits	-	-	1.27	1.27
(d) Others	-	-	-	-
(e) Allowance for impairment of loans	-	-	0.23	0.23
(f) Measurement of financial assets and liabilities at amortised cost	-	-	1.32	1.32
	<u>-</u>	<u>-</u>	<u>18.36</u>	<u>18.36</u>
Net deferred tax asset	<u>-</u>	<u>-</u>	<u>18.36</u>	<u>18.36</u>



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

6 Property, plant and equipment

Description	Computers and accessories	Furniture and Fixtures	Office equipments	Total
Gross carrying value				
As at 31 March 2018	-	-	-	-
Additions	25.47	4.95	6.55	36.96
As at 31 March 2019	25.47	4.95	6.55	36.96
Accumulated depreciation				
As at 31 March 2018	-	-	-	-
Charge for the year	7.97	0.38	1.07	9.42
As at 31 March 2019	7.97	0.38	1.07	9.42
Net block as at 31 March 2019	17.49	4.57	5.48	27.54



Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

7 Other non financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advances recoverable in cash or in kind or for value to be received	1.87	0.20
Prepaid expenses	7.00	-
Prepaid rental asset	1.20	1.32
Payment due from customers	0.06	-
Advance insurance receivable	2.60	-
	<u>12.73</u>	<u>1.52</u>

8 Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables		
total outstanding dues of MSMEs	-	-
total outstanding dues of creditors other than MSMEs	-	-
	<u>-</u>	<u>-</u>

9 Borrowings (other than debt securities)

Particulars	As at March 31, 2019	As at March 31, 2018
Term loans from financial institutions	3,348.73	-
Term loans from banks	-	-
Total (A)	<u>3,348.73</u>	<u>-</u>
Borrowings in India	3,348.73	-
Borrowings outside India	-	-
Total (B)	<u>3,348.73</u>	<u>-</u>

Notes:

(1) Repayment terms

Particulars	Tenure	Repayment type
MAS Financials Services Limited	4 years	Monthly
MAS Rural Housing and Mortgage Finance Limited	4 years	Monthly
Vivanti Capital Private Limited	5 years	Monthly
Satin Creditcare Network Limited	5 years	Bullet
Northern Arc Capital Ltd	5 years	Monthly

(2) Security Details

	Security deposit (%) OR Book Debits Margin (%)
MAS Financials Services Limited	100.0%
MAS Rural Housing and Mortgage Finance Limited	100.0%
Vivanti Capital Private Limited	110.0%
Satin Creditcare Network Limited	100.0%
Northern Arc Capital Ltd	110.0%

10 Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due on Borrowings		
- Term loans from financial institutions	14.59	-
Expenses payable	4.50	1.16
Employee related payables	0.42	-
Insurance Premium return received	2.00	-
Security deposit from director	-	1.00
	<u>21.50</u>	<u>2.16</u>



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

11 Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provisiou for employec benefits		
Provision for gratuity	6.76	1.43
Provision for compensated absences	13.51	3.13
Provision for expenses	2.50	-
	<u>22.77</u>	<u>4.56</u>

12 Other non financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advance received from customers	11.23	-
Statutory dues payable	35.29	0.69
Deferred income	60.31	-
	<u>106.83</u>	<u>0.69</u>



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

13 Equity share capital

Authorised equity share capital

600,00,000 (31 March 2018: 150,00,000) Equity shares of ₹10 each

Issued, subscribed and paid up equity share capital

500,00,000 (31 March 2018: 14,960,000) Equity shares of ₹10 each

i) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian ₹. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Reconciliation of equity shares outstanding at reporting year end date

Equity share capital of ₹ 10 each fully paid up

Balance at the beginning of the year

Add: Issued during the year

Balance at the end of the year

iii) Shares held by holding company as at balance sheet date:

Equity share capital of ₹ 10 each fully paid up

Satin Creditcare Network Limited (holding company)

	As at March 31, 2019	As at March 31, 2018
	6,000.00	1,500.00
	6,000.00	1,500.00
	5,000.00	1,496.00
	5,000.00	1,496.00

	No. of shares		₹	
	As on March 31, 2019	No. of shares	As on March 31, 2019	No. of shares
	149.60		1,496.00	
	350.40		3,504.00	149.60
	500.00		5,000.00	149.60
				1,496.00
	No. of shares		% holding	
	As on March 31, 2019	No. of shares	As on March 31, 2018	% holding
	500.00		149.60	100%
	500.00		149.60	100%

14 Other equity

Retained earnings

Total Other Equity

	As at March 31, 2019	As at March 31, 2018
	(173.48)	(50.25)
	(173.48)	(50.25)

Note:

Other comprehensive income (OCI)

The Company has recognised remeasurements of defined benefits plans through other comprehensive income.



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

15 Interest income

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
On Financial Assets measured at Amortised Cost		
Interest income on loans	390.76	0.77
Interest income on deposits with banks	50.73	58.16
Other interest income	0.34	0.02
Total	441.83	58.95

16 Fees and commission income

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Income from fees and other charges	55.36	4.91
	55.36	4.91

17 Net gain on fair value changes

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Mutual Funds	52.12	-
Total Net gain/(loss) on fair value changes	52.12	-
Fair Value Changes:		
-Realised	52.12	-
-Unrealised	-	-
Total Net gain/(loss) on fair value changes	52.12	-

18 Other income

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Income from promotion of financial products	157.50	-
Miscellaneous income	0.27	-
	157.77	-



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

19 Finance costs

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
On Financial liabilities measured at Amortised Cost		
(A) Interest on borrowings		
Interest expense on bank overdraft	0.46	-
Interest expense on term loan from others	110.56	-
(B) Other interest expense		
Interest expense on taxes	0.10	-
	<u>111.12</u>	<u>-</u>

20 Impairment on financial instruments

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Impairment on loan assets	30.85	0.84
	<u>30.85</u>	<u>0.84</u>

21 Employee benefits expenses

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Salaries, wages and bonus	405.13	90.12
Contribution to provident and other funds	19.95	-
Share based payment to employees	41.32	0.71
Staff welfare expenses	8.21	0.62
Recruitment expenses	7.66	-
	<u>482.26</u>	<u>91.46</u>

22 Depreciation, amortization and impairment

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Depreciation on property, plant & equipments	9.42	-
	<u>9.42</u>	<u>-</u>



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

23 Other expenses

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Advertisement expenses	1.17	1.00
Auditor's remuneration*	4.09	1.00
Rates and taxes	43.30	3.26
Legal and professional charges	6.11	2.37
Financial inspection expenses	6.96	0.66
Legal Verification Charges	20.55	0.92
Technical Verification Charges	27.33	0.42
Travelling and conveyance	9.51	1.91
Power and fuel	4.74	0.94
Fees and subscriptions	-	0.39
Preliminary expenses written off	-	15.38
Office maintenance charges	8.10	0.21
Software expenses	46.56	0.46
Communication cost	3.84	0.20
Rent	22.47	8.79
Director sitting fees	1.51	0.60
Printing and stationery	6.70	0.04
Security guard expenses	2.27	-
DSA commission	5.13	1.42
Credit rating charges	1.09	-
Record maintenance charges	1.28	-
Bank charges	0.54	0.04
Miscellaneous expenses	2.36	0.16
	225.62	40.16
<u>*Auditor's remuneration includes</u>		
Statutory audit fee	3.00	1.00
Tax audit fee	1.00	-
	4.00	1.00



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

24 Earnings per share (basic and diluted)

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Net profit/(Loss) for the year	(123.36)	(50.25)
Weighted average number of equity shares for EPS in lakhs	300.74	113.51
Par value per share	10.00	10.00
Earnings per share - Basic and diluted	(0.41)	(0.44)

25 Tax expense

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Deferred tax credit	(28.83)	(18.36)
	<u>(28.83)</u>	<u>(18.36)</u>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 27.82% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	(152.19)	(68.61)
At country's statutory income tax rate of 27.82% (31 March 2018: 27.82%)	(42.34)	(19.09)
Adjustments in respect of taxes earlier years		
(i) Expenses in increase in Authorised Capital	11.27	0.38
(ii) Preliminary expenses allowed	(1.71)	-
(iii) Others	3.95	0.35
	<u>(28.83)</u>	<u>(18.36)</u>

26 Leases

	For the year ended March 31, 2019	For the period ended March 31, 2018
Total lease expense recognised in the statement of profit and loss		
Operating lease rent	22.09	8.66
	<u>22.09</u>	<u>8.66</u>

Office premises

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Operating lease payments recognised during the year	22.09	8.66
Minimum lease obligations:		
- within one year	30.29	16.84
- Later than one year but not later than five years	46.95	35.52
- Later than five years	-	-

27 Segment information

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 on 'Segment Reporting' is considered to be only the reportable business segment. The company derives its major revenues from financing activities and its customers are widespread. The Company is operating in India which is considered as a single geographical segment.



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

29 Related Party transactions

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

a. Details of related parties:

Description of relationship	Names of related parties
Holding company	Satin Creditcare Network Limited
Entities over which significant influence is exercised by the company /key management personnel (either individually or with others)	Niryas Food Products Private Limited
Key management personnel (KMP)	Amit Sharma ; Whole Time Director & Chief Executive Officer Sachin Sharma ; Chief Financial Officer Kuldeep Singh Yadav ; Company Secretary

b. Transactions with Related Parties are as under:

	Related Party Entities		Key Management Personnel	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(i) Transactions during the year				
Satin Creditcare Network Limited (holding company)				
a) Issue of Equity Shares	3,504.00	1,496.00	-	-
b) Reimbursement towards payment of Incorporation expenses	-	14.88	-	-
c) Employee Compensation expenses on account of ESOP Scheme of holding company	41.32	0.71	-	-
d) Payment of Rent for sharing registered office premises	0.63	0.23	-	-
e) Loan proceeds	1,400.00	-	-	-
f) Loan repayment	1,300.00	-	-	-
g) Closing loan balance	100.00	-	-	-
h) Interest on Loan	11.74	-	-	-
Niryas Food Products Private Limited				
a) Office expenses	0.25	-	-	-
Key Management Personnel				
* Salary and Bonus				
i. Amit Sharma; Whole Time Director & Chief Executive Officer	-	-	66.12	48.98
ii. Sachin Sharma; Chief Financial Officer	-	-	20.18	14.67
iii. Kuldeep Singh Yadav; Company Secretary	-	-	19.77	16.10

With respect to the key management personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

Key management personnel remuneration includes the following expenses:

	March 31, 2019	March 31, 2018
Short-term employee benefits	93.76	79.75
Post-employment benefits	2.65	-
Termination benefits	9.65	-
Total remuneration	106.07	79.75



30 Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Defined contribution plans**Provident fund**

The Company has made ₹ 37.59 lakhs (March 31, 2018 ₹ nil) contribution in respect of provident fund and other funds.

Defined benefit plans**Gratuity**

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at

(i) Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of obligation	6.76	1.43
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	6.76	1.43

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
Current service cost	5.40	1.43
Interest cost on defined benefit obligation	0.11	-
Net impact on profit (before tax)	5.51	1.43
Actuarial (gain)/loss recognised during the year	(0.19)	-
Amount recognised in the statement of profit and loss and other comprehensive income	5.32	1.43

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation as at the beginning of year	1.43	-
Current service cost	5.40	1.43
Interest cost	0.11	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	0.08	-
Actuarial (gain)/loss on arising from experience adjustment	(0.27)	-
Present value of defined benefit obligation as at the end of the year	6.76	1.43



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	As at March 31, 2019	As at March 31, 2018
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Expected return on plan assets	-	-
Actuarial loss/(gain) on plan assets	-	-
Fair value of plan assets at the end of the year	-	-

(vi) Actuarial assumptions

Particulars	As at March 31, 2019	As at March 31, 2018
Discounting rate	7.66%	7.84%
Future salary increase	7.00%	7.00%
Retirement a_1 (years)	58.00	58.00
Withdrawal rate		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Weighted average duration	20.09	17.81

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

(vii) Sensitivity analysis for gratuity liability

Particulars	As at March 31, 2019	As at March 31, 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	6.76	1.43
- Impact due to increase of 0.50 %	(0.52)	(0.10)
- Impact due to decrease of 0.50 %	0.58	0.11
Impact of the change in salary increase		
Present value of obligation at the end of the year	6.76	1.43
- Impact due to increase of 0.50 %	0.58	0.11
- Impact due to decrease of 0.50 %	(0.53)	(0.10)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

(viii) Maturity profile of defined benefit obligation

year	As at March 31, 2019 Amount	As at March 31, 2018 Amount
0 to 1 year	0.01	0.00
1 to 2 year	0.04	0.02
2 to 3 year	0.11	0.02
3 to 4 year	0.11	0.02
4 to 5 year	0.11	0.02
5 to 6 year	0.10	0.02
6 year onwards	6.28	1.33



31 Financial Instruments

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Notes to schedule	As at March 31, 2019	As at March 31, 2018
Financial assets measured at amortised cost			
Cash and cash equivalents	1	133.75	1,009.43
Bank balances other than above	2	215.32	202.49
Loans	3	7,868.82	205.97
Security deposits	4	7.02	9.58
Total		8,224.90	1,427.47
Financial liabilities measured at amortised cost			
Trade payables	8	-	-
Borrowings (other than debt securities but including interest accrued)	9	3,348.73	-
Other financial liabilities	10	21.50	2.16
Total		3,370.23	2.16

B Fair values hierarchy

The Company does not have any financial instrument which is measured at fair value.

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans	7,868.82	8,497.52	205.97	218.52
Security deposits	7.02	7.02	9.58	9.58
Total	7,875.84	8,504.54	215.55	228.09
Financial liabilities				
Borrowings (other than debt securities)	3,348.73	3,348.73	-	-
Other financial liabilities	21.50	21.50	2.16	2.16
Total	3,370.23	3,370.23	2.16	2.16

The management assessed that fair values of investments, cash and cash equivalents, other bank balances, trade receivables and trade payables approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

- The fair values of the Company's fixed interest bearing loans and receivables are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2019 was assessed to be insignificant.
- The fair values of the Company fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

C Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents (other than cash), loans, financial assets measured at amortised cost	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Variable rates borrowings	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, loan assets, and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.



a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns

- (i) Low credit risk on financial reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents (other than cash), other bank balances, investments, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Nil	Life time expected credit loss or 12 month expected credit loss
High credit risk	Nil	Life time expected credit loss fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a borrower declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Low credit risk - Stage 1		
Loans	7,868.82	205.97
Cash and cash equivalents	133.60	1,009.43
Bank balances other than above	215.32	202.49
Security deposits	7.02	9.58
(ii) Moderate credit risk - Stage 2		
Loans	-	-
(iii) High credit risk - Stage 3		
Loans	-	-

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (other than cash) and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

Credit risk related to borrower's are mitigated by considering collateral's/ bank guarantees/letter of credit, from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems that are configured from systematic institutional and project appraisal process analysis to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Expected credit losses for financial assets other than loans

i) Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For investments - Considering the investments are in mutual funds, certificate of deposits and Government securities, credit risk is considered low.
- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2019	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	133.60	0%	-	133.60
Bank balances other than above	215.32	0%	-	215.32
Security deposits	7.02	0%	-	7.02
Other financial assets	-	0%	-	-

As at March 31, 2018	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,009.43	0%	-	1,009.43
Bank balances other than above	202.49	0%	-	202.49
Security deposits	9.58	0%	-	9.58
Other financial assets	-	0%	-	-



Saain Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

ii) Expected credit loss for loans

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.

If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Considering, the Company has started business from November 2017 and does not have history and there are no loan balances which has become 90 days past due and hence, provisioning norms are been used to make provision for loan assets, with a background of management overlay.

Particulars	As at March 31, 2019	As at March 31, 2018
Gross loans in respect of borrower's where no specific default has occurred	7,900.51	206.81
Expected loss rate	0.40%	0.41%
Loans due from borrowers where specific default has occurred		
Expected credit loss (loss allowance provision)	31.69	0.84

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Loans
Loss allowance on April 1, 2017	-
Loss allowances on assets originated	0.84
Loss allowance written back	-
Write - offs	-
Loss allowance on March 31, 2018	0.84
Loss allowances on assets originated	30.85
Loss allowance written back	-
Write - offs	-
Loss allowance on March 31, 2019	31.69

c) Concentration of loans

The Company's exposure to credit risk for loans and trade receivables is presented as below. Other financial assets majorly represents loans to employees and deposits given for business purposes.

Particulars	As at March 31, 2019	As at March 31, 2018
East	80.85	-
West	-	-
North	7,787.96	205.97
South	-	-
Central	-	-
Total	7,868.82	205.97

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	As at March 31, 2019	As at March 31, 2018
- Expiring within one year ((Financial Institutions- Floating rate)	3,000.00	-
- Expiring beyond one year ((Financial Institutions - Floating rate)	-	-
	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank with notice. The Company has fixed deposit hen against book overdraft.

Subject to the continuance of satisfactory credit ratings, the bank loan facilities can be drawn till March 31, 2020 in ₹ 21 Crores and have an average maturity of 4.6 years (March 31, 2018: nil).

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company's financial assets and liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2019	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial Assets					
Cash and cash equivalents	133.75	-	-	-	133.75
Bank balances other than above	223.58	-	-	-	223.58
Loans	1,282.59	1,281.56	1,281.35	18,164.89	22,010.38
Other financial assets	1.94	3.60	-	2.73	8.27
	1,641.85	1,285.16	1,281.35	18,167.62	22,375.98
Financial Liabilities					
Borrowings (other than debt securities)	1,051.19	1,009.89	2,324.30	11.33	4,396.71
Trade payables	2.50	-	-	-	2.50
Other financial liabilities	21.50	-	-	-	21.50
Total	1,075.19	1,009.89	2,324.30	11.33	4,420.71
As at March 31, 2018					

Financial Assets					
Cash and cash equivalents	1,013.25	-	-	-	1,013.25
Bank balances other than above	208.07	-	-	-	208.07
Loans	35.11	35.11	35.11	407.53	512.88
Other financial assets	7.30	-	3.60	-	10.90
	1,263.73	35.11	38.71	407.53	1,745.09
Financial Liabilities					
Borrowings (other than debt securities)	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	2.16	-	-	-	2.16
Total	2.16	-	-	-	2.16



C) Market risk

a) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2019, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2019	As at March 31, 2018
Variable rate borrowings	3,348.73	-
Fixed rate borrowings	-	-
Total Borrowings	3,348.73	-

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	As at March 31, 2019	As at March 31, 2018
Interest sensitivity*		
Interest rates – increase by 50 basis points (50 bps)	(16.74)	-
Interest rates – decrease by 50 basis points (50 bps)	16.74	-

* Holding all other variables constant

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

32 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings (other than debt securities)	3,348.73	-
Other financial liabilities	21.50	2.16
Less: Cash and cash equivalents and Bank balances	(349.00)	(1,211.92)
Total borrowings/net debt	3,021.17	(1,209.76)
Equity share capital	5,000.00	1,496.00
Other equity	(173.48)	(50.25)
Total equity/Capital and net debt	4,826.52	1,445.75
Net debt to equity ratio	0.63	(0.84)

* Net debt includes borrowings (other than debt securities) + interest accrued - cash and cash equivalents - Bank balances other than cash and cash equivalents.



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

33 Assets hypothecated as security

The carrying amounts of assets hypothecated as security are:

Particulars	March 31, 2019	March 31, 2018
Non-current		
First charge	2,844.08	-
Total non-current assets hypothecated as security	2,844.08	-
Current		
First charge	692.23	-
Total current assets hypothecated as security	692.23	-
Total assets hypothecated as security	3,536.31	-

Company has hypothecated its loan assets as security against borrowings.

34 Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Borrowings	Equity Share Capital	Total
01 April 2017	-	-	-
Cash flows:		1,496.00	1,496.00
Non cash:			
31 March 2018	-	1,496.00	1,496.00
Cash flows:	3,348.73	3,504.00	6,852.73
Non cash:	-	-	-
- Others	-	-	-
31 March 2019	3,348.73	5,000.00	8,348.73



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

35 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS mandatory exceptions

1 Estimates

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Property. As Company doesn't have any assets on the FY 2017-18 hence said exemption is not applicable to the company.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

B Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

1 Reconciliation of total equity as at March 31, 2018

Description	Notes to first time adoption	March 31, 2018
Total equity (shareholder's funds) as per Previous GAAP		1,449.17
Adjustments:		
Measurement of financial assets and liabilities initially at fair value and subsequently at amortised cost	Note – 1	(4.74)
Deferred tax effect of adjustments	Note – 3	1.32
Total adjustments		(3.42)
Total equity as per Ind AS		1,445.75

2 Reconciliation of total comprehensive income for the year ended March 31, 2018

Description	Notes to First time adoption	March 31, 2018
Profit after tax as per Previous GAAP		(46.83)
Adjustments:		
Measurement of financial assets and liabilities initially at fair value and subsequently at amortised cost	Note – 1	(4.74)
Total adjustments		(4.74)
Profit after tax as per Ind AS		(51.57)
Income tax effect of adjustments	Note – 4	1.32
Profit as per Ind AS for the year ended March 31, 2018		(50.25)

3 Impact of Ind AS adoption on the Statement of cash flows for the year ended March 31, 2018

Description	Per Previous GAAP	Ind AS adjustments*	Per Ind AS
Net cash flow from operating activities	(491.14)	3.58	(486.56)
Net cash flow from investing activities	-	-	-
Net cash flow from financing activities	1,496.00	-	1,496.00
Net increase in cash and cash equivalents	1,004.86	3.58	1,009.44
Cash and cash equivalents as at April 1, 2017	-	-	-
Cash and cash equivalents as at March 31, 2018	1,004.86	4.57	1,009.43
Reconciliation of cash and cash equivalent as per the cash flow statement*	1,004.86	4.57	1,009.43

The transition from previous GAAP to Ind AS has not made a material impact on the statement of cash flows.

*Reclassification of interest accrued on fixed deposits to Cash and cash equivalents.



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending 31 March 2019

(All amounts in Rupees, unless stated otherwise)

4 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at March 31, 2018 is as follows:

Description	Notes to First time adoption	As Per Previous GAAP	Ind AS adjustments	As Per Ind AS
ASSETS				
Financial assets				
Cash and cash equivalents		1,004.86	4.57	1,009.43
Bank balances other than above		200.00	2.49	202.49
Loans	Note – 1	211.02	(5.05)	205.97
Other financial assets	Note – 4	18.49	(8.91)	9.59
		<u>1,434.37</u>	<u>(6.89)</u>	<u>1,427.48</u>
Non Financial assets				
Current tax assets (net)		5.82	-	5.82
Deferred tax assets (net)	Note – 4	17.04	1.32	18.36
Property, plant and equipment		-	-	-
Other non financial assets	Note – 1	0.20	1.32	1.52
		<u>23.06</u>	<u>2.64</u>	<u>25.69</u>
TOTAL		<u>1,457.43</u>	<u>(4.25)</u>	<u>1,453.17</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Other financial liabilities		2.16	-	2.16
		<u>2.16</u>	<u>-</u>	<u>2.16</u>
Non Financial Liabilities				
Provisions	Note – 2	5.41	(0.83)	4.57
Other non financial liabilities		0.69	-	0.69
		<u>6.09</u>	<u>(0.83)</u>	<u>5.26</u>
Total Liabilities		<u>8.26</u>	<u>(0.83)</u>	<u>7.42</u>
EQUITY				
Equity share capital		1,496.00	-	1,496.00
Other equity	Note – 1,2,3,4	(0.00)	(50.25)	(50.25)
Total Equity		<u>1,496.00</u>	<u>(50.25)</u>	<u>1,445.75</u>
TOTAL		<u>1,504.26</u>	<u>(51.08)</u>	<u>1,453.17</u>



Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending 31 March 2019
(All amounts in Rupees, unless stated otherwise)

5 Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at March 31, 2018 is as follows:

Description		As Per Previous GAAP	Ind AS adjustments	As Per Ind AS
I. Revenue from operations				
Interest Income	Note – 1	58.90	0.04	58.95
Fees and Commission Income		9.65	(4.74)	4.91
Total Revenue from operations		68.56	(4.70)	63.85
II. Other income		-	-	-
III. Total income (I+II)		68.56	(4.70)	63.85
IV. Expenses:				
Impairment on Financial Instruments		0.84	-	0.84
Employee benefits expenses		91.46	-	91.46
Other expenses	Note – 1	40.12	0.03	40.16
Total expenses		132.43	0.03	132.46
V. Profit before tax		(63.87)	(4.74)	(68.61)
VI. Tax expense				
Deferred tax expense/(credit)	Note – 4	(17.04)	(1.32)	(18.36)
Total tax expense		(17.04)	(1.32)	(18.36)
VII Net Profit/(loss) for the year		(46.83)	(3.42)	(50.25)
VII Other comprehensive income				
Item that will not to be reclassified to profit or loss				
(a) Re-measurement gains/(losses) on defined benefit plans		-	-	-
(b) Income tax relating to these items		-	-	-
Other Comprehensive Income/(Loss) for the year		-	-	-
XV. Total Comprehensive Income for the year		(46.83)	(3.42)	(50.25)
XV Earnings per share (basic and diluted)				
(in ₹ per share)				
Basic		(0.41)		(0.44)
Diluted		(0.41)		(0.44)



Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2019
(All amounts in rupees in lakhs, unless stated otherwise)

Notes to first time adoption

Note 1:

Financial assets and liabilities accounted for at amortised cost

Under Ind AS, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost which involves the application of effective interest/amortisation cost method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the fair value amount on the date of recognition of financial asset or financial liability.

Note 2:

Expected credit losses

Under Indian GAAP, the Company has created impairment of loans to customer consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

Note 3:

Tax impact on adjustments

Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

Note 4:

Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

36 Maturity of assets and liabilities

In accordance with Ind AS 1 Paragraph 61, whichever method of presentation is adopted, Company has disclosed amount expected to be recovered or settled after more than twelve months for each asset and liability line item that combines amounts expected to be recovered or settled as follows:

	March 31, 2019			March 31, 2018		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	133.75	-	133.75	1,009.43	-	1,009.43
Bank balances other than above	215.32	-	215.32	202.49	-	202.49
Loans	198.03	7,670.79	7,868.82	7.06	198.91	205.97
Other financial assets	-	7.02	7.02	7.30	2.28	9.58
	<u>547.09</u>	<u>7,677.81</u>	<u>8,224.90</u>	<u>1,226.28</u>	<u>201.18</u>	<u>1,427.47</u>
Non Financial assets						
Current tax assets (net)	-	14.04	14.04	-	5.82	5.82
Deferred tax assets (net)	-	47.14	47.14	-	18.36	18.36
Property, plant and equipment	14.37	13.17	27.54	-	-	-
Other non financial assets	12.00	0.74	12.73	-	1.52	1.52
	<u>26.37</u>	<u>75.08</u>	<u>101.45</u>	<u>-</u>	<u>25.69</u>	<u>25.69</u>
TOTAL ASSETS	<u>573.46</u>	<u>7,752.89</u>	<u>8,326.35</u>	<u>1,226.28</u>	<u>226.88</u>	<u>1,453.16</u>
LIABILITIES AND EQUITY						
LIABILITIES						
Financial Liabilities						
Borrowings (other than debt securities)	663.39	2,685.34	3,348.73	-	-	-
Other financial liabilities	21.50	-	21.50	2.16	-	2.16
	<u>684.89</u>	<u>2,685.34</u>	<u>3,370.23</u>	<u>2.16</u>	<u>-</u>	<u>2.16</u>
Non Financial Liabilities						
Current tax liabilities (net)	-	-	-	-	-	-
Provisions	0.25	22.52	22.77	0.10	4.47	4.57
Other non financial liabilities	46.51	60.32	106.84	0.69	-	0.69
	<u>46.76</u>	<u>82.84</u>	<u>129.61</u>	<u>0.79</u>	<u>4.47</u>	<u>5.26</u>
TOTAL LIABILITIES	<u>731.66</u>	<u>2,768.18</u>	<u>3,499.84</u>	<u>2.95</u>	<u>4.47</u>	<u>7.42</u>
NET	<u>(158.19)</u>	<u>4,984.71</u>	<u>4,826.51</u>	<u>1,223.33</u>	<u>222.41</u>	<u>1,445.74</u>



Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2019

(All amounts in rupees in lakhs, unless stated otherwise)

- 37 In accordance with the National Housing Bank circular no. NHB(ND)/DRS/PolCircular.61/2013-14 dated 7 April, 2014 following disclosure is made:

	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the period		
a) Statutory Reserve as per Section 29C of National Housing Bank Act, 1987	-	-
b) Amount of Special Reserve u/s 36 (1) (vii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of NHB Act, 1987	-	-
Total (A)	-	-
Addition / Appropriation / withdrawal during the period		
Add:		
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 NHB Act, 1987	-	-
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29 C of the NHB Act 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36 (1) (vii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of NHB Act, 1987	-	-
Total (B)	-	-
Balance at the end of the period		
a) Statutory Reserve as per Section 29C of National Housing Bank Act, 1987	-	-
b) Amount of Special Reserve u/s 36 (1) (vii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987	-	-
Total [A+B]	-	-

- 38 Disclosure pursuant to Notification no NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for investments

	As at March 31, 2019	As at March 31, 2018
a. Value of investments		
(i) Gross value of investments		
(a) In India	-	-
(b) Outside India	-	-
(ii) Provision for depreciations		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	-	-
(b) Outside India	-	-
b. Movements of provision held towards depreciation in investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/written-back of excess provisioning during the year	-	-
(iv) Closing balance	-	-

- 39 Disclosure of details as required under notification issued by NHB dated February 09, 2017, NHB.HFC.CGDIR.1/MD&CEO/2016

	As at March 31, 2019	As at March 31, 2018
I Capital to Risk Assets Ratio (CRAR)%		
Capital to Risk Asset Ratio (CRAR) (%)	111.10%	685.96%
CRAR-Tier I Capital (%)	110.37%	685.36%
CRAR-Tier II Capital (%)	0.73%	0.40%
II Exposure to Real Estate Sector		
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 Rs.15 lakh	2,526.94	31.00
Others	5,341.87	174.97
ii) Commercial Real Estate-		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.);	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	-	-
b. Commercial Real Estate	-	-
b. Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total	7,868.82	205.97

III Asset Liability Management as per NHB format

Maturity pattern of certain items of assets and liabilities

	As at March 31, 2019		
	Borrowing	Advances	Investments (FDs)
1 day to 30-31 days (one month)	50.01	15.50	-
Over one month to 2 months	33.77	15.69	-
Over 2 months upto 3 months	54.63	15.89	-
Over 3 months to 6 months	165.60	48.85	215.32
Over 6 months to 1 year	339.39	103.30	-
Over 1 year to 3 years	1,460.05	496.98	-
Over 3 years to 5 years	1,214.08	626.00	-
Over 5 years to 7 years	11.21	726.12	-
Over 7 years to 10 years	-	1,456.90	-
Over 10 years	-	4,363.59	-



Total

3,348.73	7,868.82	215.32
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1 day to 30-31 days (one month)
Over one month to 2 months
Over 2 months upto 3 months
Over 3 months to 6 months
Over 6 months to 1 year
Over 1 year to 3 years
Over 3 years to 5 years
Over 5 years to 7 years
Over 7 years to 10 years
Total

As at March 31, 2018		
Borrowing	Advances	Investments (FDs)
-	0.55	945.57
-	0.55	-
-	0.56	-
-	1.73	202.49
-	3.67	-
-	18.03	-
-	23.92	-
-	18.51	-
-	25.55	-
-	112.90	-
-	205.97	1,148.06



	As at March 31, 2019	As at March 31, 2018
IV Other disclosures		
i) Details of penalty levied by National housing bank	-	-
ii) Adverse comments by the National housing bank on regulatory compliances	-	-
iii) Percentage of outstanding loans granted against collateral of gold jewellery to total outstanding assets	-	-

Previous year figures have been regrouped/reclassified wherever considered necessary to make them in line with that of the current year.
V Derivative transaction entered by company is Nil.

VI The Company has not executed any Securitisation/direct assignment transaction during the period.

VII Exposure to Capital Market		As at March 31, 2019	As at March 31, 2018
Particular			
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;		-	-
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;		-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;		-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;		-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;		-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		-	-
(vii) Bridge loans to companies against expected equity flows / issues;		-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)		-	-
Total Exposure to Capital Market		-	-

VIII No Parent Company Products are financed during the period.

IX The Exposure to a single borrower and group of borrower does not exceed the limit stipulated by the NHB prudential norms applicable to HFC

X The Exposure to Unsecured Advances is Nil

XI The Company has following Registrations effective as on 31 March 2019:

Issuing Authority	National Housing Bank
Registration No., if any	11.0161.17
Date of registration	14th November 2017
Valid upto	
Registered as	Housing finance institution without permission to accept public deposits.

XII Disclosure Pursuant to Notification No. NHB/HFC/CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for rating assigned by rating agency during the year

Nature of Borrowing	Rating / Outlook
Short Term	CARE Ratings Ltd
Long Term - Bank Borrowings	CARE BBB+ (SO), Stable

XIII Company has not made any drawdown of reserves during the period.

XIV 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.

XIV The Company has not executed any forward rate agreement / Interest rate swap transaction

XV Concentration of Loans & Advances		
Particulars	As at March 31, 2019	As at March 31, 2018
Total Loans & Advances to twenty largest borrowers*	1,129.72	205.97
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	14.36%	100.00%

XVI Concentration of all Exposure (including off-balance sheet exposure)		
Particulars	As at March 31, 2019	As at March 31, 2018
Total Exposure to twenty largest borrowers / customers*	1,129.72	205.97
Percentage of Exposure to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	14.36%	100.00%
Off-balance sheet exposure is NIL as on 31 March 2019.		

XVII Concentration of NPAs
Company does not have account under the category of NPA as on 31 March 2019.

XVIII Sector-wise NPAs
Company does not have account under the category of NPA as on 31 March 2019.

XIX Movement of NPAs
Company does not have account under the category of NPA as on 31 March 2019.

XX The company does not have overseas asset as on 31 March 2019

XI The Company has not sponsored any SPVs. Accordingly there is no disclosure applicable.



XII Customers Complaints

Particulars	For the year ended March 31, 2019	For the period ended March 31, 2018
a) No. of complaints pending at the beginning of the period	-	-
b) No. of complaints received during the period	28	-
c) No. of complaints redressed during the period	28	-
d) No. of complaints pending at the end of the period	-	-

40 Foreign Remittance

- Earning (remittance inward) in foreign currency for the period ended 31 March 2019 is NIL.
- Expenditure (remittance outward) in foreign currency for the period ended 31 March 2019 is NIL.

For Rajeev Bhatia & Associates,
 Chartered Accountants
 Firm's Registration No.: 021776N

Rajeev Bhatia
 Partner
 M. No. 089018

Place: Gurugram
 Date: 2nd May 2019



For and on behalf of the Board of Directors
 Satin Housing Finance Limited

Harvinder Pal Singh
 (Director)

DIN: 00333754

Prince Kumar
 (Company Secretary)
 ACS: 41094

Ami Sharma
 (WTD & CEO)
 DIN: 08050304

Anil Kumar Kalia
 (Director)
 DIN: 07361719

Sachin Sharma
 (Chief Financial Officer)

(Handwritten signatures of Harvinder Pal Singh, Ami Sharma, Anil Kumar Kalia, and Prince Kumar)