



IKF Home Finance Private Limited

(Formerly known as IKF Housing Finance Private Limited)

CIN No. U65922AP2002PTC039417

40-1-144, 1stFloor, Corporate Centre, M.G.Road,

VIJAYAWADA – 520 010

Phone: 91-866-2474644, 2474633

Email: ikfhousing@gmail.com

IKF Home Finance Private Limited

(Previously known as IKF Housing Finance Private Limited)

15th Annual Report

2016-2017



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Board of Directors	:	Mr. GopalaKishan Prasad Vupputuri Mr. Paruchuri Chandra Sekhar Mrs.Koganti Vasumathi Devi (w.e.f 20.07.2017) Mrs.Vupputuri Vasantha Lakshmi (w.e.f.20.07.2017)
Chief Executive Officer	:	Mr.S.Aryendra Kumar (w.e.f., 06.04.2017)
Bankers	:	1. Federal Bank Limited Governorpet Branch, Vijayawada – 520002 Andhra Pradesh 2. Cosmos Cooperative Bank Ltd Labbipet, M.G.Road Vijayawada-520010 Andhra Pradesh 3. Coastal Local Area Bank Ltd Governorpet Branch, Vijayawada – 520002 Andhra Pradesh. 4. Equitas Small Finance Bank D.No: 40-1-60, Benz Circle Branch, Vijayawada- 520010 Andhra Pradesh 5. ICICI Bank Limited Benz Circle Branch, Vijayawada- 520010 Andhra Pradesh 6. RBL Bank, Mumbai
Auditors	:	Hanumaiah & Co., Chartered Accountants 1 & 2 Ground, RAM'S VSR Apartments Mogalrajpuram Vijayawada – 520010 Andhra Pradesh
Registered Office	:	# 40-1-144, 1 st Floor, Corporate Centre, M.G. Road, Vijayawada – 520010 Andhra Pradesh
Corporate Office	:	#6-3-902/A, Central Plaza Near Yashoda Hospital, Raj Bhavan Road Somajiguda, Hyderabad-500082 Telangana.



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NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Company will be held on Saturday, the 30th September, 2017 at Registered Office of the Company at 40-1-144, 1st Floor, Corporate Centre, M.G.Road, Vijayawada 520010 at 2:30 P.M, to transact the following business;

Ordinary Business:

01. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017, and Statement of Profit and Loss for the year ended as on that date and together with Reports of the Board of Directors and the Auditors thereon.
02. To Ratify the appointment of Statutory Auditors and fix their remuneration:
To consider and, if thought fit, to pass with or without modification(s) the following resolution as on Ordinary Resolution.

“**RESOLVED THAT** pursuant to the provisions of Section 139 and 142 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder the appointment of M/s.Hanumaiah & Co, Chartered Accountants (Reg No.009021S) as Statutory Auditors of the Company be and is hereby ratified to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company at such remuneration as may be determined by the board of directors of the company.”

*By Order of the Board of Directors
for IKF Home Finance Private Limited*

Gopala Kishan Prasad Vupputuri
Director
DIN: 01817992

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy / proxies to attend and vote on poll instead of himself / herself and such proxy need not be a member of the Company.
2. Proxies to be effective must be deposited at the Registered Office of the Company not later than 48 hours before commencement of the Meeting.
3. Members are requested to bring their copies of the Annual Reports to the Meeting.
4. Member/Proxies should bring the attendance slip filled in for attending the Meeting.
5. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to reply.



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DIRECTORS' REPORT

To
The members of
IKF HOME FINANCE PRIVATE LIMITED

Your Directors have pleasure in presenting their Fifteen Annual Report together with the Audited Accounts for the financial period ended 31st March, 2017.

Financial Results:

(Amounts in Rs)

	2016 - 17	2015 - 16
Gross Turnover (Total Income)	98,50,673	49,96,837
Profit/(loss) before depreciation, interest, tax and exceptional items	57,60,846	41,05,330
Depreciation/amortization	Nil	Nil
Finance cost	Nil	Nil
Profit (loss) before tax	57,60,846	41,05,330
Provision for tax/deferred tax	24,02,285	12,99,686
Profit (loss) after tax before exception item	33,58,561	28,05,644
Less: Exceptional items	Nil	Nil
Net profit (loss) after exceptional items	33,58,561	28,05,644
Balance brought forward from previous year	61,00,013	32,94,368
Dividend on Equity Shares	Nil	Nil
Tax on dividend	Nil	Nil
Transfer to Reserve Fund	8,40,000	Nil
Balance carried to Balance sheet	94,58,563	61,00,013

Review of Operations:

Financial Year 2016-17 is very significant to your Company as during the year your Company has commenced housing finance business w.e.f., 04.08.2016 and as on 31st March, 2017 the total portfolio loans stood at Rs 1,57,29,524.

During the Year the your Company earned an Interest Income of Rs 12.57 Lacs. Apart from this during the year your Company has earned an Interest Income of Rs 79.91 Lacs on Fixed Deposits as against Rs 48.85 Lacs as on 31.03.2016. Further during the year your Company has earned an income of Rs 6.03 Lacs from sale of mutual funds.

During the year the net profit after tax was stood at Rs 33.59 Lacs as against Rs 28.06 Lacs for the year ended 2015-16.

Dividend:

Your Directors have not recommended any dividend for the financial year ended 31st March 2017 with an intention to retain the same in the business for business expansion activities.

Reserves & Surplus:

Reserves and Surplus are accumulated to Rs.94,58,563 as on 31.03.2017 as against Rs.61,00,013 as on 31.03.2016

Details of Subsidiary/Joint Ventures/Associated Companies:

The Company has no Subsidiaries / Joint Venture / Associate Companies as on 31st March, 2017.

Deposits:

The Company has not accepted any public deposits and as such, there were no outstanding Public Deposits as on the date of the balance sheet.



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Statutory Auditors:

M/s. Hanumaiah & Co, Chartered Accountants (Reg No. 009021S) have been appointed as Statutory Auditors of the Company at the 12th Annual General Meeting held on 30th September, 2014 for a period of 5 years subject to ratification by the members at every Annual General Meeting i.e. till 17th Annual General Meeting.

Your Directors commend for the ratification of their appointment.

Auditors' Report:

The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

Internal Control Systems and their adequacy:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit Functions reports to the Board. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Board.

Secretarial Audit:

The provisions of the Section 204 of the Companies Act, 2013 are not applicable to the Company.

Share Capital:

a. Authorized Share Capital:

During the year the Authorized share capital of the company was increased to Rs 30,00,00,000 comprising of 300,00,000 equity shares of Rs.10/- each from Rs 12,00,00,000 comprising of 120,00,000 equity shares of Rs.10/- each

b. Fully Paid-up Share Capital:

The Fully Paid up share capital of the company as on March 31, 2017 was Rs.10,03,95,700 comprising of 100,39,570 equity shares of Rs.10 each.

c. Partly Paid-up Share Capital:

During the year the Company has raised Partly Paid up capital of Rs.4,76,87,957.50 comprising of 47,68,796 equity shares of Rs.10 each Rs.2.50 per share called-up through rights issue.

Rights Issue

During the year your Board has made rights issue of 1,90,75,183 No of shares. These shares are offered 19 new shares for 10 existing shares and Rs 2.50/- paid up per share on allotment and Rs 7.50/- per share to be received in one or more calls.

Change of Name of the Company

The name of the Company was changed to IKF Home Finance Private Limited w.e.f., 08.08.2017 and further conversion of Company from the Private Limited to Public Limited was in process.

Extract of the Annual Return:

The details forming part of the extract of the Annual Return in Form MGT-9 is enclosed as Annexure – II.

Material Changes and Commitments, if any:

Except the above there are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

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

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and foreign exchange earnings and outgo which is furnished in as Annexure – I



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Change in Directors and Key Managerial personnel:

Mrs. Koganti Vasumathi Devi and Mrs Vupputuri Vasantha Lakshmi were inducted in the Board as new directors by the Share holders of the Company at the Extra Ordinary Annual General Meeting held on 20.07.2017.

Mr. Aryendra Kumar was appointed as Chief Executive Officer of the Company on 06.04.2017.

Except the above there was no changes in directors and key managerial personnel.

Number of meetings of the Board of Directors:

During the financial year 2016-17 the Board of Directors has met eleven times on 3-5-2016, 15-6-2016, 25-7-2016, 3-10-2016, 1-11-2016, 13-12-2016, 11-1-2017, 30-1-2017, 3-2-2017, 17-3-2017, 31-3-2017.

Attendance of Directors:

Name of the Director	No. of Meetings entitled to attend	No. of Meetings attended
V Gopala Kishan Prasad	11	11
P Chandra Sekhar	11	11

Particulars of loans, guarantees or investments under section 186:

The granting of loans and giving of guarantee and providing of security by your Company is exempted in terms of Section 186(11) (a) of the Companies Act, 2013, as the Company is housing finance company of the Companies Act, 2013.

Particulars of contracts or arrangements with related parties:

All related party transactions entered into during the financial year were on arms length basis and in the ordinary course of business. There were no materially significant related party transactions entered into by the company with the promoters, management personnel or other designated persons that may have potential conflict with the interests of the company at large. However, the provisions of Section 188(1) of the Companies Act, 2013 are not applicable to the Company.

Particulars of Employees:

There are no employees whose information as required under the provisions of Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- in the preparation of the annual accounts for the period ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Significant and material orders:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.



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Risk Management Policy:

The Board of Directors has adopted risk management policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board of the Company may threaten the existence of the Company. The Management shall identify and controls risks through a properly defined framework in terms of the aforesaid policy.

Policy on Prevention of Sexual Harassment at Workplace:

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

Acknowledgements:

Your Directors wish to place on record their gratitude to customers, employees and bankers and other stakeholders for their continued support to the Company.

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

Two handwritten signatures in blue ink, one for VGK Prasad and one for P Chandra Sekhar, written over the printed names.

VGK Prasad

Director

DIN : 01817992

P Chandra Sekhar

Director

DIN : 03598591

Place: Vijayawada

Date: 27-08-2017



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Annexure-I

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

(A) Conservation of energy-

(i) the steps taken or impact on conservation of energy;

1) Action Taken

a) Installed temperature sensor in cooling tower so that unnecessary running of fan is avoided once wet bulb temperature is reached.

b) Training Program for Energy Saving Awareness is given to all employee of the company. This includes the awareness to all to switch of all lights, appliances & air conditioning at the time of leaving the work place.

2) Action in Progress. : There were no commercial operations during the year.

(ii) the steps taken by the company for utilizing alternate sources of energy; -- Nil --

(iii) the capital investment on energy conservation equipment's; -- Nil --

(B) Technology absorption-

(i) the efforts made towards technology absorption;

There were no commercial operations during the year. The Company will use indigenous technology for manufacture of its products. There is no imported technology.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution :
-- Not applicable --

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
-- Not applicable --

(a) the details of technology imported; -- Nil --

(b) the year of import; -- Nil --

(c) whether the technology been fully absorbed; -- Not applicable --

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
-- Not applicable --

(iv) the expenditure incurred on Research and Development. -- Not applicable --

(C) Foreign exchange earnings and Outgo- -- Nil --

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

VGK Prasad

Director

DIN : 01817992

P Chandra Sekhar

Director

DIN : 03598591

Place: Vijayawada

Date: 27-08-2017



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Annexure-II

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U65922AP2002PTC039417
2.	Registration Date	05/08/2002
3.	Name of the Company	IKF HOME FINANCE PRIVATE LIMITED
4.	Category/Sub-category of the Company	Private Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	# 40-1-144, 1 st Floor, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh - 520010
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	-- Not Applicable --

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Housing Finance	65922	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary, Associate Companies.



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a) Bodies Corp.		Email: ikfhousing@gmail.com							
i) Indian	0								0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0								
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	2,50,270	2,50,270	2.49	0	79,250	79,250	0.27	(2.22)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	55,39,300	55,39,300	55.18	0	1,26,30,320	1,26,30,320	43.38	(11.80)
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	57,89,570	57,89,570	57.67	0	1,27,09,570	1,27,09,570	43.65	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	10039570	10039570	100	0	2,91,14,753	2,91,14,753	100.00	0

(ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	V Indira Devi	85,000	0.85%	Nil	8,85,000	3.04%	Nil	2.19%
2	V G K Prasad	7,85,000	7.82%	Nil	73,95,383	25.40%	Nil	17.58%
3	V Raghu Ram	6,60,000	6.57%	Nil	6,60,000	2.27%	Nil	(4.30%)
4	K Vasumathi Devi	9,70,000	9.66%	Nil	18,79,600	6.46%	Nil	3.20%
5	IKF Infratech (P) Limited	17,50,000	17.43%	Nil	51,10,000	17.55%	Nil	0.12%
6	D Vasntha Lakshmi	0	0.00%	Nil	4,75,200	1.63%	Nil	1.63%
	Total	42,50,000	42.33%	Nil	1,64,05,183	56.35%	Nil	14.02%



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(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	V Indira Devi	85,000	0.29%	85,000	0.29%
	Add: Allotment of partly paid up (Rs 2.50/- per share by allotment in rights issue on 01.11.2016)	8,00,000	2.75%	8,85,000	3.04%
	At the end of the year	8,85,000	3.04%	8,85,000	3.04%
2	V G K Prasad	7,85,000	2.70%	7,85,000	2.70%
	Add: Allotment of partly paid up (Rs 2.50/- per share by allotment in rights issue on 01.11.2016)	66,10,383	22.70%	73,95,183	25.40%
	At the end of the year	73,95,183	25.40%	73,95,183	25.40%
3	V Raghu Ram	6,60,000	2.27%	6,60,000	2.27%
	Add: Allotment of partly paid up (Rs 2.50/- per share by allotment in rights issue on 01.11.2016)	0	0%	6,60,000	2.27%
	At the end of the year	6,60,000	2.27%	6,60,000	2.27%
4	K Vasumathi Devi	9,70,000	3.33%	9,70,000	3.33%
	Add: Allotment of partly paid up (Rs 2.50/- per share by allotment in rights issue on 01.11.2016)	9,09,600	3.13%	18,79,600	6.46%
	At the end of the year	18,79,600	6.46%	18,79,600	6.46%
5	IKF Infratech (P) Limited	17,50,000	6.02%	17,50,000	6.02%
	Add: Allotment of partly paid up (Rs 2.50/- per share by allotment in rights issue on 01.11.2016)	33,60,000	11.54%	51,10,000	17.58%
	At the end of the year	51,10,000	17.58%	51,10,000	17.58%
6	D Vasntha Lakshmi	0	0%	0	0%
	Add: Allotment of partly paid up (Rs 2.50/- per share by allotment in rights issue on 01.11.2016)	4,75,200	1.63%	4,75,200	1.63%
	At the end of the year	4,75,200	1.63%	4,75,200	1.63%



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(iii) **Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	GautamPadala	33,71,700	11.58%	33,71,700	11.58%
	At the Beginning of the year	Nil	Nil	Nil	Nil
	Change	33,71,700	11.58%	33,71,700	11.58%
2.	Vamasi Mohan Athota	20,53,160	7.05%	20,53,160	7.05%
	At the Beginning of the year	Nil	Nil	Nil	Nil
	Change :	20,53,160	7.05%	20,53,160	7.05%
3	Kodali Lakshman Rao	0	0%	0	0%
	At the beginning of the Year	20,00,000	6.87%	20,00,000	6.87%
	Change: Allotment in the rights issue on 01.11.2016	20,00,000	6.87%	20,00,000	6.87%
4	Sunkara Deepa	0	0%	0	0%
	At the beginning of the Year	10,00,000	3.43%	10,00,000	3.43%
	Change: Allotment in the rights issue on 01.11.2016	10,00,000	3.43%	10,00,000	3.43%
5	Sunkara Sunil	0	0%	0	0%
	At the beginning of the Year	10,00,000	3.43%	10,00,000	3.43%
	Change: Allotment in the rights issue on 01.11.2016	10,00,000	3.43%	10,00,000	3.43%
6	Sunkara Veerabhadra Rao	0	0%	0	0%
	At the beginning of the Year	10,00,000	3.43%	10,00,000	3.43%
	Change: Allotment in the rights issue on 01.11.2016	10,00,000	3.43%	10,00,000	3.43%
7	Sunkara Vijaya Lakshmi	0	0%	0	0%
	At the beginning of the Year	10,00,000	3.43%	10,00,000	3.43%
	Change :Allotment in the rights issue on 01.11.2016	10,00,000	3.43%	10,00,000	3.43%
8	Alapati Dasaradha Ramu	7,690	0.03%	7690	0.03%
	At the beginning of the Year	1,20,000	0.41%	1,27,690	0.44%
	Change : Allotment in the rights issue on 01.11.2016	1,27,690	0.44%	1,27,690	0.44%
9	Mannem Venkateswara Rao	6,920	0.02%	6,920	0.02%
	At the beginning of the Year	1,20,000	0.42%	1,20,000	0.44%
	Change: Allotment in the rights issue on 01.11.2016	1,26,920	0.44%	1,26,920	0.44%
10	J Krishna Prasad	5,380	0.02%	5,380	0.02%
	At the beginning of the Year	1,00,000	0.34%	1,00,000	0.34%
	Change : Allotment in the rights issue on 01.11.2016	1,05,380	0.36%	1,05,380	0.36%



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CIN No. U65922AP2002PTC039417

40-1-144, 1stFloor, Corporate Centre, M.G.Road,

VIJAYAWADA – 520 010

Phone:91-866-2474644, 2474633

Email: ikfhousing@gmail.com

(v)Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	V.G.K.Prasad, Director				
	At the beginning of the year	7,85,000	2.70%	7,85,000	2.70%
	Add: Allotment of partly paid up (Rs 2.50/- per share by allotment in rights issue on 01.11.2016)	66,10,383	22.70%	73,95,183	25.40%
	At the end of the year	73,95,183	25.40%	73,95,183	25.40%
2	P Chandra Sekhar, Director				
	At the beginning of the year	0	0.00%	0	0.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): 04.01.2016- Transfer	0	0.00%	0	0.00%
	At the end of the year	0	0.00%	0	0.00%

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

(Rs. in crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0.201	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
* Addition	0	0.066	0	0
* Reduction	0	(0.267)	0	0
Net Change	0	(0.000)	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0



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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil
- B. Remuneration to other directors-Nil
- C. Remuneration to key managerial personnel other than MD/Manager/WTD-Nil

VII. Penalties / Punishment/ Compounding of Offences: Nil

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

A handwritten signature in blue ink, appearing to read 'V. G. Prasad', written over the printed name of the director.

VGK Prasad
Director
DIN : 01817992

P Chandra Sekhar
Director
DIN : 03598591

Place: Vijayawada
Date: 27-08-2017

INDEPENDENT AUDITORS' REPORT

To
The Members of *M/s. IKF HOUSING FINANCE PRIVATE LIMITED*

1. Report on the Financial Statements:

We have audited the accompanying financial statements of **M/S.IKF HOUSING FINANCE PRIVATE LIMITED**, ("Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting standards referred to in section 133 of the Companies Act, 2013 ("Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial controls relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used



and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

4. Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2017;
- b) in the case of the Statement of the Profit and Loss, of the profit for the year ended on that date;
- c) In the case of the cash flow statement of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements:

- (i) As required by the Companies (Audit Report) Order, 2016 issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (ii) 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 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 written representations received from the Directors, as on 31st March, 2017 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2017 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 do not have any pending litigations and as such the impact of them on its financial position does not arise;
 - ii. the Company is not foreseeing any material losses, on long-term contracts and further we have been informed that the company did not enter into any derivative contracts and therefore the provision for the same does not arise;
 - iii. the Company has not holding any amounts such as unclaimed dividends, share application money etc., required to be transferred to the investor education and protection fund.
 - iv. the company has provided requisite disclosures in its financial statements as to holdings as well as dealings in specified bank notes during the period from 08 November, 2016 to 30 December, 2016 as mentioned in Notes to the Accounts 6 the financial statements and the details are in accordance with the books of account maintained by the company.

For **Hanumaiah & Co.,**
Chartered Accountants
Firm Registration No.: 009021S



K. Hanumaiah

(K.Hanumaiah)
Partner

Membership No.201719

Place: Vijayawada
Date: 29-06-2017.

“ANNEXURE A” TO Auditors’ Report
Referred to paragraph 5 of our Report of Even Date

The Annexure referred to in the Auditor's Report to the Members of *M/s. IKF HOUSING FINANCE PRIVATE LIMITED* for the year ended 31st March, 2017.

01. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets. However the company has not owned any fixed assets

b) According to the information and explanations furnished to us, since the company did not own any fixed assets the provisions of clauses 3 (i)(b) and (c) of the order are not applicable.
02. The company has no stock of inventory during the year and as such physical verification of the same does not arise. Accordingly the provisions of clauses 3 (ii) of the order are not applicable.
03. According to the information and the explanations given to us, the company has not granted any loans secured or unsecured to companies, firms or other parties to be listed in the Register to be maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of clauses 3 (iii) (a), (b) & (c) of the order are not applicable to the company for the year.
04. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made any investments, or provided any guarantee or security as envisaged under section 185 and section 186 of the Companies Act, 2013 respectively.
05. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the Order is not applicable.
06. The Central Government has not prescribed the maintenance of cost records for the company under section 148(1) of the Act.
07. a) In our opinion and according to the information and explanations given to us, undisputed statutory dues, including Provident Fund, ESI, Income-tax, Sales tax/VAT, Service Tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanation given to us, there are no arrears of statutory dues which are outstanding as at 31 March, 2017 for the period of more than six months from the date they became payable.

b) In our opinion and according to the information and explanations given to us, there are no dues of Income-tax, Sales Tax, Service Tax, which have not been deposited on account of any dispute.
08. The Company did not have any outstanding dues to financial institutions, banks, government or debenture holders.



09. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and/or the term loans were obtained during the year under audit. Accordingly the provision of clause 3 (xi) of the order is not applicable.
10. To the best of our knowledge and belief and according to the information and explanations given to us, during the year, no fraud by the company and no material fraud on the company by its employees or officers were noticed or reported during the course of our audit.
11. The Company being a private limited has been exempted from the compliance of the provisions under section 197 and Schedule V of the Companies Act, 2013 regarding payment/provisions for managerial remuneration during the year under audit and accordingly paragraph 3 (xi) of the Order is not applicable.
12. 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.
13. 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 section 177 and section 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.
14. The Company has made rights issue of 1,90,75,183 equity shares of Rs.10/- each issued at par and an amount of Rs.2.50 per share aggregating to Rs.4,76,87,957.50 has been collected and the allotment has been completed as at 01.11.2016 and the amount collected has been deposited with the banks.
15. 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 them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company has obtained the certificate of registration under section 29A of the National Housing Bank Act 1987, as required.

Place: Vijayawada
Date : 29-06-2017.



For **Hanumaiah & Co.,**
Chartered Accountants
FRN.: 009021S

K. Hanumaiah

(K.Hanumaiah)
Partner
M.NO.201719

“Annexure B” to the Auditors’ Report
Referred to paragraph 5 of our Report of Even Date

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 *M/s. IKF HOUSING FINANCE PRIVATE LIMITED* (“the Company”) as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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 Companies Act, 2013.

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 deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgment, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For **Hanumaiah & Co.,**
Chartered Accountants
FRN.: 009021S

K. Hanumaiah

(K. Hanumaiah)

Partner

M.N.0.201719

Place: Vijayawada
Date : 29-06-2017.

IKF HOUSING FINANCE PRIVATE LIMITED

CIN No. U65922AP2002PTC039417
40-1-144, 1st Floor, Corporate Centre, M G Road,
VIJAYAWADA - 520 010.

BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	NOTE NO	AS ON 31-03-2017	AS ON 31-03-2016
I. EQUITY & LIABILITIES :			
01. SHAREHOLDERS FUNDS	1		
- Share Capital		148,083,657.50	100,395,700.00
- Reserves and Surplus		9,458,562.52	6,100,001.85
02. NON CURRENT LIABILITIES			
- Long-Term Provisions	2	314,590.48	-
03. CURRENT LIABILITIES			
- Short Term Provisions	2	2,039,850.58	57,500.00
- Short Term Loans & Advances		-	2,014,357.00
TOTAL		159,896,661.08	108,567,558.85
II. ASSETS :			
01. NON CURRENT ASSETS			
- Long-Term Loans and Advances		14,765,002.78	
- Other Non Current Assets	3	50,000.00	-
- Prel. Exp. To the extent Not Witre Off		542,920.00	712,176.00
02. CURRENT ASSTES			
- Cash & Cash Equivalents	4	143,564,217.08	107,699,378.26
- Short-Term Loans and Advances		964,521.22	-
- Trade Receivables		-	123,039.59
- Other Current Assets		10,000.00	32,965.00
TOTAL		159,896,661.08	108,567,558.85

As per my report of even date attached

for HANUMAIAH & CO.,
Chartered Accountants
FRN:009021S

K. Hanumaiah

(K.HANUMAIAH)
Partner
M No:201719



For and on behalf of the Board

V.G.K. Prasad

(V.G.K.PRASAD)
Director

P. Chandra Sekhar

(P.CHANDRA SEKHAR)
Director

Place : Vijayawada
Date : 29-06-2017

IKF HOUSING FINANCE PRIVATE LIMITED

CIN No. U65922AP2002PTC039417
40-1-144, 1st Floor, Corporate Centre, M G Road,
VIJAYAWADA - 520 010.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	NOTE NO	YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
01. INCOME			
- Income From Operations	5	9,850,672.74	4,996,837.00
TOTAL INCOME		9,850,672.74	4,996,837.00
02. EXPENSES			
- Employees Benefit Expenses	6	1,512,424.00	330,000.00
- Other Expenses	7	2,258,969.59	561,517.50
- Finance Expenses	8	3,843.00	-
- Provisions and write-offs			
- Contingent Provision against standard assets		314,590.48	-
TOTAL EXPENDITURE		4,089,827.07	891,517.50
PROFIT BEFORE TAX		5,760,845.67	4,105,319.50
PROVISION FOR CURRENT YEAR TAX		2,402,285.00	1,299,686.00
PROVISION FOR DEFERRED TAX		-	-
PROFIT AFTER TAX		3,358,560.67	2,805,633.50

As per my report of even date attached

for HANUMAIAH & CO.,
Chartered Accountants
FRN:009021S

(K.HANUMAIAH)
Partner
M No:201719



Place : Vijayawada
Date : 29-06-2017

For and on behalf of the Board

(V.G.K.PRASAD)
Director

(P.CHANDRA SEK HAR)
Director

IKF HOUSING FINANCE PRIVATE LIMITED

CIN No. U65922AP2002PTC039417
40-1-144, 1st Floor, Corporate Centre, M G Road,
VIJAYAWADA - 520 010.

CASH FLOW STATEMENTS

PARTICULARS	31-03-2017	31-03-2016
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/loss before Tax and Extraordinary items	5,760,846	4,105,320
Adjustments for :		
Depreciation	-	-
Operating Profit Before Working Capital Changes	5,760,846	4,105,320
Adjustments for :		
(Increase) Decrease in Loans and Advances	(15,729,524)	
(Increase) Decrease in Trade Receivables	146,005	225,706
(Increase) Decrease in Other Current Assets	119,256	(588,582)
Increase (Decrease) in Current Liabilities	282,584	1,001,235
Cash Generated from Operations	(9,420,834)	4,743,679
Direct Taxes Paid	(2,402,285)	(1,299,686)
NET CASH FROM OPERATING ACTIVITIES - (A)	(11,823,119)	3,443,993
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Sales of Fixed Assets	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
NET CASH USED IN INVESTING ACTIVITIES - (B)	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of Share Capital	47,687,958	-
Increase/(Decrease) in Debentures	-	-
NET CASH USED IN FINANCING ACTIVITIES - (C)	47,687,958	-
Net Increase in Cash & Cash Equivalents (A+B+C)	35,864,839	3,443,993
Cash and Cash Equivalents As At 31-03-2016	107,699,378	104,255,386
Cash and Cash Equivalents As At 31-03-2017	143,564,217	107,699,378

As per my report of even date attached

for HANUMAI AH & CO.,
Chartered Accountants
FRN:009021S

(K.HANUMAI AH)
Partner
M No:201719



For and on behalf of the Board

V. G. K. Prasad

(V.G.K.PRASAD)
Director

P. Chandra Sekhar

(P.CHANDRA SEKHAR)
Director

Place : Vijayawada
Date : 29-06-2017

IKF HOUSING FINANCE PRIVATE LIMITED

CIN No. U65922AP2002PTC039417
40-1-144, 1st Floor, Corporate Centre, M G Road,
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2017

PARTICULARS	31-03-2017	31-03-2016		
NOTE - 1				
SHARE HOLDERS FUNDS :				
01. SHARE CAPITAL				
- Authorised Capital				
- 3,00,00,000 Equity Shares of Rs.10/- each (Previously 1,20,00,000 Equity Shares of Rs.10/- each)	300,000,000.00	120,000,000.00		
- Issued and Subscribed Capital				
- 2,91,14,753 Shares of Rs.10/- each (Previous Year 1,00,39,570 Shares of Rs.10/- each)	291,147,530.00	100,395,700.00		
- Paid-up Capital				
- 1,00,39,570 Shares of Rs.10/- each	100,395,700.00	100,395,700.00		
- 1,90,75,183 Shares of Rs.10/- each (Rs.2.50 per share is paid-up)	47,687,957.50	-		
TOTAL	148,083,657.50	100,395,700.00		
02. RECONCILIATION OF THE SHARE CAPITAL OUTSTANDING				
PARTICULARS	31-03-2017		31-03-2016	
	Number	Amount	Number	Amount
ISSUED CAPITAL				
- At the beginning of the year	10,039,570	100,395,700	10,039,570	100,395,700
- Issued during the year	19,075,183	47,687,958	-	-
- At the end of the year	29,114,753	148,083,658	10,039,570	100,395,700
03. DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5%.				
PARTICULARS	31-03-2017		31-03-2016	
	Number	% of Holding	Number	% of Holding
EQUITY SHARES				
- V G K Prasad	7,395,383	25.40%	785,000	7.82%
- IKF Infratech (P) Limited	5,110,000	17.55%	1,750,000	17.43%
- Gautam Padala	3,371,700	11.58%	3,371,700	33.58%
- Vamsi Mohan Athota	2,053,160	7.05%	2,053,160	20.45%
- Kodali Lakshmana Rao	2,000,000	6.87%	-	0.00%
- K Vasumathi Devi	1,879,600	6.46%	970,000	9.66%
- V Raghuram	660,000	2.27%	660,000	6.57%
RESERVE AND SURPLUS :				
01. SURPLUS/(DEFICIT) IN THE STAMENT OF PROFIT & LOSS				
- Balance as per last financial statements			6,100,001.85	3,294,368.35
- Add : Profit for the year			3,358,560.67	2,805,633.50
			9,458,562.52	6,100,001.85
- Less : Transfer to Reserve Fund @ 25%			840,000.00	-
NET SURPLUS/(DEFICIT) IN THE STAMENT OF PROFIT & LOSS			8,618,562.52	6,100,001.85
02. RESERVE FUND				
- Balance as per last financial statements			-	-
- Statutory Reserve u/s 29C of the NHB Act, 1987			-	-
- Add : Appropriations during the year			-	-
- Statutory Reserve u/s 29C of the NHB Act, 1987			840,000.00	-
			840,000.00	-
- Less : withdrawal during the year			-	-
- Statutory Reserve u/s 29C of the NHB Act, 1987			-	-
NET RESERVE FUND			840,000.00	-
TOTAL			9,458,562.52	6,100,001.85



IKF HOUSING FINANCE PRIVATE LIMITED

CIN No. U65922AP2002PTC039417
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2017

PARTICULARS	31-03-2017		31-03-2016	
	Non Current	Current	Non Current	Current
NOTE - 2				
PROVISIONS :				
- Provision for Standard Assets	314,590.48	-	-	-
- Income-tax Payable	0.00	1,070,267.58	-	-
- Salaries Payable	0.00	912,083.00	-	-
- TDS Payable	0.00	5,000.00	-	-
- Audit Fee Payable	0.00	52,500.00	-	57,500.00
TOTAL	314,590.48	2,039,850.58	-	57,500.00
02. SHORT TERM LOANS & ADVANCES				
- V G K Prasad	-	-	-	1,580,000.00
- V G K Prasad - HUF	-	-	-	174,000.00
- V Vasantha Lakshmi	-	-	-	58,065.00
- V Raghu Ram	-	-	-	48,066.00
- Koganti Vasumathi Devi	-	-	-	154,226.00
TOTAL	-	-	-	2,014,357.00
NOTE - 3				
NON CURRENT ASSETS :				
01. OTHER NON CURRENT ASSETS				
- Rent - Deposit	50,000.00	-	-	-
TOTAL	50,000.00	-	-	-
NOTE - 4				
CURRENT ASSETS :				
01. CASH & CASH EQUIVALENTS				
- Cash on Hand	-	38,125.00	-	173,698.00
- Bank Accounts :				
- Coastal Local Area Bank Limited - 24010003386	-	59,247.76	-	100,991.76
- Coastal Local Area Bank Limited - 96003248572	-	17,507.50	-	-
- Cosmos Co-Operative Bank - 045100106675	-	315,393.00	-	-
- Federal Bank Limited - 11520200014177	-	396,372.75	-	28,135.50
- ICICI Bank Limited - 630605120576	-	18,128,011.38	-	-
- Bank Deposits :				
- RBL Bank - Fixed Deposit	-	-	-	107,396,553.00
- Coastal Bank - Vja - 96003008720	-	10,575,228.00	-	-
- Coastal Bank - Vja - 96003564711	-	20,561,576.00	-	-
- Coastal Bank - Vja - 96003564733	-	10,280,788.00	-	-
- Coastal Bank - Gnt - 96003008979	-	10,575,228.00	-	-
- Coastal Bank - Gnt - 96003362465	-	10,381,294.00	-	-
- Coastal Bank - Gnt - 96003564959	-	15,421,182.00	-	-
- Cosmos Co-Operative Bank - 045150006941	-	2,980,000.00	-	-
- Cosmos Co-Operative Bank - 045150007412	-	20,000,000.00	-	-
- Equitax Small Finance Bank	-	8,622,609.59	-	-
- Equitax Small Finance Bank	-	6,593,760.27	-	-
- Equitax Small Finance Bank	-	8,617,893.83	-	-
TOTAL	-	143,564,217.08	-	107,699,378.26



KF HOUSING FINANCE PRIVATE LIMITED

CIN No. U65922AP2002PTC039417
40-1-144, 1st Floor, Corporate Centre, M G Road,
VIJAYAWADA - 520 010.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2017

PARTICULARS	31-03-2017		31-03-2016	
	Non Current	Current	Non Current	Current
NOTE - 4				
CURRENT ASSETS :				
02. LOANS & ADVANCES				
- Portfolio Loans				
- Secured considered good	14,765,002.78	964,521.22	-	-
TOTAL	14,765,002.78	964,521.22	-	-
03. TRADE RECEIVABLES				
- United India Insurance Co. Limited	-	-	-	123,039.59
TOTAL	-	-	-	123,039.59
04. OTHER CURRENT ASSETS				
- Staff Salary Advance	-	10,000.00	-	-
- TDS Receivable - 2012-2013	-	-	-	32,965.00
TOTAL	-	10,000.00	-	32,965.00



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2017

PARTICULARS	31-03-2017	31-03-2016
NOTE - 5		
INCOME FROM OPERATIONS :		
- Insurance Operation Income	-	111,778.00
- Interest Income	1,257,160.25	-
- Interest Income from Bank FDR's	7,990,501.11	4,885,059.00
- Income from Sale of Mutual Funds	603,011.38	-
TOTAL INCOME	9,850,672.74	4,996,837.00
NOTE - 6		
EMPLOYEES BENEFIT EXPENSES :		
- Staff Salaries	1,512,424.00	330,000.00
TOTAL ESTABLISHMENT EXPENSES	1,512,424.00	330,000.00
NOTE - 7		
OTHER EXPENSES :		
- Audit Fee	57,500.00	57,500.00
- Bank Charges	2,115.00	5,528.00
- Printing & Stationery	8,326.00	-
- Sourcing Commission	20,000.00	-
- Travelling Expenses	10,905.00	-
- Office Rent	180,000.00	174,000.00
- Taxes & Licenses	1,687,828.00	90,059.50
- Preliminary Exp W/o	169,256.00	169,256.00
- Reversal of Un-realised Income	123,039.59	31,068.00
- Demat Charges	-	34,106.00
TOTAL ADMINISTRATIVE EXPENSES	2,258,969.59	561,517.50
NOTE - 8		
FINANCE EXPENSES :		
- Interest on Bank - Loan against Fixed Deposit	3,843.00	-
TOTAL ADMINISTRATIVE EXPENSES	3,843.00	-



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Notes to the Accounts

1 Significant Accounting Policies

1.1 The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the relevant provisions of the Companies Act, 2013. Besides, the Company follows the Directions prescribed by the National Housing Bank (NHB) for Housing Finance Companies.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

The assets and liabilities have been classified as current and non-current based on a twelve-month operating cycle.

1.2 Income Recognition:

- a. Interest on loans disbursed is recognised as income on accrual basis. Loans granted are repayable in Equated Monthly Installments (EMIs) after full disbursement(s) of the loan, comprising principal and interest. The EMIs commence when the loan is fully disbursed. Pre-EMI interest is payable monthly where the loan is partly disbursed.
- b. from other financing activities and services is recognized on accrual basis.

1.3 The Company has no Fixed Assets.

1.4 Valuation of investments :

Non-Current Investments are stated at cost and provision for diminution in value, other than temporary, is considered wherever necessary

Current investments are valued at the least of the cost, market value and net asset value.

1.5 Employee Benefits:

Employee benefits for services rendered by employees are recognized during the year in which the services are rendered.

1.6 Taxation :

Current tax is provided on the taxable income for the year.

1.7 Impairment of Assets :

The carrying amounts of assets are reviewed as at each Balance Sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the asset and its value in use.

1.8 Provisions :

Provisions are recognised when the Company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of the obligations.

1.9 The pending litigations as on March 31, 2017 have been estimated by the Company and reviewed by the Statutory Auditors. The current position of the litigations has been evaluated and the effect thereof has been disclosed in the financial statements, where appropriate.

2. Disclosure as per Housing Finance Companies-Corporate Governance (National Housing Bank) Directions, 2016



IKF HOUSING FINANCE PRIVATE LIMITED

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Notes to the Accounts

3. Capital to Risk (Weighted) Assets Ratio

Particulars	31-Mar-17	31-Mar-16
CRAR (%)	2323.61%	0.00%
CRAR-Tier I Capital (%)	2323.61%	0.00%
CRAR-Tier II Capital (%)	0.00%	0.00%
Amount of subordinated debt raised as Tier-II Capital	0	0
Amount raised by issue of Perpetual Debt Instruments	0	0

4. Reserve Fund u/s 29C, of NHB Act 1987: Disclosed separately under Note 1.

5. Customers Complaints

Particulars	31-Mar-17	31-Mar-16
a) No. of complaints pending at the beginning of the year	0	0
b) No. of complaints received during the year	0	0
c) No. of complaints redressed during the year	0	0
d) No. of complaints pending at the end of the year	0	0

6. Disclosure On Specified Bank Notes-Pursuant To Ministry Of Corporate Affairs Notification G.S.R. 308(E) Dated 30th March, 2017


Reconciliation of Cash Balance

(Amount in Rupees)

Particulars	SBNs	Denomination	Total
Closing Balance as at 08 th November, 2016	1,98,000	8,368	2,06,368
Transactions between 09 th November, 2016 and 30 th December, 2016			
Add: Receipts for permitted transactions	0	56,000	56,000
Less: Paid for permitted transactions	0	26,243	26,243
Less: Deposited in bank accounts	1,98,000	0	1,98,000
Closing balance as at 30 th December, 2016	0	38,125	38,125

7. Previous year's figures have been regrouped/ reclassified / restated where necessary, to conform to the current year's presentation.

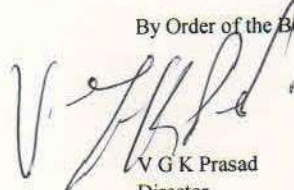
For Hanumaiah & Co.,
Chartered Accountants
FRN.: 009021S

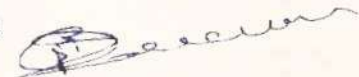

(K. Hanumaiah)
Partner.
M No.201719



Place : Vijayawada
Date :29-06-2017.

By Order of the Board


V G K Prasad
Director
DIN: 01817992


P Chandra Sekhar
Director
DIN : 03598591