



VENUS INDIA
Asset-Finance Pvt. Ltd.

July 30, 2019

Vistra ITCL (India) Limited
(Formerly IL&FS Trust Company Limited)
The IL&FS Financial Centre,
Plot C- 22, G Block, 7th Floor
Bandra Kurla Complex, Bandra (East),
Mumbai 400051

Sub: Submission of Quarterly Compliance Report- June 2019

Dear Sir,

Please find enclosed the Compliance Report for the Quarter ended June 30th , 2019 alongwith Annexures with respect to 12%, 650 NCDs of face value of Rs. 1,00,000/- each having **ISIN No. INE 352P07020.**

Thanking you,

Yours faithfully

For Venus India Asset-Finance Private Limited

Indu Singh
Company Secretary

M. No.- A39681

Address: F12/3A, Sai Vatika Apartments,
Sector-63, Faridabad,
Ballabgarh – 121004

Compliance Report for the quarter ended June 30, 2019

Name of Issuer Company : Venus India Asset-Finance Pvt. Ltd.

Information submitted at the times of issuance/allotment:

| | | |
|----|--|---|
| 1 | Description of the Debenture Series /Issue (Secured / Unsecured PCD/FCD/NCD) | Secured |
| 2 | Type of Issue (Private / Public / Rights) | Private |
| 3 | Issue Amount and Amounts Raised | Rs. 6,50,00,000/- (Rupees Six Crore & Fifty Lacs Only) |
| 4 | Listed/Unlisted (If Listed, the Exchange where listed) | Listed (BSE) |
| 5 | ISIN (Listed and Unlisted) | INE 352P07020 |
| 6 | Date of Listing of NCDs (please provide confirmation and supporting from BSE/NSE) | 13 th April, 2016 |
| 7 | Whether there has been delay in Listing of the debt securities beyond 20 days from the deemed date of allotment If yes, confirm whether the Issuer Company has paid penal interest of at least @ 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor. | N/A |
| 8 | Original & Revised (if any) Coupon Rate | Same |
| 9 | Tenor of Issue | 60 Months from the deemed date of allotment |
| 10 | Date of Allotment of Debentures | 31 st March, 2016 |
| 11 | Whether RTA / Company has forwarded the details of debenture holders to the DT at the time of allotment. | N/A |
| 12 | PAS-3, PAS-4, PAS-5 filed with ROC within specified time limit (please provide confirmation and supporting) | PAS-3 was filed vide SRN No. G01626373 dated 22/04/2016 |
| 13 | Date of Issue of Debenture Certificate (Physical) or Credit to Demat A/c | 1 st April, 2016 |
| 14 | Credit Rating at the time of issue / last credit rating prior to change | BWR BBB Stable (Triple B from Brickwork Ratings India Pvt. Limited) |
| 15 | No. of debenture holders on the date of Allotment | 01 (One) |
| 16 | Name of the Debenture holder representative/facility agent along with its contact details | N/A |
| 17 | Details of Debenture holders holding more than 10% of debentures in value for the time being outstanding | Name:- M/s Vacuf Limited Holding: 100% Address: St. Louis Business Centre, CNR Desroches & St. Louis Steerts, Port Louis, Mauritius |

| | | |
|----|---|---|
| | | Contact No.: 00 230 203 1100 |
| 18 | Whether the company has issued debentures to Foreign debenture holders | Yes |
| 19 | Certificate of inspection of trust property (security provided – immovable) is confirmed annually by the Auditors of the Company. | N.A. |
| 20 | Valuation Report (if applicable) has been obtained from Government approved valuer | N.A. |
| 21 | ROC Search Report has been obtained | N.A. |
| 22 | Details Regarding Registration of charges and reasons for delay (if any) | FORM CHG-9 was filed vide SRN No. G01834076 dated 26/04/2016. |

Information submitted on quarterly basis:

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|----|---|---|
| | | |
| 1 | Confirmation of having complied with Foreign Account Tax Compliance Act (FATCA) as regards the investors, borrowers and other intermediaries (If Applicable - along with supporting documents, registration number etc) | N.A. |
| 2 | Outstanding amount as on June 30, 2019 | Rs. 6,50,00,000/- (Rupees Six Crore & Fifty Lacs Only) |
| 3 | Previous Interest Payment Date and Amount paid | N.A. |
| 4 | Next Interest Payment Date and Amount | Date: 31 st March, 2021 Amount: Rs. 4,70,12,960/- (Excluding TDS) |
| 5 | Previous Repayment Date and Amount paid | N.A. |
| 6 | Next Repayment Date and Amount | Date: 31 st March, 2021 Amount: Rs.6,50,00,000/- |
| 7 | Whether there has been any delay / default in payment of interest and/or principal amount? If yes the due dates thereof & date of payment | No |
| 8 | Present Credit Rating and date of change of credit rating. In case of revision, please attach letter from Credit Rating Agency indicating revision in rating. | BWR BBB Stable (Triple B from Brickwork Ratings India Pvt. Limited) w.e.f. 18th December, 2018 (Attached as Annexure 13) |
| 9 | No. of debenture holders as on last day of this quarter, (please provide details of NCD Holder viz. Names, Holding, Mailing Address, Contact Nos. (Benpos)) | 01 (One) Name:- M/s Vacuf Limited Holding: 100% Address: St. Louis Business Centre, CNR Desroches & St. Louis Steerts, Port Louis, Mauritius Contact No.: 00 230 203 1100 |
| 10 | Whether RTA / Company has forwarded the details of debenture holders to the DT by the seventh working day of every next month. | Yes |
| 11 | Brief details of the security created till date for the Debentures including third party securities | First & Exclusive charge over the Monies Raised by the issue of the NCDs and all assets and receivables procured with such monies. |
| 12 | Whether any security is pending to be created for the Debentures, if yes provide details of the same along with the date by which such | N.A. |

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| | security is to be / was to be created | |
| 13 | Whether the Secured Assets are insured? If yes, attach the latest renewed copies thereof | N.A. |
| 14 | Confirmation with respect to submission of Half yearly communication (HYC) to BSE / NSE for the last applicable half year and reasons for non submission/ delay if any (Only for Listed) unaudited/audited financial results on half yearly basis should be submitted to exchanges within 45 days from the end of half year | The HYC for the year ended as on March 31, 2019 has been submitted to BSE 02 nd May, 2019 The Unaudited Financial result for the half year ended as on September 30, 2018 has been submitted to BSE on 31 st October, 2018 in their prescribed format. Whereas, the Audited Financial Result for the year ended as on March 31, 2019 has been submitted to exchange on 02 nd May, 2019 in their prescribed format. |
| 15 | Half yearly results statement should indicate material deviation, if any. This should cover deviation in use of proceeds of issue other than the object stated in offer document | N.A. |
| 16 | Publication of financial results and statements within 2 calendar days of the conclusion of the Board Meeting. (atleast in one English national daily newspaper) | Yes Date of Publication of Financials Results for the year ended as on March 31, 2019, :- 01 st May, 2019. |
| 17 | HYC submitted to stock exchange contains certificate signed by Debenture Trustee | The Certificate from Debenture Trustee for the year ended as on March 31, 2019 was submitted to Stock Exchange on 02 nd May, 2019 . |
| 18 | Whether unaudited financial results are accompanied by Limited Review Report (LRR)* *LRR is not required if the company has intimated exchanges in advance that it shall submit annual audited results within 60 days from the end of Financial Year | Yes, We have submitted the Annual Audited results within 60 days to Stock Exchange as on 02 May, 2019 Whereas, the unaudited financial results accompanied by Limited Review Report (LRR) was provided with September ended Quarterly Compliance Report. |
| 19 | Whether all taxes, cesses, insurance premia, any other government charges with respect to Secured Assets for the issue have been paid. If No, please give details and reasons for the same | N.A. |
| 20 | Whether Debenture Redemption Reserve (DRR) as per SEBI Guidelines and Companies Act has been maintained. If No, please give reasons for the same. Please provide details / issue wise of DRR amount and date of transfer | N.A. |

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| | till date | |
| 21 | Confirmation & Supporting of creation / maintaining DRR before April 30 th by way of deposit / invest not less than 15% of the amount of debentures maturing during the year ending June 30, 2019 as detailed in the clarification circular provided by MCA | N.A. |
| 22 | Whether any material change has taken place in the nature and the conduct of the business of the Issuer since the date of Issue which is detrimental to the interest of debenture holders. If yes, please give details | No |
| 23 | Whether any orders, directions, notice of court/ tribunal / authority affecting or likely to affect the Secured Assets has been passed. If yes, please give details | No |
| 24 | Whether any major change in the composition of the Board of directors or shareholders as defined in SEBI (Substantial Acquisition and Take Over) Regulations, 2011 which amounts to change in control of Issuer Company has occurred. If yes, please give details | No |
| 25 | Whether any Post dated Cheques (PDCs) are issued as Security, if yes then provide the favoring name of PDC | No |
| 26 | Whether any change in Authorized Signatory to bank accounts and Escrow Account who had signed Post dated Cheques (PDCs) as security as per transaction documents. | N.A. |
| 27 | Security Cover as on June 30, 2019 (Please attach CA Certificate in the format as stated in Annexure) | Attached as Annexure 4 |
| 28 | Whether Register of Debenture Holders has been maintained with their addresses and whether the transfers and changes in ownership have been recorded. If no, please give reasons. | Attached as Annexure 1 |
| 29 | In case of Partially / Fully Convertible Debentures, whether the debentures have been converted into equity in accordance with the terms of issue? If no, please give reasons. | N.A. |
| 30 | Whether all the terms & conditions of the transaction documents are complied with? If no, please give reasons. | Yes |
| 31 | Whether the provisions of the following laws applicable to debentures have been complied with : a) Companies Act, 2013 and Rules made thereunder (For all Issuers) b) SEBI Model Listing Agreement (For Listed Issues) c) SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 (For Listed Issues) d) SEBI (Issue of Capital and Disclosure Requirements), 2009 (For all issuers) | Yes |

| | | |
|----|--|-------------------------------|
| | e) SEBI (Issue and Listing of Debt Securities), 2008 | |
| 32 | Whether any dividend has been declared during this quarter. | N.A. |
| 33 | Nature of investor grievances received for year ended June 30, 2019 its status as on date of the submission of QCR and reason for the non resolution/ delay if any (Details to be separately provided in annexure as enclosed) | Attached as Annexure 2 |
| 34 | Any Buy Back of NCDs during the quarter and details of the same | No |
| 35 | Whether the company has given prior intimation to exchanges of at least 11 working days before the date on and from which the interest on Debenture and redemption amount of Debentures is payable | N.A. |
| 36 | Whether the company has maintained functional website containing requisite information (Reg 62) | Yes |
| 37 | Whether the company has intimated exchange(s) about its intention to raise funds through issue of new NCD and such intimation was given prior to holding Board meeting | N.A. |
| 38 | Compliance with Accounting Standard and Financial disclosures | Yes |
| 39 | Compliance with Corporate Governance provisions as specified in Chapter IV viz Related Party framework, Independent Directors, submission of quarterly compliance report on corporate governance to Exchange(s), prior intimation to exchanges, disclosure of material information/event, shareholding pattern | Yes |
| 40 | Whether Directors and KMPs have disclosed to Board of Directors whether they are directly or indirectly have material interest in any transaction | Yes |
| 41 | Whether the company has appointed qualified Company Secretary as the Compliance Officer | Yes |
| 42 | Whether the Company has appointed Share transfer agent or manage the same in house | N.A. |
| 43 | Whether the Company has preserved the transactions records at least for 8 years | Yes |
| 44 | Whether the Company is registered on the SEBI SCORES | Yes |
| 5 | Whether statement of investor grievances has been filed to Exchanges within 21 days from the end of quarter | Yes |
| 46 | Whether the Company has constituted following committees and held meetings in compliance with the provisions <ul style="list-style-type: none"> • Audit Committee • Nomination and Remuneration Committee • Stakeholders Relationship Committee | Yes |

| | | |
|----|--|------|
| | • Risk Management Committee | |
| 47 | Whether the Company has made disclosure of material events/information to Exchanges and Debenture Trustee, if any | Yes |
| 48 | Whether the company has submitted Annual Report within 21 working days to stock exchange(s) | Yes |
| 49 | In case the Company has provided Post Dated Cheques (PDCs) in favour of Trustee towards security, whether the same are reissued in the new name of Trustee i.e Vistra ITCL (India) Limited | N.A. |
| 50 | Whether the Company has submitted a compliance certificate to the Exchange(s), duly signed by both Compliance Officer of the listed entity and the authorised representative of the transfer agent (RTA) | Yes |
| 51 | Whether the Company and its directors are / were involved in any civil or criminal proceedings, litigation connected with the securities market or any order has / had been passed against them for violation of any laws. | N.A. |
| 52 | Whether any NCLT proceedings has been initiated against the company, if yes, provide details. | N.A. |
| 53 | In case of default in payment of Interest/principal Whether the company has made disclosures to the Credit Rating Agencies in timely manner | N.A. |

ANNEXURES

| | |
|---|---|
| 1 | Updated list of names and addresses of debenture holders. <i>Attached</i> |
| 2 | Number and nature of grievances received from debenture holders and time frame within which the same were resolved by the Issuer Company. NIL statement to be submitted in case of no grievances. <i>-Attached</i> |
| 3 | <p>Companies Auditors Certificate certifying the following (If already provided, please ignore): <i>Will provide you shortly</i></p> <ol style="list-style-type: none"> End utilization certificate of the Debenture Subscription receipts from issuer's statutory auditor Amount transferred to DRR as on June 30, 2019 Debt Equity Ratio Asset cover Ratio (100%) Debt Service coverage Ratio Interest Service Coverage Ratio Half yearly certificate from Practicing CS/CA regarding maintenance of 100% asset cover ratio <p>**</p> <p>Note: Requirement of disclosures of Debt Service Coverage Ratio, asset cover and interest</p> |

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| | service coverage ratio shall not be applicable for Banks or NBFC registered with RBI and unsecured debt issued by regulated financial sector entities |
| 4 | Security Cover certificate from a Chartered Accountant i. Total assets charged Rs. A ii. Total debts secured by way of charges created over the assets with details thereof Rs. B iii. Security Cover = A/B Note: If third party security is created, please include the same and give supporting |
| 5 | Duly audited annual accounts of the issuer company – <i>attached as on 31st, March 2019</i> |
| 6 | Quarterly audited / unaudited financials of the Issuer – <i>NA</i> |
| 7 | Insurance Policy of the security charged in our favour. In case Insurance Policy has expired, please provide Renewed Insurance Policies- <i>NA</i> |
| 8 | CA Certificate giving value of book debts / receivables (Applicable for Listed NCDs) as on June 30, 2019 - <i>Attached</i> |
| 9 | Certificate from Director / Managing Director of the issuer company, certifying the value of book debts / receivables (Applicable for Listed NCDs) as on March 31, 2019 along with details of the said book debts and/or receivable- <i>Attached</i> |
| 10 | Report of the Lead Bank regarding a. progress of the Project b. report on monitoring of utilization of funds raised for the issue- <i>NA</i> |
| 11 | Paper cutting of publication of financial results (at least in one English national daily newspaper) – <i>Already provided with March 2019 report.</i> |
| 12 | Copy of all notices, resolutions and circulars relating to new issue of non convertible debt securities, proceedings of meetings of debenture holders, advertisement issued in the media- <i>NA</i> |
| 13 | Letter issued by Credit Rating agency for revised credit rating- <i>Attached</i> |
| | |

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|--|---|
| | Contact Details : a) Name of Authorised Signatory: Anurag Garg b) Email Address: compliance@venusfin.com/ accounts@venusfin.com c) Contact Numbers: 0120-4681234/36 d) Name, Address and Email id of R&T Agent: Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai-400 078, www.linkintime.co.in e) Name , Address and Email id of the Credit Rating Agency: Brickwork Ratings India Pvt. Ltd., 3rd Floor, Raj Alkaa Park, 29/3 & 32/2 Kalena Agrahara, Bannerghatta Road, Bengaluru – 560076, www.brickworkratings.com |
|--|---|

For Venus India Asset-Finance Pvt. Ltd.


Indu Singh
Company Secretary
30.07.2019



Annexure 1

LIST OF NAMES AND ADDRESSES OF DEBENTURE HOLDERS

AS ON JUNE 30 , 2019

| S.No. | Name & Occupation of Beneficial Owner | Address of Beneficial Owner | Nationality of Beneficial Owner | PAN No of Beneficial Owner |
|-------|---------------------------------------|--|---------------------------------|----------------------------|
| 1 | M/s VACUF LTD (Business) | St. Louis Business Centre, CNR Desroches & St. Louis Steerts, Port Louis, Mauritius | Mauritian | AACCV0362K |

For Venus India Asset-Finance Pvt. Ltd.

Indu Singh
(Company Secretary)
30.07.2019

Annexure 2

| | |
|---|-----|
| Number of Investor grievances received for quarter ended June 30, 2019 | Nil |
| Details of grievances received i.e. Complainant, nature of Complaint, etc | NA |
| Number of Investor grievances pending for quarter ended June 30, 2019 | Nil |
| Whether any grievance is pending for more than 30 days? If yes, then please provide details and reasons thereof | NA |

For Venus India Asset-Finance Pvt. Ltd.
Indu Singh
(Company Secretary)
30.07.2019

T R Chadha & Co LLP
Chartered Accountants



Opinion

On the basis of the examination of the unaudited books of accounts and other relevant records and the further explanations/information given to us by the management of the company, we hereby certify, the Debt Equity ratio, Asset Coverage ratio and outstanding Non-convertible debentures as on 30th June, 2019 (as per Annexure 1) as furnished by the company as follows :-

1. Debt Equity Ratio : 0.81
2. Asset Coverage Ratio : 2.26
3. The company has 650 units of Non-convertible debentures (NCDs) of Rs. 1,00,000 each outstanding as on 30th June, 2019. The NCDs are secured by first and exclusive charge over the monies raised by issue of the NCDs and all assets and receivables were procured with such monies. (Detailed workings of the same is attached as Annexure)

Restriction on Use

This certificate has been issued to the management of M/s Venus India Asset Finance Pvt. Ltd. for the purpose of internal use of the company's Debenture trustees and should not be used for any other purpose without our written consent.

For T R Chadha & Co LLP
Chartered Accountants

Firm's Registration Number 006711N/N500028

Neeha Goel
Neeha Goel
Partner
M. No. 057986
UDIN: 19057986AAACK5434
Place: New Delhi
Date: 19th July, 2019



Enclosed: Annexure to Certificate

T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015

Corporate Office : B-30, Connaught Place, Kuthiala Building, New Delhi - 110001
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com
Regd. Office : Suite No. 11A, 2nd Floor, Gobind Mansion, H-Block, Connaught Circus, New Delhi - 110001
Phone : 011 41513059 / 41513169

T R Chadha & Co LLP
Chartered Accountants



Annexure

Detail of Calculations

1. Debt Equity Ratio:

| Particulars | Amount in Rs. |
|----------------------------------|-----------------------|
| Debentures | 6,50,00,000 |
| Term loans | 57,20,062 |
| Borrowings | 1,52,57,62,932 |
| Total Debt (A) | 1,59,64,82,994 |
| Equity Share Capital | 97,61,98,320 |
| Reserves and surplus | 1,00,59,95,814 |
| Total Equity (B) | 1,98,21,94,134 |
| Debt Equity Ratio (A / B) | 0.81 |

2. Asset Coverage Ratio:

| Particulars | Amount in Rs. |
|--|-----------------------|
| Fixed Assets - Tangible | 83,29,853 |
| Other Assets | 3,60,69,95,145 |
| Less: Current Liabilities and Provisions (excl. current maturity of long-term loans and Short-term Borrowings) | 1,37,87,873 |
| Total (A) | 3,60,15,37,125 |
| Debentures | 6,50,00,000 |
| Term loans (including current maturity) | 57,20,062 |
| Short term borrowings | 1,52,57,62,932 |
| Total Debt Obligations | 1,59,64,82,994 |
| Asset Cover Ratio | 2.26 |



T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015

Corporate Office : B-30, Connaught Place, Kuthiala Building, New Delhi - 110001
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com
Regd. Office : Suite No. 11A, 2nd Floor, Gobind Mansion, H-Block, Connaught Circus, New Delhi - 110001
Phone : 011 41513059 / 41513169

AAVM & ASSOCIATES
Chartered Accountants

Head office: A-4 Extn. D.K. Road, Mohan Garden, Uttam Nagar, New Delhi-110059
Branch Office: C-90/F-4, Shalimar Garden, Extn.-II, Sahibabad, Ghaziabad-201005
E-mail: aavmandassociates@gmail.com
Mobile: 98710001677/8800195354

Annexure-4

July 19, 2019

TO WHOMSOEVER IT MAY CONCERN

Subject: Security Cover Certificate

Based from the examination of unaudited books of accounts and relevant documents / records of M/s Venus India Asset Finance Pvt. Ltd, (hereinafter referred to as 'the company') having registered office at 198/12-13, 2nd Floor, Ramesh Market, East of Kailash, New Delhi - 110065. We hereby certify that the Statement of Security Cover as on June 30, 2019 as furnished by the company to be correct & is according to the books and records maintained by the applicant in the ordinary course of business.

| Statement of Security Cover | | Amount in Rs. |
|--|-----------|---------------------------------|
| A. Total Assets Charged | | Outstanding as on June 30, 2019 |
| Loan & Receivables Assigned to Debts | | 240,59,18,484 |
| B. Total Debts secured by charges created over assets with details thereof | | Outstanding as on June 30, 2019 |
| Particulars | Charge ID | |
| 12% Non-convertible debentures (NCDs) | 100024904 | 6,50,00,000 |
| Loans from Tourism Finance Corporation of India Limited | 100218806 | 21,50,00,000 |
| Loans from State Bank of India | 100124907 | 39,25,00,000 |
| Loans from UCO Bank | 100164453 | 19,64,28,580 |
| Short term borrowings from Punjab National Bank | 100048222 | 69,27,93,918 |
| (Total) | | 156,17,22,498 |
| Security Cover Ratio = A/B | | 1.54 |

The above certificate is issued at the specific request of the company and is based on the records/documents produced before us and explanation and information given to us. Further, the certificate is provided to the Company solely for the purpose submission to company's Debenture Trustee and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may without our prior consent in writing.

Thanking you,
For AAVM & Associates
Chartered Accountants

CA. Viral Mittal
Partner
FCA, DipIFR-ACCA
Membership No. 512831
Firm Registration No. : 030008N
Place : New Delhi
Unique Document Identification Number (UDIN): 19512831AAAABA9759



Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
6th Floor, Plot No. 19A,
Sector 16A, Noida 201301
India

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Independent Auditor's Report

To the Members of Venus India Asset-Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Venus India Asset-Finance Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the state of affairs of the Company as at 31 March 2019, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter(s)

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matters to be communicated in our report.



| Key audit matter | How our audit addressed the key audit matter |
|--|---|
| <p><u>Identification and provisioning of Non-performing assets</u></p> <p>Refer note 2 for accounting policy and notes 14 and 18 for the financial disclosures.</p> <p>As at 31 March 2019, the Company has reported total loans and advances towards financing activity of INR 3,345,953,886, gross NPAs of INR 93,463,889 and provision for non-performing assets of INR 36,824,004.</p> <p>The Company is required to comply with Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('RBI prudential norms') for the asset classification and recognition of provision. The RBI prudential norms prescribe provisioning requirements to be complied with based on number of days on credit facilities remain overdue.</p> <p>Further, the RBI prudential norms also require that the management, apart from recognizing a time based provision, also carries out periodical credit reviews on loans which demonstrate credit weakness in order to recognize provision over and above the time based provisions prescribed under the RBI prudential norms.</p> <p>Considering the significance of the above matter to the financial statements, the judgments involved and significant auditor attention required to test identification and provision of NPAs, we have identified this as a key audit matter for current year audit.</p> | <p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Testing the design, implementation and operating effectiveness of the key controls relating to sanctioning of loans, periodic internal reviews by credit committee, identification of NPAs and calculation of the provision. • Testing the classification of loan balances in accordance with RBI prudential norms as standard assets and NPAs for a sample of loan accounts. • Verifying the completeness and accuracy of the underlying data used for calculation performed by management to comply with the RBI prudential norms. • Re-performing the credit reviews to ascertain the efficiency of the reviews conducted by the management. • On a sample basis, tested the ageing by tracing the information to the underlying documents and recoverability of loan portfolio. • Assessing the appropriateness and adequacy of disclosures against relevant accounting standards and RBI prudential norms relating to NPAs. • We have also obtained management representation to ensure that provision made against loans and advances as on balance sheet date is reasonable. |



Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

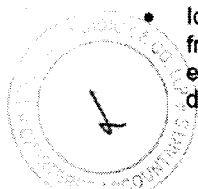
When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.
8. 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.
9. 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

10. 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

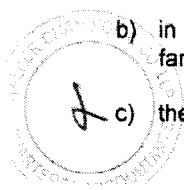


as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

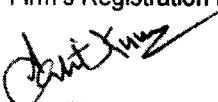
15. The provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;



Walker Chandiook & Co LLP

- 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 (as amended);
- e) on the basis of the written representations received from the directors and 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) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 30 April 2019 as per Annexure B expressed unmodified opinion; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2019;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Lalit Kumar
Partner
Membership No.: 95256

Place: Noida
Date: 30 April 2019



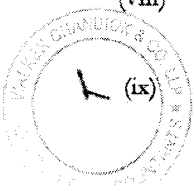
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Annexure A to the Independent Auditor's Report of even date to the members of Venus India Asset-Finance Private Limited, on the financial statements for the year ended 31 March 2019

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of Property and Equipment.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or government or any dues to debenture-holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.



Walker Chandiok & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Venus India Asset-Finance Private Limited, on the financial statements for the year ended 31 March 2019

- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Lalit Kumar

Partner

Membership No.: 095256



Place: Noida

Date: 30 April 2019

Walker Chandniok & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Venus India Asset-Finance Private Limited on the financial statements for the year ended 31 March 2019

Annexure B

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

1. In conjunction with our audit of the financial statements of Venus India-Asset Finance Private Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

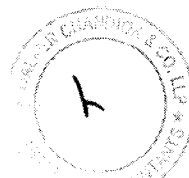
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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



Walker Chandiok & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Venus India Asset-Finance Private Limited on the financial statements for the year ended 31 March 2019

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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on 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 ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Lalit Kumar

Partner

Membership No.: 095256

Place: Noida

Date: 30 April 2019

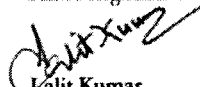


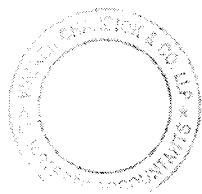
Venus India Asset-Finance Private Limited
Balance Sheet as at 31 March 2019
(All amounts are in Rupees, unless stated otherwise)

| Particulars | Note | As at 31 March 2019 | As at 31 March 2018 |
|--|------|------------------------|------------------------|
| Equity and liabilities | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 976,198,320 | 1,018,027,650 |
| Reserves and surplus | 4 | 965,005,067 | 946,071,892 |
| | | 1,941,203,387 | 1,964,099,542 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 679,060,679 | 329,418,584 |
| Other long-term liabilities | 6 | 24,963,111 | 15,690,041 |
| Long-term provision | 7 | 15,946,872 | 15,139,779 |
| | | 719,970,662 | 360,248,404 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 748,462,881 | 523,914,690 |
| Trade payables | 9 | | |
| - Total outstanding dues of micro enterprises and small enterprises | | | |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,668,067 | 5,680,292 |
| Other current liabilities | 10 | 273,631,217 | 115,685,440 |
| Short-term provisions | 11 | 27,083,273 | 24,555,003 |
| | | 1,053,845,438 | 669,835,425 |
| | | 3,715,019,487 | 2,994,183,371 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Property and equipment | 12 | 9,057,360 | 10,296,457 |
| Deferred tax assets | 13 | 13,566,477 | 12,276,151 |
| Long-term loans and advances | 14 | 1,585,582,100 | 1,315,866,783 |
| Other non-current assets | 15 | 45,207,152 | 10,718,932 |
| | | 1,653,413,089 | 1,349,158,323 |
| Current assets | | | |
| Current investments | 16 | 4,846,007 | 9,089,355 |
| Cash and bank balances | 17 | 223,058,106 | 150,126,944 |
| Short-term loans and advances | 18 | 1,798,702,940 | 1,476,708,184 |
| Other current assets | 19 | 34,999,345 | 9,100,565 |
| | | 2,061,606,398 | 1,645,025,048 |
| | | 3,715,019,487 | 2,994,183,371 |


The accompanying notes are an integral part of financial statements.
This is the Balance Sheet referred to in our report of even date.


For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N/N500013



Lalit Kumar
Partner
Membership No.: 095256




For and on behalf of the Board of Directors
Venus India Asset-Finance Private Limited


Gaurav Goel
Director
DIN No. 00076111


Anurag Garg
Chief Financial Officer
PAN No. AATPG8459J


Nalin Kumar Gupta
Director
DIN No. 01670036


Indu Singh
Company Secretary
Membership No. A39681

Place: Noida
Date: 30 April 2019

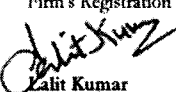
Venus India Asset-Finance Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)

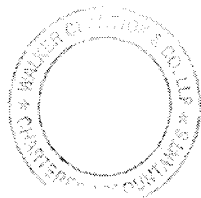
| Particulars | Note | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|------|-----------------------------|-----------------------------|
| Revenue from operations | | | |
| Income from loans and advances | 20 | 516,270,800 | 388,886,362 |
| Other income | 21 | - | 640,529 |
| Total revenue | | 516,270,800 | 389,526,891 |
| Expenses | | | |
| Employee benefits expense | 22 | 42,218,016 | 42,428,172 |
| Finance costs | 23 | 161,649,622 | 65,918,571 |
| Depreciation expense | 12 | 3,492,435 | 4,147,374 |
| Other expenses | 24 | 96,281,492 | 46,986,330 |
| Total expenses | | 303,641,565 | 159,480,447 |
| Profit before tax | | 212,629,235 | 230,046,444 |
| Tax expense | | | |
| Current tax | | 61,616,300 | 67,640,400 |
| Tax expense pertaining to earlier years | | - | 415,745 |
| Deferred tax credit | 13 | (1,290,326) | (4,321,694) |
| | | 60,325,974 | 63,734,451 |
| Profit for the year | | 152,303,261 | 166,311,993 |
| Earnings per share | | | |
| -Basic | 25 | 1.50 | 1.63 |
| -Diluted | 25 | 1.50 | 1.63 |

(Face value Rs. 10 per share)


The accompanying notes are an integral part of financial statements.
This is the Profit and Loss referred to in our report of even date

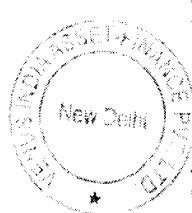
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 091076N/N500013



Lalit Kumar
Partner
Membership No.: 095256

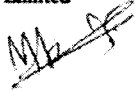



For and on behalf of the Board of Directors
Venus India Asset-Finance Private Limited


Gaurav Goel
Director
DIN No. 00076111




Anurag Garg
Chief Financial Officer
PAN No. AATPG8459J


Nalin Kumar Gupta
Director
DIN No. 01670036


Indu Singh
Company Secretary
Membership No. A39681

Place: Noida
Date: 30 April 2019


Venus India Asset-Finance Private Limited
Cash Flow Statement for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| A. Cash flow from operating activities | | |
| Net profit before tax | 212,629,235 | 230,046,444 |
| Adjustments for : | | |
| Depreciation expense | 3,492,435 | 4,147,374 |
| Contingent provision for standard assets | 1,518,205 | 1,688,922 |
| Contingent provision for sub-standard assets | - | 9,969,133 |
| Contingent provision for doubtful assets | 692,777 | - |
| Loss assets written off | 28,695,648 | - |
| Profit on sale of fixed asset | - | (640,529) |
| Operating profit before working capital changes | 247,028,301 | 245,211,344 |
| Adjustments for (increase)/ decrease in operating assets : | | |
| (Increase) in short-term loans and advances | (350,690,404) | (441,713,893) |
| (Increase) in long-term loans and advances | (241,338,715) | (329,312,737) |
| (Increase)/decrease in other current assets | (25,898,780) | 9,532,954 |
| (Increase) in other non current assets | (1,993,220) | (5,120,483) |
| Adjustments for increase/(decrease) in operating liabilities : | | |
| Increase in other long-term liabilities | 9,273,070 | 8,279,525 |
| Increase in long-term provisions | 1,103,532 | 1,742,996 |
| (Decrease)/increase in trade payables | (1,012,225) | 2,590,162 |
| Increase/(decrease) in short-term provisions | 20,849 | (30,431) |
| (Decrease)/increase in other current liabilities | (1,854,185) | 19,068,197 |
| | (365,361,777) | (489,752,367) |
| Direct taxes paid | (89,992,903) | (81,469,094) |
| Net cash used in operating activities | (455,354,680) | (571,221,460) |
| B. Cash flow from investing activities: | | |
| Purchase of current investments | (270,846,007) | (1,486,539,355) |
| Proceeds from sale of current investments | 275,089,355 | 1,593,350,000 |
| Purchase of fixed assets | (2,253,339) | (13,976,888) |
| Sale of fixed assets | - | 2,100,000 |
| Movement in fixed deposits(with original maturity more than three months) | (38,740,514) | (89,889,598) |
| Net cash from investing activities | (36,750,505) | 5,044,159 |
| C. Cash flow from financing activities: | | |
| Buy back of share capital | (175,199,415) | - |
| Proceeds from short term borrowing (net) | 224,548,192 | 233,226,091 |
| Proceeds from vehicle loan | - | 8,905,104 |
| Proceeds from term loan | 650,000,000 | 350,000,000 |
| Repayments of vehicle loan | (1,343,662) | (1,933,651) |
| Repayments of term loan | (139,214,280) | (5,500,000) |
| Net cash from financing activities | 558,790,834 | 584,697,544 |
| Net increase in cash and cash equivalents (A+B+C) | 66,685,649 | 18,528,243 |
| Opening cash and cash equivalents | 46,048,295 | 27,528,052 |
| Closing cash and cash equivalents (refer note 17) | 112,733,944 | 46,048,295 |
| Components of cash and cash equivalents | | |
| Cash on hand | 110,772 | 89,968 |
| Balance with Bank | | |
| -in current accounts | 112,623,171 | 45,958,327 |
| | 112,733,943 | 46,048,295 |

Note: Refer note 15 and 17 for disclosure of restricted cash.

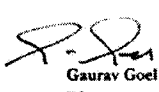
The accompanying notes are an integral part of financial statements.
This is the Cash Flow Statement referred to in our report of even date.


For Walker Chandniok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013



Lalit Kumar
Partner
Membership No.: 095256


Place: Noida
Date: 30 April 2019

For and on behalf of the Board of Directors
Venus India Asset-Finance Private Limited


Gaurav Goel
Director
DIN No. 00076111


Anurag Garg
Chief Financial Officer
PAN No. AATPG8459J


Nalin Kumar Gupta
Director
DIN No. 01670036


Indu Singh
Company Secretary
Membership No. A39681

Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

1. Company background

Venus India Asset-Finance Private Limited ("the Company") was incorporated on 2 September 1996 under the Companies Act, 1956 ("the Act"). The name of the Company was changed to Venus India Asset-Finance Private Limited and a fresh Certificate of Incorporation was obtained dated 12 February 2014. The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934 to carry on business as a Non-Banking Financial Institution without accepting public deposits vide Certificate of Registration no. B-14.02098 dated 27 October 2000. Consequent to change in name of the Company, a new Certificate of Registration No. B-14.02098 dated 4 March 2014 has been issued by the RBI. The Company is engaged in providing short and medium term loans as general purpose finance to borrowers.

The Company is a subsidiary of VISFF No. 1 Limited.

2. Significant accounting policies

a) Basis of preparation

The financial statements have been prepared on an accrual basis and under the historical cost convention, in accordance with generally accepted accounting principles in India (Indian GAAP) and comply in all material respects with the mandatory accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Company (Accounts) Rules, 2014 (as amended) and with the relevant provisions of the Act and pronouncements of Institute of Chartered Accountants of India (ICAI).

b) Use of estimates

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

c) Property and equipment

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use i.e. freight, duties, taxes and other incidental expenses excluding cenvat in so far as this is available for set off against excise duty. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d) Depreciation on property and equipment

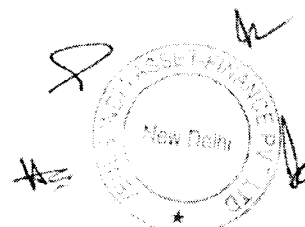
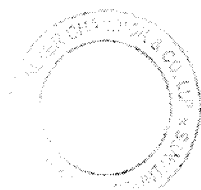
Depreciation on fixed assets is provided on the written down method, computed on the basis of useful life prescribed in Schedule II to the Act, on a pro-rata basis from the date the asset is ready to put to use. The useful lives determined by the management is as follows-

| Particulars | Number of years |
|------------------------|-----------------|
| Furniture and fixtures | 10 |
| Computers | 3 |
| Vehicles | 8 |
| Office equipments | 2 to 5 |

e) Impairment of assets

i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and collectability is reasonably assured.

a) Interest on loans is recognised on accrual basis, except in the case of Non- Performing Assets ("NPA"), where interest is recognised upon realisation, in accordance with the directives of the Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (as amended).

b) Loan processing fee is accounted as revenue up-front when it becomes due.

c) Profit/ loss on sale of investments are recognised on the contract date. Cost of investments is determined using the weighted average cost.

d) Interest income on fixed deposits is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

h) Loan to borrowers

Receivables under financing activity are classified into performing and non-performing assets in terms of minimum classification and provisioning required under Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India (RBI) and updated from time to time.

Specific loan loss provisions in respect of non performing advances are made based on management's assessment of the degree of impairment of the advances after considering the prudential norms on provisioning prescribed by Reserve Bank of India.

All loan exposures to borrowers with installment structure are stated at full agreement value after netting off:

- a) unearned income
- b) installments appropriated up to the year end

i) Foreign currency transactions

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

j) Employee benefits

(i) Retirement benefits in the form of Provident Fund are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund.

(ii) Gratuity liability under the Payment of Gratuity Act, 1972 is accrued on the basis of an actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method.

(iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

(iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

(v) The Company presents its leave and gratuity liability as current and non-current based on actuarial valuation.

k) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

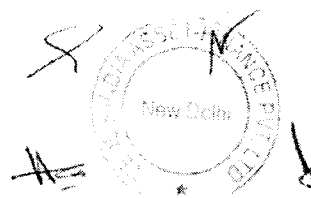
l) Operating lease

The leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Lease rentals in respect of assets taken on 'operating lease' are charged to the Statement of Profit and Loss.

m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Weighted average number of equity shares includes the impact of buy back of equity shares during the year.

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



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

n) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement.

o) Contingent liabilities

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

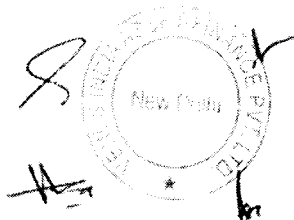
p) Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

q) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

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Venus India Asset-Finance Private Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)
3. Share capital

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---|---------------------|----------------------|---------------------|----------------------|
| | Number | Amount | Number | Amount |
| Authorised | | | | |
| Equity shares of Rs. 10 (previous year Rs. 10) each | 140,000,000 | 1,400,000,000 | 140,000,000 | 1,400,000,000 |
| | 140,000,000 | 1,400,000,000 | 140,000,000 | 1,400,000,000 |
| Issued | | | | |
| Equity shares of Rs. 10 (previous year Rs. 10) each | 97,619,832 | 976,198,320 | 101,802,765 | 1,018,027,650 |
| | 97,619,832 | 976,198,320 | 101,802,765 | 1,018,027,650 |
| Subscribed and paid up | | | | |
| Equity shares of Rs. 10 (previous year Rs. 10) each fully paid up | 97,619,832 | 976,198,320 | 101,802,765 | 1,018,027,650 |
| | 97,619,832 | 976,198,320 | 101,802,765 | 1,018,027,650 |

a) Reconciliation of shares capital

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|--|---------------------|--------------------|---------------------|----------------------|
| | Number | Amount | Number | Amount |
| Balance at the beginning of the year | 101,802,765 | 1,018,027,650 | 101,802,765 | 1,018,027,650 |
| Add : Issued during the year | - | - | - | - |
| Less: Share buyback during the year (refer note 3 (f) below) | (4,182,933) | (41,829,330) | - | - |
| Balance at the end of the year | 97,619,832 | 976,198,320 | 101,802,765 | 1,018,027,650 |

b) Terms and rights attached to equity shares

The Company has one class of equity shares having par value of Rs. 10 each. Each shareholder is entitled for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all liabilities, in proportion to their shareholding as on that date.

c) Details of shares held by each shareholder holding more than 5% shares

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|----------------------------|---------------------|--------|---------------------|--------|
| | Number | Amount | Number | Amount |
| 1 VISFF No. 1 Limited | 76,852,199 | 78.73% | 80,107,362 | 78.69% |
| 2 Goel Investments Limited | 16,913,957 | 17.33% | 17,841,727 | 17.53% |

d) Details of shares held by the Holding Company

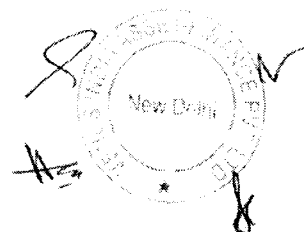
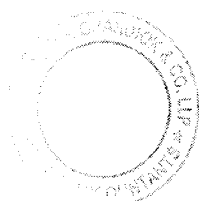
| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---------------------|---------------------|-------------|---------------------|-------------|
| | Number | Amount | Number | Amount |
| VISFF No. 1 Limited | 76,852,199 | 768,521,990 | 80,107,362 | 801,073,620 |

e) Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues during the last 5 years for each class of shares

No such issue has taken place in the current period and immediately preceding five years. The Company has not issued any shares pursuant to a contract without payment being received in cash in the current period and immediately preceding five years.

f) Aggregate no of shares bought back

During the year ended 31 March 2019, 4,182,933 equity shares were bought back at an price of Rs.35.86 per share in accordance with section 68,69 and 70 of the companies Act, 2013 read with rule 17 of the Companies (Share Capital and Debentures) Rules 2014 (as amended).



Venus India Asset-Finance Private Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)
4. Reserves and surplus

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Reserve fund | | |
| (Under section 45-IC of the Reserve Bank of India Act, 1934) | | |
| Balance at the beginning of the year | 106,366,838 | 73,104,439 |
| Addition during the year | 30,460,652 | 33,262,399 |
| Balance at the end of the year | 136,827,490 | 106,366,838 |
| Surplus in Statement of Profit and Loss | | |
| Balance at the beginning of the year | 420,187,253 | 287,137,659 |
| Addition during the year | 152,303,261 | 166,311,993 |
| Less : Transfer to statutory reserve u/s 45-IC of RBI Act, 1934 | (30,460,652) | (33,262,399) |
| Less : Transfer to Capital redemption reserve | (41,829,330) | - |
| Balance at the end of the year | 500,200,531 | 420,187,253 |
| Securities premium | | |
| Balance at the beginning of the year | 419,517,801 | 419,517,801 |
| Addition during the year | - | - |
| Utilisation for buy back of shares | (108,170,647) | - |
| Tax impact on buy back of shares | (25,199,438) | - |
| Balance at the end of the year | 286,147,716 | 419,517,801 |
| Capital redemption reserve | | |
| Balance at the beginning of the year | - | - |
| Addition during the year | 41,829,330 | - |
| Balance at the end of the year | 41,829,330 | - |
| | 965,005,067 | 946,071,892 |

Note:
Reserve fund

In terms of section 45-IC of the Reserve Bank of India Act, 1934, every Non-Banking Financial Company is required to create a Reserve Fund and transfer therein at least 20% of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared. During the year, the Company has transferred 20% of its net profit amounting to Rs. 30,460,652 (previous year- Rs.33,262,399) to the Reserve fund.

Securities premium

Securities premium account is used to record premium received on issue of shares. The account is utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve

The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

5. Long-term borrowings (secured)

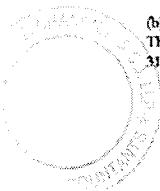
| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|--|------------------------|--------------------|------------------------|-------------------|
| | Non-current | Current | Non-current | Current |
| Secured | | | | |
| Debentures | | | | |
| 12% Non-convertible debentures (NCDs) (650 units of Rs. 100,000 each) (Previous Year 650 units of Rs. 100,000 each) (Refer note (i)) | 65,000,000 | - | 65,000,000 | - |
| Term loans | | | | |
| Vehicle loan (Refer note (ii)) | 6,103,518 | 1,457,924 | 7,561,442 | 1,343,662 |
| Loans from financial institutions (iii) | 180,000,000 | 52,500,000 | - | - |
| Loans from bank (Refer note (iv)) | 427,957,161 | 200,328,559 | 256,857,142 | 93,142,858 |
| | 679,060,679 | 254,286,483 | 329,418,584 | 94,486,520 |

Notes:

(i) The 650 units of NCDs are secured by first and exclusive charge over the monies raised by issue of the NCDs and all assets and receivables procured with such monies. The NCDs carry interest at 12% per annum, on compounding basis, payable at the time of redemption. The NCDs shall be redeemed on 31 March 2021 at face value along with accrued interest.

(ii) (a) Term loan of Rs. 6,988,850 from HDFC Bank is secured against vehicle and is re-payable in 84 equal monthly installments of Rs. 109,978 each. The loan carries interest at the rate of 8.30% per annum and is payable monthly. Total loan outstanding as on 31 March 2019 is Rs. 5,457,924 (As at 31 March 2018 Rs. 6,286,899)

(b) Term loan of Rs. 2,900,000 from HDFC Bank is secured against vehicle and is re-payable in 60 equal monthly installments of Rs. 58,816 each. The loan carries interest at the rate of 8.01% per annum and is payable monthly. Total loan outstanding as on 31 March 2019 is Rs. 2,103,518 (As at 31 March 2018 Rs. 2,618,205)



Venus India Asset-Finance Private Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)

- (iii) Term loan of Rs. 250,000,000 from Tourism Finance Corporation of India Limited is secured against exclusive charge by way of hypothecation on specified receivables of standard non-SMA assets finance by Venus India Asset Finance Private Limited to the extent of 1.33 times of loan amount and is repayable in 12 quarterly installments of Rs. 17,500,000 each and 2 quarterly installments of Rs. 20,000,000 each to be started from April 2019. The loan carries interest at the rate of 11.80% to 12% per annum and is payable monthly. Total loan outstanding as on 31 March 2019 is Rs. 232,500,000 (As at 31 March 2018 Rs. Nil)
- (iv) (a) Term loan of Rs. 300,000,000 from State Bank of India is secured against exclusive charge by way of hypothecation of book debts/receivables (performing) to the extent of 133.33% (minimum) of the loan amount and 15% cash collateral in the form of Fixed Deposit and is repayable in 14 quarterly installment to be started from June 2018. The loan carries interest at the rate of 10% per annum and is payable monthly. Total loan outstanding as on 31 March 2019 is Rs. 214,000,000 (As at 31 March 2018 Rs. 300,000,000)
- (b) Term loan of Rs. 250,000,000 from UCO Bank is secured against exclusive charge by way of hypothecation of standard book debts created out of bank finance to be maintained at a minimum of 133% of the bank loan outstanding and 15% cash collateral in the form of Fixed Deposit and is repayable in 14 quarterly installment to be started from October 2018. The loan carries interest at the rate of 10.5% per annum and is payable monthly. Total loan outstanding as on 31 March 2019 is Rs. 214,285,720 (As at 31 March 2018 Rs. 50,000,000)
- (c) Term loan of Rs. 200,000,000 from State Bank of India is secured against exclusive charge by way of hypothecation of book debts/receivables (performing) to the extent of 133.33% (minimum) of the loan amount and 15% cash collateral in the form of Fixed Deposit and is repayable in 14 quarterly installment to be started from August 2019. The loan carries interest at the rate of 10.50% per annum and is payable monthly. Total loan outstanding as on 31 March 2019 is Rs. 200,000,000 (As at 31 March 2018 Rs. Nil)

(iv) Current maturities of long term liabilities are shown under the head other current liabilities (refer note 19).

6. Other long-term liabilities

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Interest accrued but not due on borrowings | 24,963,111 | 15,690,041 |
| | <u>24,963,111</u> | <u>15,690,041</u> |

7. Long-term provision

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Provision for gratuity (refer note 28) | 3,994,703 | 3,436,576 |
| Provision for compensated absences | 2,147,103 | 1,601,698 |
| Contingent provisions against standard assets (refer note 27) | 3,805,066 | 3,101,505 |
| Provision for sub-standard assets (refer note 27) | - | 7,000,000 |
| Provision for doubtful assets (refer note 27) | 6,000,000 | - |
| | <u>15,946,872</u> | <u>15,139,779</u> |

8. Short term borrowings

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| - From bank (refer note (a) and (b) below) | 748,462,881 | 523,914,690 |
| | <u>748,462,881</u> | <u>523,914,690</u> |

Notes:

(a) Cash Credit Facility of Rs. 748,462,881 from Punjab National Bank is secured by way of exclusive charge over receivables of 1.33 times of the cash credit facility on the non-NPA accounts of the Company's loan book by way of assignment/hypothecation and collateral security in the form of Fixed Deposit to the extent of interest of three month of the cash credit limits. The CC carries interest rate @ 10.30% per annum, reset on annual basis and payable on monthly basis.

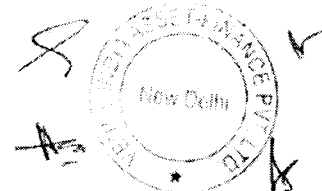
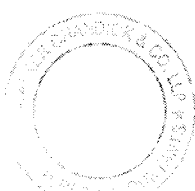
(b) Term Loan of Rs. Nil (previous year Rs. 200,000,000) from AU Small Finance Bank is secured by way of exclusive hypothecation of present and future loan receivables (net of financial charge, NPA and other charges etc) to the extent of 125% for the loan. The loan carries interest at the rate 10.25% per annum payable on monthly basis. The said loan is repaid during the current year ended 31 March 2019.

9. Trade payables

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Total outstanding dues of micro enterprises and small enterprises (refer note below) | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 4,668,067 | 5,680,292 |
| Total | <u>4,668,067</u> | <u>5,680,292</u> |

Notes:

Based on the information available with the Company, there are no dues outstanding in respect of micro enterprises and small enterprises at the Balance Sheet date. No amounts were payable to such enterprises which were outstanding for more than 45 days. Further, no interest during the period has been paid or payable in respect thereof. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

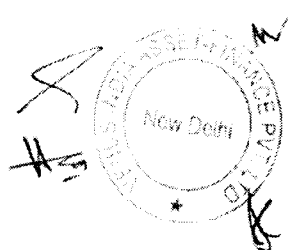
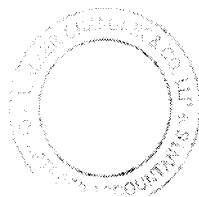


Venus India Asset-Finance Private Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)
10. Other current liabilities

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Current maturities of long-term borrowings | 254,286,483 | 94,486,520 |
| Interest accrued and due on borrowings | 3,802,165 | 4,303,425 |
| Interest accrued and not due on borrowings | 1,439,794 | 50,003 |
| Advance received from customers | 2,546,293 | 4,965,981 |
| Employee related payables | 10,000,000 | 10,152,750 |
| Statutory dues payable | | |
| - Tax deducted at source payable | 1,381,406 | 1,121,223 |
| - Goods and services tax payable | - | 409,475 |
| - Other statutory dues payable | 175,076 | 196,082 |
| | 273,631,217 | 115,685,439 |

11. Short-term provisions

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Provision for employee benefits | | |
| Provision for gratuity (refer note 28) | 24,961 | 14,727 |
| Provision for compensated absences | 39,375 | 28,760 |
| Contingent provisions against standard assets (refer note 27) | 4,326,161 | 3,511,516 |
| Provision for sub-standard assets (refer note 27) | - | 3,000,000 |
| Provision for doubtful assets (refer note 27) | 22,692,776 | 18,000,000 |
| | 27,083,273 | 24,555,003 |

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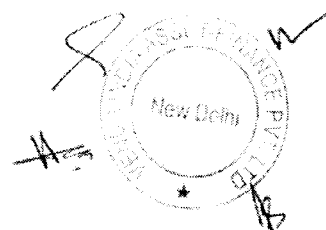
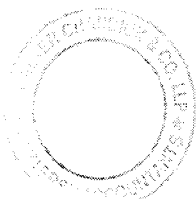
Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless stated otherwise)

12 Property and equipment

| Particulars | Furniture and fixtures | Computers | Vehicles | Office equipments | Total |
|---------------------------------|------------------------|-----------|------------|-------------------|------------|
| Gross block | | | | | |
| Balance as at 1 April 2017 | 152,870 | 447,782 | 4,251,209 | 313,703 | 5,165,564 |
| Additions | 165,585 | 105,656 | 13,603,350 | 102,297 | 13,976,888 |
| Deletions/adjustments | - | - | 4,251,209 | - | 4,251,209 |
| Balance as at 31 March 2018 | 318,455 | 553,438 | 13,603,350 | 416,000 | 14,891,243 |
| Additions | - | 1,933,298 | - | 320,041 | 2,253,339 |
| Balance as at 31 March 2019 | 318,455 | 2,486,736 | 13,603,350 | 736,041 | 17,144,582 |
| Accumulated depreciation | | | | | |
| Balance as at 1 April 2017 | 42,327 | 280,925 | 2,787,971 | 127,927 | 3,239,150 |
| Depreciation charge | 55,642 | 158,222 | 3,832,053 | 101,457 | 4,147,374 |
| Deletions/adjustments | - | - | 2,791,738 | - | 2,791,738 |
| Balance as at 31 March 2018 | 97,969 | 439,147 | 3,828,286 | 229,384 | 4,594,786 |
| Depreciation charge | 58,296 | 239,093 | 3,056,839 | 138,208 | 3,492,435 |
| Balance as at 31 March 2019 | 156,264 | 678,240 | 6,885,125 | 367,592 | 8,087,221 |
| Net block | | | | | |
| Balance as at 31 March 2018 | 220,486 | 114,291 | 9,775,064 | 186,616 | 10,296,457 |
| Balance as at 31 March 2019 | 162,191 | 1,808,496 | 6,718,225 | 368,448 | 9,057,360 |



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless stated otherwise)

13. Deferred tax assets

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Deferred tax assets arising on account of: | | |
| Timing difference on depreciation of fixed assets | 1,036,098 | 717,030 |
| Provision for employee benefits | 1,807,229 | 1,479,809 |
| Provision against standard, sub-standard and doubtful assets | 10,723,150 | 10,079,312 |
| | 13,566,477 | 12,276,151 |

14. Long-term loans and advances

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Unsecured, considered good | | |
| Loans to Staff | 20,000 | 105,000 |
| Advance tax paid (net of provision for tax- 288,320,678 (previous year- 226,704,378)) | 33,536,351 | 5,159,749 |
| Loans to borrowers | | |
| Secured, considered good (refer note below) | | |
| (i) Non-convertible debentures (considered good) | | |
| 150 (Previous year Nil) units of Aaditi Estate Developers Private Limited of Rs. 1,000,000 each (refer note (ii) below) | 146,031,810 | - |
| Nil (Previous year 48) units of Radius Estates & Developers Private Limited of Rs.1,000,000 each | - | 48,000,000 |
| 50,000 (Previous year Nil) units of SL Residential Layout Private Limited of Rs.1,000 each | 50,000,000 | - |
| 1,500 (Previous year Nil) units of Advaita Ventures Private Limited of Rs.100,000 each | 150,000,000 | - |
| (ii) Other loan and advances | | |
| Standard assets | 1,175,993,932 | 1,192,602,034 |
| sub-standard assets | - | 70,000,000 |
| doubtful assets | 30,000,007 | - |
| | 1,585,582,100 | 1,315,866,783 |

Note :

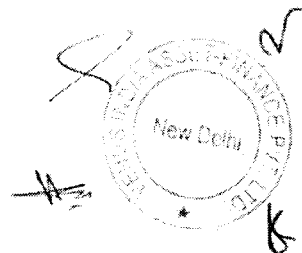
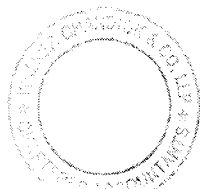
- The above loans are secured against pledge of shares by the promoters of the Companies/ mortgage of immovable properties/receivables.
- Amount shown under long term loan and advances are reclassified to short term loan and advances to the extent expected to be realised within 12 months from the balance sheet date.

15. Other non-current assets

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Balances with bank | | |
| Deposits with remaining maturity more than twelve months | 8,093,449 | 5,598,449 |
| Deposits with remaining maturity more than twelve months (secured against term loan with State Bank of India) | 30,000,000 | - |
| Unamortised borrowing cost | 6,468,628 | 5,120,483 |
| Interest accrued but not due | | |
| - fixed deposit | 645,075 | - |
| | 45,207,152 | 10,718,932 |

16. Current investments

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Non trade investments unquoted (stated at lower of cost and fair value) | | |
| 1687.359 (Previous Year 1432.654) units of SBI Liquid Fund Regular Growth- | 4,846,007 | 3,789,355 |
| Nil (Previous Year 1284.273) units of Reliance Liquid Fund-Direct Plan Growth Plan-Growth Option (LFAGG) | - | 5,300,000 |
| | 4,846,007 | 9,089,355 |
| Aggregate market value | 4,920,859 | 9,335,750 |



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts in Rupees unless stated otherwise)

17. Cash and bank balances

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Cash and Cash equivalents | | |
| Cash on hand | 110,772 | 89,968 |
| Balances with banks | | |
| - in current accounts | 112,623,171 | 45,958,327 |
| | 112,733,943 | 46,048,295 |
| Other bank balances | | |
| - in deposits accounts with original maturity for more than three months but remaining maturity less than twelve months (secured against cash credit limit with punjab national bank) | 22,867,730 | 21,578,649 |
| - in deposits accounts with original maturity for more than three months but remaining maturity less than twelve months (secured against term loan with State Bank of India) | 47,801,495 | 45,000,000 |
| - in deposits accounts with original maturity for more than three months but remaining maturity less than twelve months (secured against term loan with UCO Bank) | 39,654,938 | 37,500,000 |
| | 110,324,163 | 104,078,649 |
| | 223,058,106 | 150,126,944 |

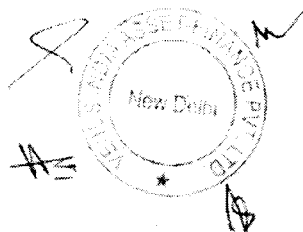
18. Short-term loans and advances

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Unsecured, considered good | | |
| Security deposits | 662,000 | 522,000 |
| Prepaid expenses | 2,452,510 | 1,016,086 |
| Advance to vendors | 72,528 | 66,690 |
| Loan and advance to employees | 367,001 | 497,000 |
| Goods and services tax receivables | 1,220,764 | - |
| Loans and advances (secured) | | |
| (i) Non-convertible debentures | | |
| Nil (Previous year - 550 units) of Shriline Properties Private Limited of Rs. 100,000 each | - | 6,110,500 |
| Nil (Previous year 1,000) units of Della Enclave Private Limited of Rs. 100,000 each | - | 100,000,000 |
| 48 (Previous year Nil) units of Radius Estates & Developers Private Limited of Rs.1,000,000 each | 48,000,000 | - |
| (ii) Other loan and advances | | |
| standard assets (considered good) | 1,682,464,255 | 1,298,495,911 |
| sub-standard assets | - | 29,999,997 |
| doubtful assets (considered not good) | 63,463,882 | 40,000,000 |
| | 1,798,702,940 | 1,476,708,184 |

Note: The above loans are secured against pledge of shares by the promoters of the companies/ mortgage of immovable properties/ receivables.

19. Other current assets

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------|------------------------|------------------------|
| Interest accrued but not due | | |
| - fixed deposit | 2,217,223 | 2,095,382 |
| - loans to borrowers | 8,595,915 | 2,927,298 |
| Interest accrued and due | 20,917,031 | 2,171,019 |
| Unamortised borrowing cost | 3,269,176 | 1,906,866 |
| | 34,999,345 | 9,100,565 |



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless stated otherwise)

20. Income from loans and advances

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---------------------------------------|-----------------------------|-----------------------------|
| Interest income on loans and advances | 479,783,962 | 354,969,182 |
| Loan processing fees | 26,948,746 | 28,677,500 |
| Other operating income | | |
| - Interest income on fixed deposits | 8,153,567 | 3,363,527 |
| - Profit on sale of mutual funds | 1,384,525 | 1,876,153 |
| | <u>516,270,800</u> | <u>388,886,362</u> |

21. Other income

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--------------------------------|-----------------------------|-----------------------------|
| Profit on sale of fixed assets | - | 640,529 |
| | <u>-</u> | <u>640,529</u> |

22. Employee benefits expense

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| Salaries and wages | 39,925,869 | 40,763,798 |
| Contribution to provident and other funds | 1,108,239 | 792,835 |
| Staff welfare expenses | 1,183,908 | 871,539 |
| | <u>42,218,016</u> | <u>42,428,172</u> |

23. Finance costs

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|---|-----------------------------|-----------------------------|
| Interest on borrowings | 157,144,472 | 56,415,432 |
| Interest on delayed payment of statutory dues | 13,635 | 525,839 |
| Other borrowing costs | 4,491,515 | 8,977,300 |
| | <u>161,649,622</u> | <u>65,918,571</u> |

24. Other expenses

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--|-----------------------------|-----------------------------|
| Fee and subscription | 3,731,857 | 948,051 |
| Communication | 719,716 | 847,036 |
| Travelling and conveyance | 6,675,805 | 5,188,344 |
| Rent | 3,325,500 | 2,395,678 |
| Printing and stationery | 77,646 | 109,025 |
| Advertisement and publicity | 30,600 | 29,713 |
| Business promotion | 313,155 | 305,897 |
| Legal and professional | 36,890,416 | 15,547,067 |
| Contingent provision for standard assets | 1,518,205 | 1,688,922 |
| Contingent provision for sub-standard assets | - | 9,969,133 |
| Loss assets written off | 28,695,648 | - |
| Contingent provision for doubtful assets | 692,777 | - |
| Corporate social responsibility expenses | 1,779,258 | 557,851 |
| Vehicle running charges | 502,264 | 343,932 |
| Repairs and maintenance | 956,687 | 845,716 |
| Office maintenance | 2,485,641 | 2,271,028 |
| Electricity expenses | 2,710,905 | 2,736,396 |
| Bank charges | 198,097 | 122,326 |
| Service tax expenses | - | 492,295 |
| Goods and services tax expenses | 4,570,009 | 2,228,968 |
| Foreign exchange fluctuation (net) | 1,697 | 2,581 |
| Miscellaneous expenses | 405,609 | 356,373 |
| | <u>96,281,492</u> | <u>46,986,330</u> |

Legal and professional expenses include payment to auditors:

| | | |
|-----------------------------|-----------|-----------|
| - Audit fees | 2,100,000 | 1,950,000 |
| - Other services | 665,000 | 500,000 |
| - Reimbursement of expenses | 137,900 | 154,200 |



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless stated otherwise)

25. Earnings per share

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--|-----------------------------|-----------------------------|
| Net profit after tax as per the Statement of Profit and Loss attributable to equity shareholders | 152,303,261 | 166,311,993 |
| Share outstanding at the beginning of the year | 101,802,765 | 101,802,765 |
| Weighted average number of equity shares | 101,619,404 | 101,802,765 |
| Share outstanding at the end of the year | 97,619,832 | 101,802,765 |
| Nominal value of shares | 10 | 10 |
| Earnings per share (basic and diluted) | 1.50 | 1.63 |

26. Related party disclosures

a) Related parties

Related party disclosures, as required by Accounting Standard 18 - Related Party Disclosures are given below:

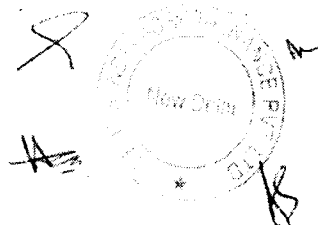
| | |
|---|---|
| (i) Ultimate Holding Company | Venus India Structured Finance (Offshore) Fund Limited (British Virgin Islands) Venus India Structured Finance Master Limited (British Virgin Islands) |
| (ii) Holding Company | VISFF No. 1 Limited |
| (iii) Entity exercising significant influence | Vacuf Limited |
| (iv) Key Management Personnel (KMP) | Mrs. Purnea Bajaj (Director) (till 06.02.2019) Mr. Krishan Kant Mittal (Manager) (w.e.f. 14.03.2017 till 30.04.2018) |

b) Transactions with related parties

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--|-----------------------------|-----------------------------|
| Interest expenses on debentures | | |
| - Vacuf Limited | 9,787,192 | 8,738,561 |
| Remuneration * | | |
| - Purnea Bajaj | 2,393,681 | 3,045,157 |
| - Krishan Kant Mittal | 68,334 | 920,066 |

* Does not include gratuity and compensated absences, since the provision is based upon actuarial for the Company as a whole.

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Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless stated otherwise)

c) Balances outstanding at the year end

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|------------------------|------------------------|------------------------|
| Debentures outstanding | | |
| - Vacuf Limited | 65,000,000 | 65,000,000 |
| Equity Share Capital | | |
| - VISFP No. 1 Limited | 768,521,990 | 801,073,620 |
| Interest payable | | |
| - Vacuf Limited | 24,963,111 | 15,690,041 |

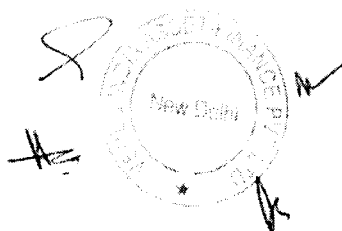
27. Movement in provisions

| Particulars | As at 1 April 2018 | Movement in provision | As at 31 March 2019 |
|---|-----------------------|--------------------------|------------------------|
| a) Provision against receivables under financing activity | | | |
| - Standard assets | | | |
| - Current | 3,511,516 | 814,645 | 4,326,161 |
| - Non-Current | 3,101,505 | 703,560 | 3,805,065 |
| | <u>6,613,021</u> | <u>1,518,205</u> | <u>8,131,226</u> |
| b) Provision against receivables under financing activity - Sub-standard assets | | | |
| - Current | 3,000,000 | (3,000,000) | - |
| - Non-Current | 7,000,000 | (7,000,000) | - |
| | <u>10,000,000</u> | <u>(10,000,000)</u> | <u>-</u> |
| c) Provision against receivables under financing activity - Doubtful assets | | | |
| - Current | 18,000,000 | 4,692,776 | 22,692,776 |
| - Non-Current | - | 6,000,000 | 6,000,000 |
| | <u>18,000,000</u> | <u>10,692,777</u> | <u>28,692,776</u> |

Note:

- 1) In terms of provision 13 of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, every Non-Banking Financial Company is required to make provision for standard assets at 0.25%, Sub-standard assets at 10% and doubtful assets at 40% of the outstanding.
- 2) During the year ended 31 March 2019, classification of Sub-standard assets has been changed to Doubtful assets as per Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, and accordingly provision against sub standard assets is transferred to provision for doubtful assets.

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Venus India Asset-Finance Private Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)

28. In accordance terms of the revised Accounting Standard 15 'Employee Benefits', the requisite disclosures are as follows:

(i) Defined contribution plans

(a) The Company makes contribution towards employees' provident fund. Under these schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised Rs. 1,108,239 (previous year Rs. 792,835) during the year as expense towards contributions to these plans.

(b) There are issues relating to the application of the Honourable Supreme Court's (SC) judgement dated 28 February, 2019 on Provident Fund. The management is examining these issues to identify the potential effects, if any, on compliance with the Provident Fund Act, 1952.

(ii) Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure of 15 days salary (last drawn salary) for each completed year of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuation being carried out at each balance sheet date.

The following tables set out the status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March 2019:

a) Expense recognised in the Statement of Profit and Loss during the year

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|--|-----------------------------|-----------------------------|
| Expense to be recognised in statement of profit and loss | | |
| Current service cost | 1,020,062 | 1,441,206 |
| Interest cost | 265,750 | 142,578 |
| Net actuarial (gain) recognised during the year | (717,451) | (33,519) |
| Net charge | 568,361 | 1,550,265 |

b) Changes in present value of obligations during the year

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Details of provision for gratuity | | |
| Defined Benefit obligation | 4,019,664 | 3,451,303 |
| Less : Fair value of plan assets | | |
| Net liability recognised in Balance Sheet | 4,019,664 | 3,451,303 |

Changes in present value of obligations during the year

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Changes in defined benefit obligation during the year | | |
| Opening balance of defined benefit obligation | 3,451,303 | 1,901,038 |
| Interest cost | 265,750 | 142,578 |
| Current service cost | 1,020,062 | 1,441,206 |
| Net actuarial (gain) on obligation | (717,451) | (33,519) |
| Closing balance of defined benefit obligation | 4,019,664 | 3,451,303 |

Amount shown in Balance Sheet

| | | |
|--|-----------|-----------|
| Long term provision | 3,994,703 | 3,456,576 |
| Short term provision | 24,961 | 14,727 |
| Company's best estimate of contribution during next year is Rs 1,437,782 | | |

Assumptions for gratuity

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|------------------------|-----------------------------|-----------------------------|
| Discount rate | 7.60 | 7.70 % |
| Salary escalation rate | 10% | 10% |
| Withdrawal rate | 1% | 1% |

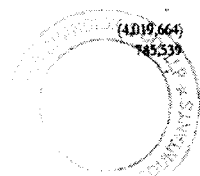
The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increase has been considered, taking into account the inflation, seniority, promotion, increments and other relevant factors.

The gratuity plan is unfunded.

Amount for the current year and previous four years are as follows

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 | Year ended 31 March 2017 | Year ended 31 March 2016 | Year ended 31 March 2015 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Defined benefit obligation | 4,019,664 | 3,451,303 | 1,901,038 | 1,401,563 | 570,674 |
| Plan assets | | | | | |
| Surplus / (Deficit) | (4,019,664) | (3,451,303) | (1,901,038) | (1,401,563) | (570,674) |
| Experience adjustments on plan liabilities - (Loss)/Gain | 745,539 | (88,352) | 483,477 | 37,341 | (34,197) |
| Experience adjustments on plan assets - (Loss)/Gain | | | | | |



Venus India Asset-Finance Private Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts are in Rupees, unless stated otherwise)
29. Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company is required to spend a sum of Rs. 3,976,434 towards CSR activities during the year ended 31 March 2019. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the current year ended 31 March 2019, Company has contributed following sums towards CSR initiatives.

(a) Amount spent during the year :

| Particulars | In Cash | Yet to be paid in cash | Total |
|--------------------------------|-----------|------------------------|-----------|
| (i) Education related expenses | - | 2,197,176 | 3,976,434 |
| (ii) Other social activities | 1,779,258 | - | - |

30. Expenditure in foreign currency

| Particulars | Year ended 31 March 2019 | Year ended 31 March 2018 |
|----------------------------|-----------------------------|-----------------------------|
| (i) Legal and professional | 19,918,434 | 5,652,442 |

31. Disclosure as required in terms of paragraph 18 of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 :
Liabilities side

(i) Loans and advances availed by non-banking financial Company inclusive of interest accrued thereon but not paid

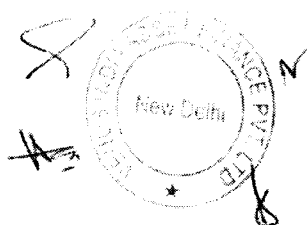
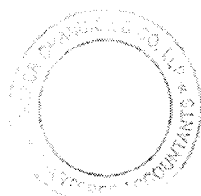
| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|--|---------------------|--------|---------------------|--------|
| | Amount | Amount | Amount | Amount |
| a. Debentures: | | | | |
| - Secured | 89,963,111 | - | 80,690,041 | - |
| - Unsecured (other than falling within the meaning of public deposits) | - | - | - | - |
| b. Deferred credits | - | - | - | - |
| c. Term loans | 873,589,120 | - | 363,258,532 | - |
| d. Inter corporate loans and borrowing | - | - | - | - |
| e. Commercial paper | - | - | - | - |
| f. Other loans | - | - | - | - |

Assets side

(2) Break up of loans and advances including bills receivable (Other than those included in 4 below)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|-----------------|------------------------|------------------------|
| a. Secured | 3,345,953,886 | 2,785,208,412 |
| b. Unsecured ** | - | - |

** Security deposit and prepaid expenses have not been included above



Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless stated otherwise)

31. Disclosure as required in terms of paragraph 18 of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 : (Cont'd)

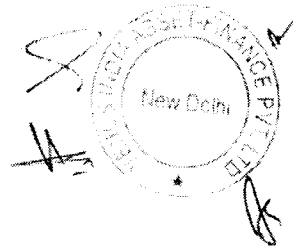
(3) Breakup of leased assets and stock on hire and others assets counting towards AFC activities

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| i. Leased assets including lease rentals under Sundry debtors | | |
| a. Financial lease | - | - |
| b. Operating lease | - | - |
| ii. Stock on hire including hire charges under Sundry debtors | | |
| a. Assets on hire | - | - |
| b. Repossessed assets | - | - |
| iii. Other loans counting towards AFC activities | | |
| a. Loans where assets have been repossessed | - | - |
| b. Loans other than (a) above | - | - |

(4) Break up of Investments:

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------|------------------------|------------------------|
| Current Investments : | | |
| I. Quoted | | |
| a. Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| b. Debentures and bonds | - | - |
| c. Units of mutual funds | - | - |
| d. Government Securities | - | - |
| e. Others | - | - |
| II. Unquoted | | |
| a. Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| b. Debentures and bonds | - | - |
| c. Units of mutual funds | 4,846,007 | 9,089,355 |
| d. Government Securities | - | - |
| e. Others (specify) | - | - |
| Long term Investments: | | |
| I. Quoted | | |
| a. Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| b. Debentures and bonds | - | - |
| c. Units of mutual funds | - | - |
| d. Government Securities | - | - |
| e. Others | - | - |
| II. Unquoted | | |
| a. Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| b. Debentures and bonds | - | - |
| c. Units of mutual funds | - | - |
| d. Government Securities | - | - |
| e. Others | - | - |

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Venus India Asset-Finance Private Limited

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts are in Rupees, unless stated otherwise)

31. Disclosure as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 :

(5) Borrower group wise classification of assets financed as in 2 and 3 above:

| Category | Amount as at 31 March 2019 (Gross) | | | Amount as at 31 March 2018 (Gross) | | |
|--------------------------------|------------------------------------|-----------|----------------------|------------------------------------|-----------|----------------------|
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| I. Related parties | | | | | | |
| a. Subsidiaries | - | - | - | - | - | - |
| b. Companies in the same group | - | - | - | - | - | - |
| c. Other related parties | - | - | - | - | - | - |
| II. Other than related parties | 3,345,953,886 | - | 3,345,953,886 | 2,785,208,442 | - | 2,785,208,442 |
| Total | 3,345,953,886 | - | 3,345,953,886 | 2,785,208,442 | - | 2,785,208,442 |

(6) Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

| Category | As at 31 March 2019 | | As at 31 March 2018 | |
|--------------------------------|--|--------------------------------|--|--------------------------------|
| | Market value / Break up of fair value or NAV | Book value (Net of provisions) | Market value / Break up of fair value or NAV | Book value (Net of provisions) |
| I. Related parties | | | | |
| a. Subsidiaries | - | - | - | - |
| b. Companies in the same group | - | - | - | - |
| c. Other related parties | - | - | - | - |
| II. Other than related parties | 4,920,859 | 4,846,007 | 9,335,750 | 9,089,355 |
| Total | 4,920,859 | 4,846,007 | 9,335,750 | 9,089,355 |

(7) Other information

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|---------------------|---------------------|
| (i) Gross Non performing assets | | |
| a. Related parties | - | - |
| b. Other than related parties | 93,463,889 | 139,999,997 |
| (ii) Net Non performing assets | | |
| a. Related parties | - | - |
| b. Other than related parties | 64,771,112 | 111,999,997 |
| (iii) Assets acquired in satisfaction of debt | - | - |

32. Segment reporting

In the opinion of the management, there is only one reportable segment as envisaged by Accounting Standard 17 "Segment reporting" of the Companies (Accounting Standards) Rules, 2014. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

33. Previous year figures have been regrouped/ reclassified wherever necessary, to conform to current year classification.

For Walker Chandiok & Co LLP

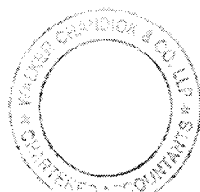
Chartered Accountants

Firm's Registration No: 001076N/N500013

Lalit Kumar

Partner

Membership No: 095256



Place: Noida

Date: 30 April 2019

For and on behalf of the Board of Directors

Venus India Asset-Finance Private Limited

Gaurav Goel

Director

DIN No. 00076111

Anurag Garg

Chief Financial Officer

PAN No. AATPG8459J

Nalin Kumar Gupta

Director

DIN No. 01670036

Indu Singh

Company Secretary

Membership No. A39681



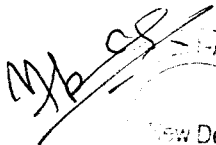
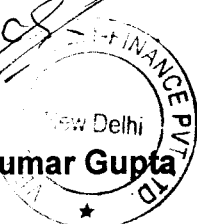
July 20 2019

TO WHOM SO EVER IT MAY CONCERN

I, Nalin Kumar Gupta, Director of Venus India Asset- Finance Private Limited, on behalf of the Board certify that as on June 30th 2019, the value of our Book Debts/Trade Receivables is Rs. 29,93,31,481/-.

This certificate is issued for the compliance report for the quarter ending June 30th 2019, which is to be submitted to Vistra ITCL (India) Ltd.

For Venus India Asset-Finance Private Limited



Nalin Kumar Gupta

Director

DIN: 01670036

Annexure - 13



SEBI Registered
RBI Accredited
NSIC Empanelled

BWR/BLR/HO/SRC/MM/0587/2018-19

18 Dec 2018

Mr Saket Mishra,
Chief Executive Officer
Venus India Asset Finance Private Limited
A1C, 1st Floor, Sector 16, Noida - 201 301

Dear Sir,

Subj: Rating Review of Venus India Asset Finance Private Limited's NCD issue of ₹ 6.50 Crores with a tenor of 5 years

On review of Venus India Asset Finance Private Limited's performance based on the information and clarifications provided by your Company as well as information available in the public sources, we are pleased to inform you that the Brickwork Ratings (BWR) has reaffirmed the rating of the Venus India Asset Finance Private Limited's NCD issue of ₹ 6.50 Crores at **BWR BBB [Pronounced as BWR Triple B] (Outlook: Stable)**. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

The Rating is valid till the maturity of the instrument and is subject to terms and conditions that were agreed in your mandate dated 23 Feb 2016, BWR letter Previous Reference number dated previous letter date and other correspondence, if any and Brickwork Ratings' standard disclaimer appended below. Brickwork would conduct surveillance periodically. Please note that Brickwork Ratings would need to be kept informed of any significant information/ development that may affect your Company's finances/ performance without any delay.

You are also required to submit "No Default Statement" on a monthly basis.

Please acknowledge.

Best Regards,


Manjunatha MSR
Head - Ratings Administration



Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings web-site. Interested persons are well advised to refer to our website www.brickworkratings.com. If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

Brickwork Ratings India Pvt. Ltd.

3rd Floor, Raj Alka Park, Kalena Agrahara, Bannerghatta Road, Bengaluru - 560 076

Phone: +91 80 4040 9940 • Fax: +91 80 4040 9941 | info@brickworkratings.com • www.BrickworkRatings.com

Ahmedabad • Bengaluru • Chennai • Guwahati • Hyderabad • Kolkata • Mumbai



Rating Rationale

Venus India Asset Finance Private Limited

Brickwork Ratings reaffirms the following rating assigned for Secured NCD issue of ₹ 6.5 Crs of Venus India Asset Finance Private Limited. (hereafter referred to as "VIAFPL" or the Company)

Particulars

| Instrument | Previous Amount (Rs in Crs) | Present Amount (Rs in Crs) | Tenure | Previous Rating (Aug 2018) | Present Rating* |
|-------------|--------------------------------|-------------------------------|-------------------------------------|--|--|
| Secured NCD | 6.5 | 6.5 | Long Term | BWR BBB (Pronounced as BWR Triple B) (Outlook: Stable) | BWR BBB (Pronounced as BWR Triple B) (Outlook: Stable) |
| Total | 6.5 | 6.5 | INR Six Crores and Fifty Lakhs Only | | |

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

NCD Details:

| Instrument | Issue Date | Coupon | Maturity Date | ISIN Particulars |
|-------------|-------------|-----------------------------------|---------------|------------------|
| Secured NCD | 31-Mar-2016 | 12% P.A, Payable at redemption | 31-Mar-2021 | INE352PO7020 |

BWR also withdraws the following rating assigned to Bank loan facilities:

| Facility | Previous Limits (Rs in Crs) | Present Limits (Rs in Crs) | Tenure | Previous Rating (Aug 2018) | Rating Withdrawn |
|------------|--------------------------------|-------------------------------|-----------------------|--|--|
| Fund Based | 50 | 50 | Long Term | BWR BBB (Pronounced as BWR Triple B) (Outlook: Stable) | BWR BBB (Pronounced as BWR Triple B) (Outlook: Stable) |
| Total | 50 | 50 | INR Fifty Crores Only | | |



Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has principally relied upon the audited financial of the Company up to FY18, unaudited financial results of Q1FY19 and projected financials, publicly available information, and information/clarifications provided by the Company's management.

The rating reaffirmation takes into account the experienced Promoters & Management, improved financial risk profile of the company backed by continuous growth in its loan portfolio, moderate asset quality and adequate capitalization. The rating, however, is constrained by the inherent risks associated with asset backed financing, which includes loans against property and shares, low seasoning of portfolio and standard risks associated with NBFCs.

Description of Key rating drivers:

Credit Strengths:

Experienced Promoter and professional management: VIAFPL is promoted by Venus India Structured Finance Fund (VISFF), registered in Mauritius which owns 78.69% stake in VIAFPL and 17.53% stake is owned by Mr. Gaurav Goel, who is the Chairman of the company and is also Managing Director of Dhanpur Sugar Mills Limited. The management is spearheaded by Mr. Vikas Mehrotra is the Founder & Director of VIAFPL who has 25 years of experience in Finance Industry and Mr. Saket Mishra, Chief Executive Officer, an Experienced banker. The company is supported by well qualified and experienced professionals looking after credit risk, marketing, collections, audit and other support functions.

Improved financial profile: Outstanding loan portfolio grew to Rs 279 Crs in FY18 from Rs.201 Crores in FY17 due to which the company reported better revenues from operations of Rs 38.96 crs and PAT of Rs 16.64 Crs in FY18 when compared to Rs 34.80 Crs and Rs 12.71 Crs respectively in FY17. Loan portfolio has further grown to Rs 317 Crs in Q1FY19.

Comfortable Capitalization and liquidity position: The company has low leverage (0.48x), and as on 31st Mar 2018, their CRAR stood at 68.02% and 61.52% as on 30 June 2018 as against RBI's stipulated minimum requirement of 15%. Company maintains adequate liquidity as demonstrated in its ALM profile which do not have any material cash flow mismatches in the short to medium term. Inflows from recovery, as projected, is a key monitorable.

Credit Risks:

Customer Concentration Risk: VIAFPL offers security based lending products, like promoter funding, margin financing, loan against securities, ESOP financing, IPO Funding, structured financing and real estate funding with large ticket size. Top 10 exposures as a percentage of total portfolio stood at 69% as



on March 31, 2018, indicating concentration risk and any slippages from these standard accounts will have a material impact on the asset quality of the company and hence is a key rating sensitivity.

Moderate Asset quality: VIAFPL's asset quality has declined in FY18 mainly on account of slippage of a relatively larger account from standard to NPA. For FY18, GNPA and NNPA stood at 5.03% & 4.02% respectively as compared to GNPA & NNPA of 2.25% & 1.37% in FY17. However the asset quality has shown signs of improvement in Q1FY19 as GNPA & NNPA have marginally improved to 4.41% and 3.56% respectively. Since the company started its operations from FY14 onwards, portfolio is comparatively less seasoned and needs monitoring through business cycles.

Analytical Approach

VIAFPL is evaluated on the basis of its stand-alone financial strength. For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

Rating Outlook: Stable

BWR believes VIAFPL's business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. Going forward, any major deterioration in asset quality and consequent decline in profitability would be the key rating sensitivities.

About the Company

Venus India Asset Finance Private Limited (VIAFPL) is registered with Reserve Bank of India (RBI) as a Non Deposit taking Non-Banking Financial Company (NBFC-ND) since October, 2000 and has its registered office in New Delhi. In March 2013, Venus India Structured Finance Fund (VISFF) and Goel Investment Limited took over the company and post change of ownership, the company is primarily engaged in venture debt finance/mezzanine lending/structured finance to small and growing businesses (SGBs) through a customized and comprehensive credit approach. VIAFPL offers security based lending products, like promoter funding, margin financing, loan against securities, ESOP financing, IPO Funding, structured financing and real estate funding.

Company Financial Performance

During FY18, the company's outstanding loan portfolio grew to Rs 279 Crs as against Rs 201 Crores in FY17. Its entire loan book is secured. For FY18, the company reported Net Operating Income of Rs 32.36 Crs and PAT of Rs 16.63 Crs as compared to Rs 28.11 Crs and PAT of Rs 12.49 Crs. As on 31 Mar 2018, the company has TNW of Rs 196 Crs with a comfortable gearing of 0.48x



Key Financial Figures:

| Financial Ratios | FY16 (A) | FY17 (A) | FY18 (A) |
|------------------------------|----------|----------|----------|
| Loan Portfolio (Rs. Cr) | 166 | 201 | 279 |
| Gross NPA % | 2.91 | 2.25 | 5.03 |
| Net NPA % | 2.36 | 1.37 | 4.02 |
| Net Interest Income (Rs. Cr) | 19.34 | 28.06 | 32.30 |
| PAT (Rs. Cr) | 11.1 | 12.48 | 16.63 |
| Net Interest Margin (NIM) | 13.60 | 14.94 | 13.46 |
| Tangible Net Worth (Rs. Cr) | 127 | 180 | 196 |
| CRAR | 70.15 | 84.52 | 68.02 |

Rating History for the last three years

| Sl. No. | Instrument/Facility | Rating History | | | | |
|---------|---------------------|---|------------------------------|-----------------------------|------|--|
| | | Current Rating (Dec 2018) Rs in Crs | | | | |
| | | | 2017 | 2016 | 2015 | |
| 1 | Secured NCD | 6.5 | BWR BBB (Outlook: Stable) | BWR BBB- Outlook: Stable | NA | |
| 2 | Bank loan | 50 | Withdrawn | BWR BBB- Outlook: Stable | NA | |

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Banks & Financial Institutions](#)

For any other criteria obtain hyperlinks from website

| Analytical Contacts | Media |
|---|--|
| Ms. Anuradha MSR Credit Ratings Administration analyst@brickworkratings.com | media@brickworkratings.com Relationship Contact |



bd@brickworkratings.com

Phone: 1-860-425-2742

For print and digital media
The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

Note on complexity levels of the rated instrument:
BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf. Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.