

INDEPENDENT AUDITOR'S REPORT

To the Members of Allium Finance Private Limited

Opinion

We have audited the accompanying special purpose financial statements (accompanying financial statements) of Allium Finance Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year than ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Financial Statements"). This Special Purpose Financial Statement is prepared for the purpose of preparation of consolidated financial statements for the year ended March 31, 2019 for Edelweiss Financial Service Limited Reporting (Ultimate Holding Company) under Ind-AS.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date and the basis of accounting described in Note 2 to the accompanying Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of Special Purpose Financial Statements of the Company in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Financial Statements.

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

The Company's management is responsible for the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the basis of accounting described in Note 2 to the accompanying Special Purpose Financial Statements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Company 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements of the Company, 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.

The Management of the Company and those charged with governance are also responsible for overseeing the Company's financial reporting process.



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Auditor's Responsibility for Special Purpose Financial Statements of the Company

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements of the Company, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 Special Purpose 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.

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.

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.

Other matters - restriction of use

The Company has prepared a separate set of financial statements for the year ended March 31, 2019 which is prepared in accordance with Division III of Schedule III of the Companies Act, 2013 ("the Act") and Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended, on which we issued a separate auditor's report to the members of the Company dated May 10, 2019.

The comparative Ind AS financial statements of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 1, 2017, included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006, have been audited by us and have expressed an unmodified opinion on those statements vide report dated April 27, 2018 and May 15, 2017 for the year ended March 31, 2018 and March 31, 2017 respectively, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.



This report is issued at the request of the Company and is intended solely for the information and use of the Allium Finance Private Limited for its reporting of Consolidated audited financial results for the year ended March 31, 2019 to Edelweiss Financial Service Limited ('Ultimate Parent Company'), and is not intended to be and should not be used for any other purpose or by anyone other than the specified parties without our prior written consent.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W



R.P. Soni
Partner

Membership Number: 104796



Place: Mumbai

Date: May 10, 2019

Allium Finance Private Limited

Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
ASSETS				
Financial assets				
(a) Cash and cash equivalents	8	4,84,973	64,04,724	41,19,812
(b) Bank balances other than cash and cash equivalents	9	2,79,60,247	4,48,33,583	4,04,10,274
(c) Loans	10	75,24,67,341	29,52,80,041	30,08,78,105
(d) Investments	11	8,51,21,590	25,84,85,095	25,98,48,634
(e) Other financial assets	12	-	-	1,15,000
		86,60,34,151	60,50,03,443	60,53,71,825
Non-financial assets				
(a) Current tax assets (net)	13	10,55,959	4,72,197	6,60,641
(b) Deferred tax assets (net)	14	1,30,23,114	3,10,78,600	3,71,62,562
(c) Other non- financial assets	15	23,93,217	18,44,507	14,58,838
		1,64,72,290	3,33,95,304	3,92,82,041
TOTAL ASSETS		88,25,06,441	63,83,98,747	64,46,53,866
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
(a) Payables				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		15,67,986	14,74,265	4,82,787
(b) Other financial liabilities	16	4,00,000	4,40,000	4,40,000
		19,67,986	19,14,265	9,22,787
Non-financial liabilities				
(a) Current tax liabilities (net)	17	2,91,458	2,83,858	21,59,692
(b) Provisions	18	37,579	18,718	1,99,718
(c) Other non-financial liabilities	19	3,94,972	3,35,577	2,87,405
		7,24,009	6,38,153	26,46,815
EQUITY				
(a) Equity share capital	20	1,73,43,390	1,73,43,390	1,73,43,390
(b) Instruments entirely equity in nature	21	5,09,13,850	5,09,13,850	5,09,13,850
(c) Other equity	22	81,15,57,206	56,75,89,089	57,28,27,024
		87,98,14,446	63,58,46,329	64,10,84,264
TOTAL LIABILITIES AND EQUITY		88,25,06,441	63,83,98,747	64,46,53,866

Significant accounting policies and notes to the financial statements. 1 to 57

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm's Registration No. 119850W

R.P. Soni

R.P. Soni

Partner

Membership No: 104796

Mumbai

10 May 2019



For and on behalf of the Board of Directors

Amit Agarwal *Suneel Vohra*

Amit Agarwal

Director

DIN : 06396342

Suneel Vohra

Director

DIN : 00222705

Ashvini Kaluskar

Ashvini Kaluskar

Company Secretary

Mumbai

10 May 2019

Allium Finance Private Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations			
Interest income	23	26,60,31,083	59,25,907
Net loss on fair value changes	24	(2,65,93,826)	-
Total income		23,94,37,257	59,25,907
Expenses			
Finance costs	25	4,00,613	29
Impairment on financial instruments	26	(10,21,00,200)	(12,058)
Employee benefits expense	27	8,90,117	16,13,003
Other expenses	28	47,68,736	30,01,756
Total expenses		(9,60,40,734)	46,02,730
Profit before tax		33,54,77,991	13,23,177
Tax expenses:			
Current tax		7,34,48,388	4,93,150
Deferred tax		1,80,55,486	60,83,962
Profit/(loss) for the year		24,39,74,117	(52,53,935)
Other Comprehensive Income			
Remeasurement gain / (loss) on defined benefit plans (OCI)		(6,000)	16,000
Total Comprehensive Income		24,39,68,117	(52,37,935)
Earnings per equity share (Face value of ₹ 10 each):			
Basic	31	140.67	(3.03)
Diluted		35.74	(0.77)

Significant accounting policies and notes to the financial statements.

1 to 57

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm's Registration No. 119850W

R.P.Soni

R.P.Soni

Partner

Membership No: 104796

Mumbai

10 May 2019



For and on behalf of the Board of Directors

Amit Agarwal *Suneel Vohra*

Amit Agarwal

Director

DIN : 06396342

Suneel Vohra

Director

DIN : 00222705

Ashvini Kaluskar

Ashvini Kaluskar

Company Secretary

Mumbai

10 May 2019

Allium Finance Private Limited

(Currency : Indian rupees)

Statement of Changes in Equity**A. Equity share capital**

Particular	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Outstanding as on 01 April 2018	Issued during the year	Outstanding as on 31 March 2019	Outstanding as on 01 April 2017	Issued during the year	Outstanding as on 31 March 2018
Equity Share capital	1,73,43,390	-	1,73,43,390	1,73,43,390	-	1,73,43,390

B. Other equity

	Securities Premium	Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	Retained earnings	Total
Balance at 1 April 2017	62,48,08,260	38,85,373	(5,58,66,609)	57,28,27,024
Loss for the year	-	-	(52,53,935)	(52,53,935)
Other comprehensive income	-	-	16,000	16,000
Total Comprehensive Income for the year	-	-	(52,37,935)	(52,37,935)
Balance at 31 March 2018 (Ind AS)	62,48,08,260	38,85,373	(6,11,04,544)	56,75,89,089
Profit for the year	-	-	24,39,74,117	24,39,74,117
Other comprehensive income	-	-	(6,000)	(6,000)
Total Comprehensive Income for the year	-	-	24,39,68,117	24,39,68,117
Transfers to / from retained earnings	-	4,87,93,623	(4,87,93,623)	-
Balance at 31 March 2019 (Ind AS)	62,48,08,260	5,26,78,996	13,40,69,950	81,15,57,206

Nature and purpose of Reserves**a. Securities Premium Reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b. Special Reserve

Reserve created under 45-IC(1) in The Reserve Bank of India Act, 1934, a sum not less than twenty per cent of its net profit every year, as disclosed in the statement of profit and loss account and before any dividend is declared.

c. Retained Earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm's Registration No. 119850W



R.P. Soni

Partner

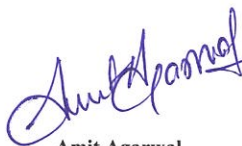
Membership No: 104796

Mumbai

10 May 2019



For and on behalf of the Board of Directors



Amit Agarwal

Director

DIN : 06396342



Ashvini Kaluskar

Company Secretary

Mumbai

10 May 2019



Suneel Vohra

Director

DIN : 00222705

Allium Finance Private Limited

Cash Flow Statement

(Currency: Indian rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
A Cash flow from operating activities		
Profit before taxation	33,54,77,991	13,23,177
<i>Adjustments for</i>		
Provision for gratuity	13,006	(10,000)
Provision for compensated absences	5,855	(22,000)
Expected credit loss provision	(10,21,00,200)	(12,058)
Interest income on fixed deposit	(4,70,65,998)	(29,74,184)
Operating cash flow before working capital changes	18,63,30,654	(16,95,065)
Adjustments for working capital changes		
(Increase) / Decrease in receivable from financing business	(35,50,87,101)	56,10,122
(Increase) in other non financial assets	(5,54,710)	(2,54,669)
Increase in financial liabilities, non financial liabilities and trade payable	1,13,116	8,90,648
Cash generated from / (used in) operations	(16,91,98,041)	45,51,036
Income taxes paid	(7,40,24,550)	(21,80,540)
Net cash (used in) / generated from operating activities - A	(24,32,22,591)	23,70,496
B Cash flow from investing activities		
Decrease / (increase) in short term deposits placed with bank	1,67,48,570	(41,00,524)
Proceeds from redemption of security receipts	17,33,63,505	13,63,539
Interest received on fixed deposit	4,71,90,765	26,51,401
Net cash generate from / (used in) investing activities - B	23,73,02,840	(85,584)
C Cash flow from financing activities - C	-	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(59,19,751)	22,84,912
Cash and cash equivalent as at the beginning of the year	64,04,724	41,19,812
Cash and cash equivalent as at the end of the year (refer note 8)	4,84,973	64,04,724

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W



R. P. Soni

Partner

Membership No.: 104796



For and on behalf of the Board of Directors



Amit Agarwal

Director

DIN: 06396342



Suneel Vohra

Director

DIN : 00222705



Ashvini Kaluskar

Company secretary

Mumbai

10 May 2019

Mumbai

10 May 2019

Notes to the financial statement for the year ended March 31, 2019

1. Corporate information:

Allium Finance Private Limited ('the Company') a private limited company domiciled and incorporated under the provisions of the Companies Act applicable in India is subsidiary of Edelweiss rural & corporate services Limited. The Company was incorporated on March 18, 2008 and is registered with the Reserve Bank of India ('RBI') as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI).

The Company's Primary business is advancing loans and financing.

2. Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31st March 2019 are the first financial statements of the Company prepared under Ind AS. Refer to note 49 for information on how the Company has adopted Ind AS.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments such as, financial instruments held for trading, which have been measured at fair value. The financial statements are presented in Indian Rupees (INR).

3. Presentation of financial statements:

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in "Note 52-Maturity Analysis of assets and liabilities".

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and or its counterparties



4. Significant accounting policies

4.1 Recognition of interest income and dividend income

4.1.1 Effective interest rate (EIR):

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate a shorter period to the gross carrying amount of financial instrument.

The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial asset. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle including prepayments penalty interest and charges.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.

4.1.2 Interest income:

The company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the amortised cost (net of expected credit loss) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

4.2 Financial instruments:

4.2.1 Date of recognition:

Financial Assets and liabilities with exception of loans and borrowings are initially recognised on the trade date, i.e. the date the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises borrowings when funds are available for utilisation to the Company.

4.2.2 Initial measurement of financial instruments:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.



Notes to the financial statement for the year ended March 31, 2019

4.2.3 Day 1 profit and loss:

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in statement of profit or loss when the inputs become observable, or when the instrument is derecognised.

4.2.4 Classification & measurement categories of financial assets and liabilities:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of financial assets is recognised in profit and loss account.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting ate. The changes in fair value of financial assets is recognised in statement of profit and loss.

4.3 Financial assets and liabilities:

4.3.1 Amortized cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

4.3.2 Financial liabilities and equity instruments

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



Notes to the financial statement for the year ended March 31, 2019

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

4.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. The company didn't reclassify any of its financial assets or liabilities in current period and previous period.

4.5 Derecognition of financial Instruments:

4.5.1 Derecognition of financial assets

A financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumed a contractual obligation to pay the cash flows in full without material delay to third party under pass through arrangement .

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients

The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:



Notes to the financial statement for the year ended March 31, 2019

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

The Company derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new financial asset, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised financial assets are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be POCI.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

4.5.2 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised statement of profit and loss.

4.6 Impairment of financial assets:

The Company records provisions based on expected credit loss model ("ECL") on all loans, other debt financial assets measured at amortised cost together with undrawn loan commitment and financial guarantee contracts, in this section all referred to as "Financial instrument". Equity instruments are not subject to impairment.

ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original effective interest rate. Because ECL consider the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when



Notes to the financial statement for the year ended March 31, 2019

contractually due.

General approach

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default (PD), loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default (EAD), for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

Company categories its financial assets as follows:

Stage 1 assets:

Stage 1 assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 2 assets:

Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 3 assets:

Stage 3 for Assets considered credit-impaired the Company recognises the lifetime ECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

The ongoing assessment of whether a significant increase in credit risk has occurred for working capital facilities is similar to other lending products. The interest rate used to discount the ECLs for working capital facilities is based on the average effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The expected credit losses on the loan commitment have been recognised together with the loss allowance for the financial asset.

The Company's product offering includes a working capital facilities with a right to company to cancel and/or reduce the facilities with one day's notice. The Company does not limit its exposure to credit



Notes to the financial statement for the year ended March 31, 2019

losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Company's expectations of the customer behaviour, its likelihood of default and the Company's future risk mitigation procedures, which could include reducing or cancelling the facilities.

4.7 Collateral valuation:

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit /guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Company's balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis. However, some collateral, for example, securities relating to margin requirements, is valued daily.

To the extent possible, the company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market value are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

4.8 Write-offs:

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

4.9 Forborne and modified loan:

The Company sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Company considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Company's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset, until it is collected or written off.

4.10 Determination of fair value:

The Company measures financial instruments, such as, derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market



Notes to the financial statement for the year ended March 31, 2019

participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments:

Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments:

Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 financial instruments:

Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

4.11 Operating leases:

The determination of whether an arrangement is lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

4.12 Earnings per share:

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.



Notes to the financial statement for the year ended March 31, 2019

a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

4.18 Income tax expenses:

Income tax expense represents the sum of the tax currently payable and deferred tax.

4.18.1 Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4.18.2 Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4.18.3 Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.19 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

5. Significant accounting judgements, estimates and assumptions :



4.15 Retirement and other employee benefit:

4.15.1 Provident fund and national pension scheme:

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

4.15.2 Gratuity:

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurement are not reclassified to profit or loss in subsequent periods.

4.15.3 Compensated absences:

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

4.16 Impairment of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment is reversed subject to a maximum carrying value of the asset before impairment.

4.17 Provisions and other contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as



Notes to the financial statement for the year ended March 31, 2019

In the application of the Company's accounting policies, which are described in note 4, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

5.1 Business model assessment :

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Company's of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

5.2 Significant increase in credit risk:

As explained in note 51.D.1, ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

5.3 Fair value of financial instruments:

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible,



Notes to the financial statement for the year ended March 31, 2019

estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

5.4 Effective Interest Rate (EIR) Method:

The Company's EIR methodology, as explained in Note 4.1, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.

This estimation, by nature requires an element of judgement regarding the expected behaviour and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument

5.5 Impairment of Financial assets:

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EAD and LGD
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.6 Impairment of Non-Financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, the Company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

5.7 Provisions and contingent liabilities:

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where



Notes to the financial statement for the year ended March 31, 2019

the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

5.8 Provisions for Income Taxes:

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

6. Standards issued but not yet effective :

Prepayment Features with Negative Compensation (Amendments to Ind AS 109):

The amendments to Ind AS 109 clarify that for the purpose of assessing whether a prepayment feature meets the SPPI condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI. These amendments are to be applied for annual periods beginning on or after 1 April, 2019.

The application of these amendments is not likely to have a material impact on the Financial Statements.

Annual Improvements to Ind AS (2018):

Ind AS 12 Income taxes:

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits. These amendments are to be applied for annual periods beginning on or after 1 April 2019

Plan Amendment, Curtailment or Settlement (Amendments to Ind AS 19):

The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). The change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is determined in a second step and is recognised in the normal manner in other comprehensive income.

An entity is also now required to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under Ind AS 19 with the discount rate used in the remeasurement (also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset)).

These amendments are to be applied to plan amendments, curtailments or settlements occurring on or after 1



Notes to the financial statement for the year ended March 31, 2019

April 2019.

Uncertainty over Income Tax Treatments (Appendix C of Ind AS 12):

This Appendix sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Appendix requires an entity to:

- determine whether uncertain tax positions are assessed separately or as a group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:

If yes, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.

If no, the entity should reflect the effect of uncertainty in determining its accounting tax position.

The Appendix is effective for annual periods beginning on or after 1 April 2019.

The application of these amendments is not likely to have a material impact on the Financial Statements.



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
8 Cash and cash equivalents			
Balances with banks	4,84,973	64,04,724	41,19,812
	4,84,973	64,04,724	41,19,812
9 Bank balances other than cash and cash equivalents			
Fixed deposits with banks	2,79,60,247	4,48,33,583	4,04,10,274
- Accrued interest on fixed deposits	-	-	-
	2,79,60,247	4,48,33,583	4,04,10,274
10 Loans (at amortised cost)			
Term loans;			
Corporate credit	77,04,21,141	41,53,34,041	42,09,44,163
Retail credit	-	-	-
Total gross	77,04,21,141	41,53,34,041	42,09,44,163
Less: Impairment loss allowance	(1,79,53,800)	(12,00,54,000)	(12,00,66,058)
Total (net)	75,24,67,341	29,52,80,041	30,08,78,105
Secured by tangible assets (Property including land and building and security)	3,77,28,835	41,53,34,041	42,09,44,163
Unsecured - Group	73,26,92,306	-	-
Total gross	77,04,21,141	41,53,34,041	42,09,44,163
Less: Impairment loss allowance	(1,79,53,800)	(12,00,54,000)	(12,00,66,058)
Total (net)	75,24,67,341	29,52,80,041	30,08,78,105
Loans in india			
Public sector	-	-	-
Others	77,04,21,141	41,53,34,041	42,09,44,163
Total gross	77,04,21,141	41,53,34,041	42,09,44,163
Less: Impairment loss allowance	(1,79,53,800)	(12,00,54,000)	(12,00,66,058)
Total (net)	75,24,67,341	29,52,80,041	30,08,78,105



Allium Finance Private Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees)

10 (i) Credit Quality of Assets

Gross carrying amount of loan assets allocated to Stage I, Stage II and Stage III :

a Credit Quality of Assets

Particular	As at 31 March 2019				As at 31 March 2018				As at 01 April 2017			
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Performing												
High Grade	73,26,92,306	-	-	73,26,92,306	-	-	-	-	-	-	-	-
Standard grade	77,28,835	-	-	77,28,835	1,53,34,041	-	-	1,53,34,041	2,09,44,163	-	-	2,09,44,163
Sub-Standard grade	-	-	-	-	-	-	-	-	-	-	-	-
Non-Performing												
Individually impaired	-	-	3,00,00,000	3,00,00,000	-	-	40,00,00,000	40,00,00,000	-	-	40,00,00,000	40,00,00,000
Closing Balance	74,04,21,141	-	3,00,00,000	77,04,21,141	1,53,34,041	-	40,00,00,000	41,53,34,041	2,09,44,163	-	40,00,00,000	42,09,44,163

b Reconciliation of changes in gross carrying amount and allowances for loans and advances

for the year ended 31 March 2019

Particular	Non Credit Impaired				Credit Impaired				Total	
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total		
	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	Gross carrying amount	Allowance for ECL		
Opening Balance 01 April 2018	1,53,34,041	54,000	-	-	40,00,00,000	12,00,00,000	41,53,34,041	12,00,54,000		
Repayment of loan	66,12,900	27,000	-	-	37,00,00,000	10,50,00,000	37,66,12,900	10,50,27,000		
Fresh loan provided to Group company	73,17,00,000	29,26,800	-	-	-	-	73,17,00,000	29,26,800		
Closing Balance	74,04,21,141	29,53,800	-	-	3,00,00,000	1,50,00,000	77,04,21,141	1,79,53,800		

for the year ended 31 March 2018

	Non Credit Impaired				Credit Impaired				Total	
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total		
	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL		
Opening Balance 01 April 2017	2,09,44,163	66,058	-	-	40,00,00,000	12,00,00,000	42,09,44,163	12,00,66,058		
Repayment of loan	56,10,122	12,058	-	-	-	-	56,10,122	12,058		
Closing Balance	1,53,34,041	54,000	-	-	40,00,00,000	12,00,00,000	41,53,34,041	12,00,54,000		



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

11	Investments	As at 31 March 2019				As at 31 March 2018				As at 01 April 2017			
	Investment in india, at Fair value through Profit or loss	Face Value	Quantity	Amount		Face Value	Quantity	Amount		Face Value	Quantity	Amount	
	Security receipts												
	- EARC - SAF 1 -Trust	431	2,55,000	8,33,67,290		1,000	2,55,000	25,50,00,000		1,000	2,55,000	25,50,00,000	
	- EARC - SAF 2 -Trust	175	10,000	17,54,300		349	10,000	34,85,095		485	10,000	48,48,634	
	Less : Provision for diminution in value of investments			-				-				-	
				8,51,21,590				25,84,85,095				25,98,48,634	



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
12 Other financial assets			
Loans to employees	-	-	1,15,000
	-	-	1,15,000
13 Current tax assets (net)			
Advance income taxes	10,55,959	4,72,197	6,60,641
	10,55,959	4,72,197	6,60,641
14 Deferred tax assets (net)			
Expected credit loss provision	52,28,147	3,09,13,905	3,71,00,412
Fair valuation of investments	77,51,711	-	-
Disallowances under section 43B of the Income Tax Act, 1961	10,943	4,820	61,713
Unused tax credits (including but not limited to Minimum Alternate Tax credit)	32,313	1,59,875	437
	1,30,23,114	3,10,78,600	3,71,62,562
15 Other non-financial assets			
Input tax credit	22,98,369	17,90,404	14,37,518
Prepaid expenses	83,612	37,867	10,084
Vendor advances	11,236	11,236	11,236
Advances recoverable in cash or in kind or for value to be received	-	5,000	-
	23,93,217	18,44,507	14,58,838



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
16 Other financial liabilities			
Accrued salaries and benefits	4,00,000	4,40,000	4,40,000
	<u>4,00,000</u>	<u>4,40,000</u>	<u>4,40,000</u>
17 Current tax liabilities (net)			
Provision for taxation	2,91,458	2,83,858	21,59,692
	<u>2,91,458</u>	<u>2,83,858</u>	<u>21,59,692</u>
18 Provisions			
Gratuity	25,724	12,718	1,71,718
Compensated leave absences	11,855	6,000	28,000
	<u>37,579</u>	<u>18,718</u>	<u>1,99,718</u>
19 Other non-financial liabilities			
Others	73,956	732	732
Withholding taxes and other taxes payable	3,21,016	3,34,845	2,86,673
	<u>3,94,972</u>	<u>3,35,577</u>	<u>2,87,405</u>



Allium Finance Private Limited
Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
20 Equity share capital			
Authorised :			
2,10,00,000 (Previous year: 2,10,00,000) Equity shares of ₹ 10 each	2,10,00,000	2,10,00,000	2,10,00,000
55,00,00,000 (Previous year: 55,00,00,000) Preference shares of ₹ 10 each	5,50,00,000	5,50,00,000	5,50,00,000
	<u>7,60,00,000</u>	<u>7,60,00,000</u>	<u>7,60,00,000</u>

Issued, subscribed and paid up:

1,73,43,339 (Previous year: 1,73,43,339) Equity shares of ₹ 10 each, fully paid-up	<u>1,73,43,390</u>	<u>1,73,43,390</u>	<u>1,73,43,390</u>
	<u>1,73,43,390</u>	<u>1,73,43,390</u>	<u>1,73,43,390</u>

a. Movement in share capital :
(i) Equity Shares

	31 March 2019		31 March 2018		01 April 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	17,34,339	1,73,43,390	17,34,339	1,73,43,390	17,34,339	1,73,43,390
Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	<u>17,34,339</u>	<u>1,73,43,390</u>	<u>17,34,339</u>	<u>1,73,43,390</u>	<u>17,34,339</u>	<u>1,73,43,390</u>

(ii) 0.01% Compulsorily Convertible Non Cumulative Preference Share-"Series A"

	31 March 2019		31 March 2018		01 April 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	50,91,385	5,09,13,850	50,91,385	5,09,13,850	50,91,385	5,09,13,850
Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	<u>50,91,385</u>	<u>5,09,13,850</u>	<u>50,91,385</u>	<u>5,09,13,850</u>	<u>50,91,385</u>	<u>5,09,13,850</u>

The Company has only one class of equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	31 March 2019		As at 31 March 2018		As at 01 April 2017	
	No of shares	%	No of shares	%	No of shares	%
(i) Equity Share						
Holding company						
Edelweiss Rural & Corporate Services Limited*	8,00,000	46.13%	8,00,000	46.13%	8,00,000	46.13%
(ii) Preference Share						
Holding company						
Edelweiss Rural & Corporate Services Limited*	29,86,994	58.67%	-	-	-	-
Fellow subsidiary						
Edelcap Securities Limited	9,91,056	19.47%	9,91,056	19.47%	9,91,056	19.47%
	<u>47,78,050</u>	<u>124.27%</u>	<u>17,91,056</u>	<u>65.59%</u>	<u>17,91,056</u>	<u>65.59%</u>

Details of shares held by Equity shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2019		As at 31 March 2018		As at 01 April 2017	
	No of shares	%	No of shares	%	No of shares	%
Edelweiss Rural & Corporate Services Limited*	8,00,000	46.13%	8,00,000	46.13%	8,00,000	46.13%
RMS Automation Systems Limited	8,00,000	46.13%	8,00,000	46.13%	8,00,000	46.13%
EW India Special Assets Fund Pte. Limited	1,34,339	7.75%	1,34,339	7.75%	1,34,339	7.75%
	<u>17,34,339</u>	<u>100.00%</u>	<u>17,34,339</u>	<u>100%</u>	<u>17,34,339</u>	<u>100%</u>

21 Instruments entirely equity in nature

5,019,385 (Previous year: 5,019,385) 0.01% - Compulsorily Convertible Non-cumulative Preference shares - "Series A" of ₹ 10 each, fully paid up	<u>5,09,13,850</u>	<u>5,09,13,850</u>	<u>5,09,13,850</u>
	<u>5,09,13,850</u>	<u>5,09,13,850</u>	<u>5,09,13,850</u>

Details of shares held by Preference shareholders holding more than 5% of the aggregate shares in the Company

	March 31, 2019		As at 31 March 2018		As at 01 April 2017	
	No of shares	%	No of shares	%	No of shares	%
Edelcap Securities Limited	9,91,056	19.47%	9,91,056	19.47%	9,91,056	19.47%
EW India Special Assets Fund Pte. Limited	11,13,335	21.87%	41,00,329	80.53%	41,00,329	80.53%
Edelweiss Rural & Corporate Services Limited*	29,86,994	58.67%	-	-	-	-
	<u>50,91,385</u>	<u>100.00%</u>	<u>50,91,385</u>	<u>100%</u>	<u>50,91,385</u>	<u>100%</u>

Note :

* Edelweiss Rural & Corporate Services Limited earlier known as Edelweiss commodities services limited.

Terms/rights attached to 0.01% - Compulsorily Convertible Non- cumulative Preference shares - "Series A" (CCPS-A)

The Preference Shares of the face value of ₹ 10 each were issued at the rate of ₹ 125 per share. The Preference Shares are Compulsorily Convertible. The Preference Shares carry a Non-cumulative dividend of 0.01%. During the term of the CCPS- A, the shareholder can convert any or all the CCPS-A into 1 equity share of ₹ 10 each.

1,44,224 Preference Shares were allotted on February 7, 2012. The Shares remaining outstanding as at January 31, 2022, shall be compulsorily converted into 1 equity shares of ₹ 10 each.

4,947,161 Preference Shares were allotted on December 13, 2012. The Shares remaining outstanding as at December 31, 2022, shall be compulsorily converted into 1 equity shares of ₹ 10 each.



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
22 Other Equity			
Securities Premium	62,48,08,260 62,48,08,260	62,48,08,260 62,48,08,260	62,48,08,260 62,48,08,260
Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934 *	38,85,373	38,85,373	38,85,373
Add : Additions during the year	4,87,93,623 5,26,78,996	- 38,85,373	- 38,85,373
Retained Earnings			
Opening balance	(6,11,04,544)	(5,58,66,609)	(3,72,66,304)
Add: Profit / (Loss) for the year	24,39,74,117	(52,53,935)	(1,86,01,305)
Add: Other comprehensive income for the year	(6,000)	16,000	1,000
Amount available for appropriation	18,28,63,573	(6,11,04,544)	(5,58,66,609)
Appropriations:			
Transfer to Special Reserve under Section 45-IC of the Reserve	4,87,93,623 13,40,69,950	- (6,11,04,544)	- (5,58,66,609)
	81,15,57,206	56,75,89,089	57,28,27,024



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2019				For the year ended 31 March 2018			
	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total
Interest income								
Interest on loans	-	21,84,74,316	-	21,84,74,316	-	24,05,924	-	24,05,924
Interest income from investments	-	-	-	-	-	-	-	-
Interest on deposits with banks	-	4,70,65,998	-	4,70,65,998	-	29,74,183	-	29,74,183
Other interest income	-	-	4,90,769	4,90,769	-	-	5,45,800	5,45,800
Total	-	26,55,40,314	4,90,769	26,60,31,083	-	53,80,107	5,45,800	59,25,907



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

for the year ended
31 March 2019

for the year ended
March 31, 2018

24 Net gain on fair value changes

Net gain/ (loss) on financial instruments at fair value through profit or loss

Security receipts

(2,66,19,888) -

Profit on sale of long term investment

26,062 -

Total Net gain/(loss) on fair value changes

(2,65,93,826) -

Fair value changes:

- Realised

26,062 -

- Unrealised

(2,66,19,888) -



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2019			For the year ended 31 March 2018		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Finance costs						
Other interest expense	-	4,00,613	4,00,613	-		29
Total	-	4,00,613	4,00,613	-		29

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Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	for the year ended 31 March 2019	for the year ended 31 March 2018
26 Impairment on financial instruments		
Loans	(10,21,00,200)	(12,058)
	<u>(10,21,00,200)</u>	<u>(12,058)</u>
27 Employee benefit expenses		
Salaries and wages	8,30,213	15,62,383
Contribution to provident and other funds	40,080	33,845
Staff welfare expenses	19,824	16,775
	<u>8,90,117</u>	<u>16,13,003</u>



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	for the year ended 31 March 2019	for the year ended 31 March 2018
28 Other expenses		
Auditors' remuneration (<i>refer note below</i>)	75,000	75,000
Communication	-	(403)
Legal and professional fees	10,40,373	24,03,704
Printing and stationery	-	233
Rates and taxes	3,940	3,943
Rent	1,75,722	1,87,853
Electricity charges	15,690	18,106
Computer expenses	48,580	60,918
Clearing and custodian charges	13,691	-
Membership and subscription	-	(9,042)
Office expenses	30,45,667	1,31,742
ROC expenses	2,400	610
Goods and service tax expenses	3,22,840	1,35,998
Travelling and conveyance	24,833	(6,906)
	47,68,736	30,01,756

Note :

Auditors' remuneration:

As auditor	75,000	75,000
	75,000	75,000



Allium Finance Private Limited**Notes to the financial statements (Continued)**

(Currency : Indian rupees)

29

Income tax**A. The components of income tax expense for the years ended 31 March 2019 and 31 March 2018 are:**

Particulars	2018-19	2017-18
Current tax	7,34,48,388	4,93,150
Deferred tax relating to origination and reversal of temporary differences	1,79,27,924	62,43,400
Deferred tax asset recognised on unused tax credit or unused tax losses	-	(1,59,438)
Deferred tax asset reversed on unused tax credit or unused tax losses	1,27,562	-
Total tax charge	9,15,03,874	65,77,112
Current tax	7,34,48,388	4,93,150
Deferred tax	1,80,55,486	60,83,962

B. Reconciliation of total tax charge

Particulars	31 March 2019	31 March 2018
Accounting profit before tax as per financial statements	33,54,77,991	13,23,177
Tax rate (in percentage)	29.12%	25.75%
Income tax expense calculated based on this tax rate	9,76,91,191	3,40,718
Others	(23,82,629)	(2,01,371)
Others	1,16,257	-
Minimum alternate tax on book profits (incremental portion)	-	1,59,438
Recognition of available tax credits (for example, Minimum Alternate Tax credit)	-	(1,59,438)
Write-down of available tax credits which are not considered recoverable (for example, Minimum Alternate Tax credit)	1,27,562	
Impact of tax rate changes (between two accounting periods)	(40,48,507)	61,93,687
Others*	-	2,44,078
Tax charge for the year recorded in P&L	9,15,03,874	65,77,112



C. The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period	Total movement	Closing deferred tax asset / (liability) as per Ind AS
		Recognised in statement of profit or loss		
Deferred taxes in relation to:				
Employee benefits obligations	4,820	6,123	6,123	10,943
Fair valuation of Derivatives	-	77,51,711	77,51,711	77,51,711
ECL Provision	3,09,13,905	(2,56,85,758)	(2,56,85,758)	52,28,147
Unused tax credits (including but not limited to Minimum Alternate Tax credit)	1,59,875	(1,27,562)	(1,27,562)	32,313
Total	3,10,78,600	(1,80,55,486)	(1,80,55,486)	1,30,23,114

	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period	Total movement	Closing deferred tax asset / (liability) as per Ind AS
		Recognised in statement of profit or loss		
Deferred taxes in relation to:				
Employee benefits obligations	61,713	(56,893)	(56,893)	4,820
ECL Provision	3,71,00,412	(61,86,506)	(61,86,506)	3,09,13,905
Unused tax credits (including but not limited to Minimum Alternate Tax credit)	437	1,59,438	1,59,438	1,59,875
Total	3,71,62,562	(60,83,962)	(60,83,962)	3,10,78,600

Break-up of recognition of current tax	31 March 2019	31 March 2018
In P&L	7,34,48,388	4,93,150
Total	-	-



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

30 Related parties transactions

Disclosure as required by Indian Accounting Standard 24 AS – “Related Party Disclosure”

List of related parties and relationship:

Name of related parties by whom control is exercised	Edelweiss Financial Services Limited, Ultimate holding company
	Edelweiss Rural & Corporate Services Limited (formerly Edelweiss commodities Services Limited)

(ii) Transactions with related parties:

Nature of transaction	Related party name	For the year ended 31 March 2019	For the year ended 31 March 2018
Cost reimbursements to	Edelweiss Financial Services Limited	26,004	10,595
	Edelweiss Rural & Corporate Services Limited	1,91,412	67,042
Enterprise service charge paid to	Edelweiss Financial Services Limited	-	45,346
	Edelweiss Rural & Corporate Services Limited	27,82,660	18,64,312
Short term loans given to (Refer note 2)	Edelweiss Rural & Corporate Services Limited	73,17,00,000	-
Interest income on short term loan from	Edelweiss Rural & Corporate Services Limited	11,02,562	-
Balance with related parties for the year ended 31 March 2019			
Short term loans given to (including accrued interest but not due)	Edelweiss Rural & Corporate Services Limited	73,26,92,306	-
Interest accrued but not due on borrowings	Edelweiss Rural & Corporate Services Limited	-	-
Trade payables to	Edelweiss Financial Services Limited	48,620	71,657
	Edelweiss Rural & Corporate Services Limited	15,26,729	8,522

Note :

1. Loan given/taken to/from related parties and margin money placed / refund received with/ from related parties are disclosed based on the maximum incremental amount given/taken and placed / refund received during the reporting period.

2. Edel Commodities Limited and EFSL Trading Limited was merged into EFSL Comtrade Limited vide Order of National Company Law Tribunal at Hyderabad. Further With effect from the Appointed Date i.e. 01 August 2018, EFSL Comtrade Limited, Edelweiss Business Services Limited, Edelweiss Agri Value Chain Limited, Edelweiss Capital Markets Limited and Edelweiss Fund Advisors Limited have been merged into Edelweiss Rural & Corporate Services Limited (Formerly Edelweiss Commodities Services Ltd). Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the Merged are considered to be transacted with Edelweiss Rural & Corporate Services Limited and disclosed accordingly.



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

31. Earnings per share

The following tables shows the income and share data used in the basic and diluted EPS calculations.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Net amount attributable to equity shareholders (as per statement of profit and loss)	24,39,74,117	(52,53,935)
Calculation of weighted average number of equity shares of ₹ 10 each:		
– Number of shares at the beginning of the year	17,34,339	17,34,339
– Shares issued during the year (number of shares issued)	-	-
Total number of equity shares outstanding at the end of the year	17,34,339	17,34,339
b) Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	17,34,339	17,34,339
c) Number of dilutive potential equity shares	50,91,385	50,91,385
d) Basic earnings per share (in ₹) (a/b)	140.67	(3.03)
e) Diluted earnings per share (in ₹) {a / (b+c)}	35.74	(0.77)

The Company has issued compulsorily convertible non-cumulative preference shares which have been considered for the purpose of computing diluted earnings per share.



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

32. *The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended.*

(Amount in ₹ Lakhs)

	Amount Outstanding	Amount Overdue
<u>Liabilities side :</u>		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	-	-
: Unsecured (other than falling within the meaning of public deposits *)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-Corporate Loans and Borrowing	-	-
(e) Commercial Paper	-	-
(f) Other loans:	-	-
(g) Loan from holding company	-	-
(* Please see Note 1 below)		
Amount Outstanding		
<u>Assets side :</u>		
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		377.29
(b) Unsecured		7,326.92
(3) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities		
(i) Lease 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) Hypothecation loans counting towards EL / HP activities :		-
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

32. *The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended . (Continued)*

(Amount in ₹ Lakhs)

		Amount Outstanding
(4)	Break-up of Investments	
	Current Investments:	
	1. <u>Quoted</u> :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. <u>Unquoted</u> :	-
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others (Debt instruments)	-
	Long Term investments :	
	1. <u>Quoted</u> :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. <u>Unquoted</u> :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others (securities receipts issued by trusts)	851.22
(5)	Borrower group-wise classification of all assets financed as in (2) and (3) above:	
	(Please see Note 2 below)	
	Category	Amount (net of provisions)
		Secured Unsecured Total
	1. Related Parties**	
	(a) Subsidiaries	- - -
	(b) Companies in the same group	- - -
	(c) Other related parties	- 7,297.66 7,297.66
	2. Other than related parties	227.02 - 227.02
	Total	227.02 7,297.66 227.02



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

32. *The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended. (Continued)*

(Amount in ₹ Lakhs)

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
Category	Market value / Break-up or fair value or NAV	Book value (net of provisions)
1. Related parties**		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	851.22	851.22
Total	851.22	851.22
(7) Other information		
Particulars	Amount	
(i) Gross non-performing assets		
(a) Related party	-	
(b) Other than related parties	300	
(ii) Net non-performing assets		
(a) Related party	-	
(b) Other than related parties	150	
(iii) Assets acquired in satisfaction of debts	-	

33. *Capital to Risk Assets Ratio (CRAR)*

		2019	2018
i)	CRAR (%)	105.57%	89.54%
ii)	CRAR - Tier I capital (%)	104.18%	89.53%
iii)	CRAR - Tier II Capital (%)	1.39%	0.01%
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-



Allium Finance Private Limited

Notes to the financial statements *(continued)*

(Currency: Indian rupees)

34. Investments

(₹ in Lakhs)

		2019	2018
1)	Value of investments		
i	Gross value of investments		
	a) In India	851.22	2,584.85
	b) Outside India	-	-
ii	Provisions for depreciation		
	a) In India	-	-
	b) Outside India	-	-
iii	Net value of investments		
	a) In India	851.22	2,584.85
	b) Outside India	-	-
2)	Movement of provisions held towards depreciation on investments		
I	Opening balance	-	-
ii	Add : Provisions made during the year	-	-
iii	Less : write-off / write-back of excess provisions during the year	-	-
Iv	Closing balance	-	-



Allium Finance Private Limited

Notes to the financial statements *(continued)*

(Currency: Indian rupees)

35. Exposure to real estate sector, both direct and indirect

(₹ in Lakhs)

			2019	2018
A	Direct Exposure			
	(i)	Residential mortgages -	-	-
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	-	-
		- Individual housing loans up to ₹. 15 Lakh	-	-
		- Individual housing loans above ₹. 15 Lakh	-	-
	(ii)	Commercial real estate -		
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.	377.29	4,153.34
		Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
		- Residential	-	-
		- Commercial real estate	-	-
B	Indirect exposure			
		Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

36. Movements in Non Performing Advances:

The following table sets forth, for the periods indicated, the details of movement of gross Non-performing assets (NPAs), net NPAs and provision

		(₹ in Lakhs)	
		2019	2018
i	Net NPAs to Net advances (%)	1.99%	95.43%
ii	Movement of NPAs (Gross)		
	a) Opening balance	4,000	4,000
	b) Additions during the year	-	-
	c) Reductions during the year	3,700	-
	d) Closing balance	300	4,000
iii	Movement of NPAs (Net)		
	a) Opening balance	2,800	2,800
	b) Additions during the year	-	-
	c) Reductions during the year	2,650	-
	d) Closing balance	150	2,800
iv	Movement of Provisions for NPAs (excluding provision on Standard assets)		
	a) Opening balance	1,200	1,200
	b) Additions during the year	-	-
	c) Reductions during the year	1,050	-
	d) Closing balance	150	1,200

37. Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss

		(₹ in Lakhs)	
		2019	2018
i)	Provisions for depreciation on Investment	-	-
ii)	Provision towards NPA	(1050.00)	-
iii)	Provision made towards Income tax	734.48	4.93
iv)	Provision for standard assets	29.00	(0.12)
v)	Other provision and contingencies		
	Provision for gratuity	(0.13)	(0.10)
	Provision for compensated absences	(0.06)	(0.22)



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

38. Concentration of Deposits, Advances, Exposures and NPAs

(₹ in Lakhs)

A)	Concentration of advances	2019	2018
	Total Advances to twenty largest borrowers	7,704.21	4,153.34
	% of Advances to twenty largest borrowers to total advances	100%	100%
B)	Concentration of exposures		
	Total Exposures to twenty largest borrowers / Customers	7,704.21	4,153.34
	% of Exposures to twenty largest borrowers / Customers to total advances	100%	100%
C)	Concentration of NPAs		
	Total exposures to top four NPAs	300.00	4,000.00
D)	Sector-wise NPAs		
		% of NPAs to Total Advances in that sector	
1	Agriculture and allied activities	0%	0%
2	MSME	0%	0%
3	Corporate borrowers	100%	100%
4	Services	0%	0%
5	Unsecured personal loans	0%	0%
6	Auto loans	0%	0%
7	Other personal loans	0%	0%

39. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31 March 2019

(₹ in Lakhs)

	1 day to 30/31 days (One month)	Over One month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	77.29	-	7,626.92	-	-	-	7,704.21
Investments	-	-	-	851.22	-	-	-	-	851.22
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

Maturity pattern of certain items of assets and liabilities as at 31 March 2018 (₹ in Lakhs)

	1 day to 30/31 days (One month)	Over One month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	67.50	85.84	-	4,000.00	4,153.34
Investments	-	-	-	-	-	-	-	2584.85	2584.85
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

40. Details of Single Borrower Limit and Borrower Group Limit exceeded by the Company:

During the year ended 31 March 2019 and 31 March 2018, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

41. Capital market exposure

The Company did not have any capital market exposure as at 31 March 2019 and 31 March 2018.

42. Customer complaints

	Particulars	2019	2018
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	-	-
(c)	No. of complaints redressed during the year	-	-
(d)	No. of complaints pending at the end of the year	-	-

43. Details of dues to micro, medium and small enterprises

Trade payables includes ₹. Nil (Previous year: ₹. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

44. Capital commitment and contingent liability

The Company has no capital commitments and contingent liabilities as at balance sheet date (Previous year: ₹ Nil)

45. Foreign currency

The Company has not earned/ incurred any income/ expenditure in foreign currency during the year (Previous year: ₹ Nil)



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

46. Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits

A) Defined contribution plan (provident fund):

Amount of ₹ 40,044 (previous year: ₹ 33,809) is recognised as expenses and included in "Employee benefit expenses".

B) Defined benefit plan (gratuity):

The following tables summarize the components of the net employee benefit expenses recognised in the statement of profit and loss and amount recognised in the balance sheet for the gratuity benefit plan

Statement of profit and loss

Net employee benefit expenses (recognized in employee cost)

Particulars	2018-19	2017-18
Current service cost	7,000	5,000
Interest on defined benefit obligation	1,000	2,000
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognized in the year	-	-
Past service cost	-	-
Total included in 'Employee benefit expense'	8,000	7,000

Balance Sheet

Details of provision for gratuity

Particulars	As at 31 March 2019	As at 31 March 2018
Liability at the end of the year	25,724	12,718

47. Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits (continued)

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

Particulars	As at 31 March 2019	As at 31 March 2018
Liability at the beginning of the year	12,718	171,718
Transfer in / (out)	-	(149,000)



Allium Finance Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

Interest cost	1,000	2,000
Current service cost	6,006	5,000
Past service cost (non vested benefit)	-	-
Past service cost (vested benefit)	-	-
Benefits Paid	-	-
Actuarial (gain)/loss	6,000	(17,000)
Liability at the end of the year	25,724	12,718

Principal actuarial assumptions at the balance sheet date:

Particulars	2019	2018
Discount rate	7%	7.30%
Salary escalation	7%	7%
Employee attrition rate	13%-25%	13%-25%

Amount recognised in the balance sheet::

Particulars	2019	2018	2017	2016	2015
Liability at the end of the year	25,724	12,718	171,718	218,000	117,000
Fair value of plan assets at the end of the year	-	-	-	-	-
Amount recognized in balance sheet – asset /(liability)	25,724	12,718	171,718	218,000	117,000

Experience adjustment :

Particulars	2019	2018	2017	2016	2015
On plan liabilities: (Gain)/ Loss	6000	(16000)	(1,000)	51,000	13,000

Movement in other comprehensive income

	31 March 2019	31 March 2018
Balance at Start of the year (Loss) / Gain	Nil*	Nil*
Re-measurements on DBO		
a. Actuarial (Loss)/ Gain from changes in financial assumptions	-	1,000
b. Actuarial (Loss)/ Gain from experience over the past year	(6,000)	16,000

** Ind AS 19 is being adopted from FY 2018-19 and date of transition being April 1, 2018, so prior years' disclosures are for comparative purposes only*

48. Cost Sharing

Edelweiss Financial Services Limited, being the ultimate holding company and Edelweiss Rural & corporate Services Limited, the holding company incurs expenditure like Group mediclaim, insurance, rent, electricity charges etc. which is for the common benefit of itself and its certain subsidiaries, fellow subsidiaries including the Company. This cost so



Allium Finance Private Limited

Notes to the financial statements (*continued*)

(Currency: Indian rupees)

expended is reimbursed by the Company on the basis of number of employees, area occupied, actual identifications, etc.

49. *First Time adoption*

These financial statements, for the year ended 31 March 2019, are the first annual financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2019, together with the comparative period data as at and for the year ended 31 March 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2017, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2017 and the financial statements as at and for the year ended 31 March 2018.

Exemptions applied

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

De-recognition of financial assets and liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2017 (the transition date).

Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Past business combinations:

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of 1 April 2017.

Classification and measurement of financial assets:



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Notes to the financial statements *(continued)*

(Currency: Indian rupees)

The Company has classified and measured the financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Deferred Tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

Valuation of Investments

Under Previous GAAP Investments in Shares, Debentures, Mutual fund units, Govt Securities and securities receipts were classified in Current Investment, Stock in trade and long term investment based on intent of holding period and realisability Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments and Stock in trade were carried at lower of cost and market value. Under Ind AS, these investments, other than investments in Preference shares, are measured at fair value. The investment in Preference shares is measured at amortised cost.

Reclassification of provision of standard / non-performing assets (NPA)

Under Indian GAAP provision for NPA and standard asset were presented under provisions. However, under Ind AS financial assets measured at amortised cost (majorly loans) are presented net of provision for expected credit losses.



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

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Risk Management framework:-

a) Governance

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

b) Approach to capital management

Company's objectives when managing capital, are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

c) Market risks

Risk which can affect the Company's income or the value of its holdings of financial instruments due to adverse movements in market prices of instrument due to price risk. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters.

Total market risk exposure

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. Such market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analyses.

Particulars	Carrying amount	31 March 2019			31 March 2018			01 April 2017	
		Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets									
Cash and cash equivalent and other bank balances	2,84,45,219	-	2,84,45,219	5,12,38,307	-	5,12,38,307	4,45,30,086	-	4,45,30,086
Investment at FVTPL	8,51,21,590	-	8,51,21,590	25,84,85,095	-	25,84,85,095	25,98,48,634	-	25,98,48,634
Loans	75,24,67,341	-	75,24,67,341	29,52,80,041	-	29,52,80,041	30,08,78,105	-	30,08,78,105
Total	86,60,34,151	-	86,60,34,151	60,50,03,443	-	60,50,03,443	60,52,56,825	-	60,52,56,825
Liability									
Trade payables	15,67,986	-	15,67,986	14,74,265	-	14,74,265	4,82,787	-	4,82,787
Other financial liabilities	4,00,000	-	4,00,000	4,40,000	-	4,40,000	4,40,000	-	4,40,000
Total	19,67,986	-	19,67,986	19,14,265	-	19,14,265	9,22,787	-	9,22,787



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Notes to the financial statements (Continued)

(Currency: Indian rupees)

50 Risk Management Framework:- (Continued)

d) Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its trade payables earlier than expected.

A. Analysis of non-derivative financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial liabilities as at year end. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that the counterparties will not request repayment on the earliest date it could be required to pay.

As at 31 March 2019	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	14,20,376	1,47,610	-	-	-	-	-	15,67,986
Other financial liabilities	-	-	-	-	-	-	4,00,000	-	-	-	4,00,000
Total undiscounted non-derivative financial liabilities	-	-	-	14,20,376	1,47,610	-	4,00,000	-	-	-	19,67,986

As at 31 March 2018	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	8,525	12,89,824	1,75,916	-	-	-	-	-	-	14,74,265
Other financial liabilities	-	-	-	-	-	-	4,40,000	-	-	-	4,40,000
Total undiscounted non-derivative financial liabilities	-	8,525	12,89,824	1,75,916	-	-	4,40,000	-	-	-	19,14,265

As at 1 April 2017	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	2,41,394	2,41,394	-	-	-	-	-	-	4,82,787
Other financial liabilities	-	-	-	-	-	-	4,40,000	-	-	-	4,40,000
Total undiscounted non-derivative financial liabilities	-	-	2,41,394	2,41,394	-	-	4,40,000	-	-	-	9,22,787



B. Analysis of non-derivative financial assets by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial assets as at year end.

As at 31 March 2019	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	4,84,973	-	-	1,30,44,408	1,49,15,839	-	-	-	-	-	2,84,45,220
Loans	-	-	-	-	2,27,01,835	-	72,97,65,506	-	-	-	75,24,67,341
Investments at fair value through profit or loss	-	-	-	-	-	8,51,21,590	-	-	-	-	8,51,21,590
Total	4,84,973	-	-	1,30,44,408	3,76,17,674	8,51,21,590	72,97,65,506	-	-	-	86,60,34,151

As at 31 March 2018	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	64,04,724	-	1,51,79,887	1,67,64,621	1,28,89,075	-	-	-	-	-	5,12,38,307
Loans	-	-	-	-	30,00,000	-	67,50,000	55,30,041	-	28,00,00,000	29,52,80,041
Investments at fair value through profit or loss	-	-	-	-	-	-	-	-	25,84,85,095	-	25,84,85,095
Total	64,04,724	-	1,51,79,887	1,67,64,621	1,58,89,075	-	67,50,000	55,30,041	25,84,85,095	28,00,00,000	60,50,03,443

As at 1 April 2017 (i.e. 31-Mar-2017)	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	8,53,297	-	1,47,17,251	1,62,48,263	1,27,11,275	-	-	-	-	-	4,45,30,086
Loans	-	-	-	-	53,73,673	-	-	1,55,04,432	-	28,00,00,000	30,08,78,105
Investments at fair value through profit or loss	-	-	-	-	-	-	-	-	25,98,48,634	-	25,98,48,634
Other financial assets	-	-	-	-	-	-	1,15,000	-	-	-	1,15,000
Total	8,53,297	-	1,47,17,251	1,62,48,263	1,80,84,948	-	-	1,55,04,432	25,98,48,634	28,00,00,000	60,53,71,825



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Notes to the financial statements (Continued) (Currency: Indian rupees)

51 Analysis of risk concentration

Industry analysis - Risk concentration for 31 March 2019

Particulars	Financial services	Retail and wholesale	Construction	Oil & gas	Services	Total
Financial assets						
Cash and cash equivalent and other bank balances	2,84,45,219	-	-	-	-	2,84,45,219
Investment carried at fair value through profit and loss	8,51,21,590	-	-	-	-	8,51,21,590
Loans	-	1,50,00,000	-	-	73,74,67,341	75,24,67,341
Total	11,35,66,810	1,50,00,000	-	-	73,74,67,341	86,60,34,151

Industry analysis - Risk concentration for 31 March 2018

Particulars	Financial services	Retail and wholesale	Construction	Oil & gas	Services	Total
Financial assets						
Cash and cash equivalent and other bank balances	5,12,38,307	-	-	-	-	5,12,38,307
Investment carried at fair value through profit and loss	25,84,85,095	-	-	-	-	25,84,85,095
Loans		28,00,00,000	-	-	1,52,80,041	29,52,80,041
Total	30,97,23,402	28,00,00,000	-	-	1,52,80,041	60,50,03,443

Industry analysis - Risk concentration for 01 April 2017 (i.e. 31 March 2017)

Particulars	Financial services	Retail and wholesale	Construction	Oil & gas	Services	Total
Financial assets						
Cash and cash equivalent and other bank balances	4,45,30,086	-	-	-	-	4,45,30,086
Investment carried at fair value through profit and loss	25,98,48,634	-	-	-	-	25,98,48,634
Other financial assets	-	-	-	-	1,15,000.00	1,15,000.00
Loans		28,00,00,000	-	-	2,08,78,105	30,08,78,105
Total	30,43,78,720	28,00,00,000	-	-	2,09,93,105	60,53,71,825



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

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Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Maturity analysis of assets and liabilities

Particulars	31 March 2019			31 March 2018			01 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets									
Cash and cash equivalents	4,84,973	-	4,84,973	64,04,724	-	64,04,724	41,19,812	-	41,19,812
Other bank balances	2,79,60,247	-	2,79,60,247	4,48,33,583	-	4,48,33,583	4,04,10,274	-	4,04,10,274
Loans	75,24,67,341	-	75,24,67,341	85,57,099	28,67,22,942	29,52,80,041	-	30,08,78,105	30,08,78,105
Investments	8,51,21,590	-	8,51,21,590	-	25,84,85,095	25,84,85,095	-	25,98,48,634	25,98,48,634
Other financial assets	-	-	-	-	-	-	1,15,000	-	1,15,000
	86,60,34,151	-	86,60,34,151	5,97,95,406	54,52,08,037	60,50,03,443	4,46,45,086	56,07,26,739	60,53,71,825
Non-financial assets									
Current tax assets (net)	5,83,453	4,72,506	10,55,959	-	4,72,197	4,72,197	3,68,140	2,92,501	6,60,641
Deferred tax assets (net)	1,30,23,114	-	1,30,23,114	-	3,10,78,600	3,10,78,600	-	3,71,62,562	3,71,62,562
Other non-financial assets	23,93,217	-	23,93,217	18,44,507	3,15,50,797	18,44,507	14,58,838	-	14,58,838
	1,59,99,784	4,72,506	1,64,72,290	18,44,507	3,33,95,304	3,33,95,304	18,26,978	3,74,55,063	3,92,82,041
Total assets	88,20,33,935	4,72,506	88,25,06,441	6,16,39,913	57,67,58,834	63,83,98,748	4,64,72,064	59,81,81,802	64,46,53,866

Particulars	31 March 2019			31 March 2018			01 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities									
Trade payables	15,67,986	-	15,67,986	14,74,265	-	14,74,265	4,82,787	-	4,82,787
Other financial liabilities	4,00,000	-	4,00,000	4,40,000	-	4,40,000	4,40,000	-	4,40,000
	19,67,986	-	19,67,986	19,14,265	-	19,14,265	9,22,787	-	9,22,787
Non-financial liabilities									
Current tax liabilities (net)	2,91,458	-	2,91,458	2,83,858	-	2,83,858	21,59,692	-	21,59,692
Provisions	37,579	-	37,579	1,000	17,718	18,718	34,000	1,65,718	1,99,718
Other non-financial liabilities	3,94,972	-	3,94,972	3,35,577	-	3,35,577	2,87,405	-	2,87,405
	7,24,009	-	7,24,009	6,20,435	17,718	6,38,153	24,81,097	1,65,718	26,46,815
Total liabilities	26,91,995	-	26,91,995	25,34,700	17,718	25,52,418	34,03,884	1,65,718	35,69,602



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

53 Capital management

The primary objectives of the capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Regulatory capital				
Particulars	31 March 2019	31 March 2018	31 March 2017	
Common Equity Tier1 (CET1) capital	2,206.86	6,048.90	6,039.12	
Other Tier 2 capital instruments	29.54	0.54	0.66	
Total capital	2,236.40	6,049.44	6,039.78	
Risk weighted assets	2,118.31	6,756.26	6,823.57	
CET1 capital ratio (Tier I capital)	104.18%	89.53%	88.50%	
CET2 capital ratio (Tier II)	1.39%	0.01%	0.01%	
Total capital ratio	105.57%	89.54%	88.51%	



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

54 Disclosure related to collateral

Following table sets out availability of Group financial assets to support funding
Disclosure related to collateral

31 March 2019	Pledge as collateral	others 1	Available as collateral	others 2	Total carrying amount
Cash and cash equivalent including bank balance	-	-	2,79,60,247	4,84,973	2,84,45,219
loans	-	-	75,24,67,341	-	75,24,67,341
Investments	-	-	8,51,21,590	-	8,51,21,590
Total assets	-	-	86,55,49,178	4,84,973	86,60,34,151

31 March 2018	Pledge as collateral	others 1	Available as collateral	others 2	Total carrying amount
Cash and cash equivalent including bank balance	-	-	4,48,33,583	64,04,724	5,12,38,307
loans	-	-	29,52,80,041	-	29,52,80,041
Investments	-	-	25,84,85,095	-	25,84,85,095
Total assets	-	-	59,85,98,719	64,04,724	60,50,03,443

01 April 2017	Pledge as collateral	others 1	Available as collateral	others 2	Total carrying amount
Cash and cash equivalent including bank balance	-	-	4,36,76,789	8,53,297	4,45,30,086
loans	-	-	30,08,78,105	-	30,08,78,105
Investments	-	-	25,98,48,634	-	25,98,48,634
Total assets	-	-	60,44,03,528	8,53,297	60,52,56,825



Allium Finance Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

55 Fair Values of Financial Instruments

(i) The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

	31 March 2019			
Particulars	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Investments				
Security receipts	-	-	8,51,21,590	8,51,21,590
Total investments measured at fair value	-	-	8,51,21,590	8,51,21,590
Total financial assets measured at fair value on a recurring basis	-	-	8,51,21,590	8,51,21,590

	31 March 2018			
Particulars	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Investments				
Security receipts	-	-	25,84,85,095	25,84,85,095
Total investments measured at fair value	-	-	25,84,85,095	25,84,85,095
Total financial assets measured at fair value on a recurring basis	-	-	25,84,85,095	25,84,85,095

	1 April 2017			
Particulars	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Investments				
Security receipts	-	-	25,98,48,634	25,98,48,634
Total investments measured at fair value	-	-	25,98,48,634	25,98,48,634
Total financial assets measured at fair value on a recurring basis	-	-	25,98,48,634	25,98,48,634



Movement in level 3 financial instruments measured at fair

(ii) The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Particulars	Financial assets							Financial liabilities		Total
	Derivative financial assets	Stock-in-trade	Investments in security receipts	Investments in units of AIF	Investments in unquoted equity shares categorised at Level 3	Other investments classified as FVTPL	Investments classified as FVTOCI	Derivative financial liabilities	Other financial liabilities	
At 1 April 2018	-	-	25,84,85,095	-	-	-	-	-	-	25,84,85,095
Purchase	-	-	-	-	-	-	-	-	-	-
Redemption	-	-	(14,67,43,616)	-	-	-	-	-	-	(14,67,43,616)
Issuances	-	-	-	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-	-	-	-
Transfer into level 3	-	-	-	-	-	-	-	-	-	-
Transfer from level 3	-	-	-	-	-	-	-	-	-	-
Gains / (losses) for the period (2018-19) recognised in profit or loss	-	-	(2,66,19,888)	-	-	-	-	-	-	(2,66,19,888)
Gains / (losses) for the period (2018-19) recognised in other comprehensive income	-	-	-	-	-	-	-	-	-	-
At 31 March 2019	-	-	8,51,21,591	-	-	-	-	-	-	8,51,21,591
Unrealised gains / (losses) related to balances held at the end of the period	-	-	(2,66,19,888)	-	-	-	-	-	-	(2,66,19,888)
Particulars	Financial assets							Financial liabilities		Total
	Derivative financial assets	Stock-in-trade	Investments in security receipts	Investments in units of AIF	Investments in unquoted equity shares categorised at Level 3	Other investments classified as FVTPL	Investments classified as FVTOCI	Derivative financial liabilities	Other financial liabilities	
At 1 April 2017	-	-	25,98,48,634	-	-	-	-	-	-	25,98,48,634
Purchase	-	-	-	-	-	-	-	-	-	-
Redemption	-	-	(13,63,539)	-	-	-	-	-	-	(13,63,539)
Issuances	-	-	-	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-	-	-	-
Transfer into level 3	-	-	-	-	-	-	-	-	-	-
Transfer from level 3	-	-	-	-	-	-	-	-	-	-
Gains / (losses) for the period (2017-18) recognised in profit or loss	-	-	-	-	-	-	-	-	-	-
Gains / (losses) for the period (2017-18) recognised in other comprehensive income	-	-	-	-	-	-	-	-	-	-
At 31 March 2018	-	-	25,84,85,095	-	-	-	-	-	-	25,84,85,095
Unrealised gains / (losses) related to balances held at the end of the period	-	-	-	-	-	-	-	-	-	-



Unobservable inputs used in measuring fair value categorised within level 3

Following tables set out information about significant unobservable inputs used at respective balance sheet dates in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Type of Financial Instruments	Fair value of asset as on 31 March 2019	Fair value of liability as on 31 March 2019	Valuation Techniques	Significant Unobservable input	Range of estimates (weighted-average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Investments in security receipts	8,51,21,590	-	Net asset value method	Recovery rates	175.43 to 431.32	5%	42,56,080	5%	(42,56,080)

Type of Financial Instruments	Fair value of asset as on 31 March 2018	Fair value of liability as on 31 March 2018	Valuation Techniques	Significant Unobservable input	Range of estimates (weighted-average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Investments in security receipts	25,84,85,095	-	Net asset value method	Recovery rates	348.51 to 750	5%	1,29,24,255	5%	(1,29,24,255)

Type of Financial Instruments	Fair value of asset as on 1 April 2017	Fair value of liability as on 1 April 2017	Valuation Techniques	Significant Unobservable input	Range of estimates (weighted-average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Investments in security receipts	25,98,48,634	-	Net asset value method	Recovery rates	484.86 to 750	5%	1,29,92,432	5%	(1,29,92,432)



Allium Finance Private Limited

Notes to the financial statements (Continued)

56 *Disclosure of Restructured Accounts*
(as required by RBI guidelines under reference DNBS. CO. PD. No. 367 / 03.10.01 / 2013-14 dated January 23, 2014)

Sl No	Type of Restructuring	Others					Total			
		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss
1	Details Restructured accounts as on 1st April, 2018 (Opening figures)	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
2	Fresh restructuring during the year *	No. of borrowers Amount outstanding Provision thereon	1 3,00,00,000 1,50,00,000	- - -	- - -	1 3,00,00,000 1,50,00,000	- - -	1 3,00,00,000 1,50,00,000	- - -	- - 1,50,00,000
3	Upgradations of restructured accounts to Standard category	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
4	Restructured advances which ceases to attract higher provisioning and/ or additional risk weight at the end of the financial year and hence need not be shown as restructured standard advances at the beginning of the next financial year	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
5	Downgradations of restructured accounts during the year	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
6	Write-offs of restructured accounts during the year	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
2	Restructured accounts as on 31st Mar, 2019 (Closing figures)*	No. of borrowers Amount outstanding Provision thereon	1 3,00,00,000 1,50,00,000	- - -	- - -	1 3,00,00,000 1,50,00,000	- - -	1 3,00,00,000 1,50,00,000	- - -	- - 1,50,00,000

Note :
*includes recovery made during the year from the Sub-standard restructure accounts.



Allium Finance Private Limited

Notes to the financial statements (*continued*)

(Currency: Indian rupees)

57. *Previous year comparatives*

Previous year's numbers have been regrouped and rearranged wherever necessary to confirm current year's presentation.

As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

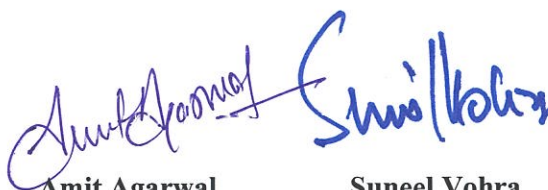


R. P. Soni
Partner
Membership No.: 104796



Mumbai
10 May 2019

For and on behalf of the Board of Directors



Amit Agarwal
Director
DIN: 01056455

Suneel Vohra
Director
DIN: 00222705



Ashvini Kaluskar
Company secretary
Mumbai
10 May 2019