



**UDIN Ref. No.:- 20099805AAAAGL7222\_HFSPL**

**Independent Auditors Report**

**To the Members of  
Humana Financial Services Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Humana Financial Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit And Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the financial year ended on March 31, 2020 we identify following as key audit matters;

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**



The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.



- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
- (g) Other matter Paragraph (OMP) – Scope Limitation due to COVID 19.

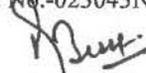
The opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the organization's management. We wish to highlight that due to the COVID 19 induced restrictions on physical movement and strict timelines, undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

- Inspection, observation, examination and verification of the original documents/ files
- Physical verification of cash, stationery items including adequate internal controls thereof
- Verification of the valuation and legal reports of the Immovable properties charged to the bank branch
- Examination of the FA registers physical verification process / Stationery movement records
- Physical verification of title documents, investments records.
- Physical verification of minute's books, meeting registers.
- Physical verification of project activities on sample basis.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Delhi  
Date: July 27, 2020

For N S B & Associates  
Chartered Accountants  
Firm's Reg. No.-023043N

  
Nandan S. Bisht  
Partner  
Membership No.:099805

**UDIN Ref. No.:- 20099805AAAAGL7222\_HFSPL**



**“Annexure — A” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the financial statements of Humana Financial Services Private Limited (‘the Company’) as at and for the year ended March 31, 2020**

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties included in fixed assets of the Company and accordingly the requirements under clause 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company and hence not commented upon.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) According to the information and explanations given to us, the company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable.

(vi) The Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services rendered by the Company.

(vii) (a) Undisputed statutory dues including income-tax, goods and service tax, and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and goods and service tax which have not been deposited on account of any dispute.

In respect of sub clause (vii) (a) to (vii) (b) above, the Company did not have any dues towards wealth-tax, sales-tax, customs duty, excise duty, value added tax and cess during the year.

(viii) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.



(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.

Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand. '

(x) The company has provided disclosures in the financial statements as to the fraud cases noticed / reported during the year. As on March 31, 2020, there is no fraud noticed by company.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act.

(xii) The company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standard.

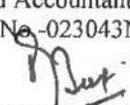
(xiv) The Company has not made preferential allotment or private placement of equity shares during the year. Requirement of relevant provisions of the Companies Act 2013 has been dealt with.

(xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with the directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-1A of the Reserve Bank of India Act, 1934.

Place: Delhi  
Date: July 27, 2020

For N S B & Associates  
Chartered Accountants  
Firm's Reg. No. -023043N

  
Nandan S. Bisht  
Partner

Membership No.:099805

**UDIN Ref. No.:- 20099805AAAAGL7222\_HFSPL**



**“Annexure — B” referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the financial statements of Humana Financial Services Private Limited (“the Company”) as at and for the year ended March 31, 2020**

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

We have audited the internal financial controls over financial reporting of Humana Financial Services Private Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and



dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

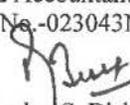
#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Delhi  
Date: July 27, 2020

For N S B & Associates  
Chartered Accountants  
Firm's Reg. No.-023043N  
  
Nandan S. Bisht  
Partner  
Membership No.:099805

**UDIN Ref. No.:- 20099805AAAAGL7222\_HFSPL**



### Annexure to the Auditors' Report

[Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Humana Financial Services Private Limited on the accounts of the company for the year ended March 31, 2020]

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

- (i) In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - c) There was no disposal of a substantial part of fixed assets during the year.
  
- (ii) In respect of its inventory:
  - a) The company's business does not involve inventories and, accordingly, the requirement therefore sub-clauses (a), (b), & (c) of the order are not applicable to the company.
  
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act, 2013:

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

In our opinion and according to the information and explanation given to us, the company has not granted any loans, Secured or unsecured to companies, firm or other parties covered in the registered maintained under section 301 of the Act. Accordingly, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans, investments, guarantees, and security.
  
- (iv) In our opinion and according to the information and explanation given to us by the company, the company has not accepted any deposits from the public and so the directions issued by the Reserve Bank of India and the provisions of the Act and rules framed there under are not applicable. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.



- (v) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vi) In respect of statutory dues:
- a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Investor Education and Protection Fund, Income-tax, Tax Collected at Source, Professional Tax, Goods and Services Tax, Sales Tax, Value Added Tax (VAT), Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Sales Tax, VAT, Cess and other material statutory dues in arrears outstanding as at 31 March, 2020 for a period of more than six months from the date they became payable.
- c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise as at 31st March, 2020, the Company has been registered for less than 5 years; hence, clause 3(vii)(c) of the Order is not applicable to it.
- (vii) In our opinion and according to the information and explanation given to us by the company, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (viii) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (x) According to the information and explanations given to us, during the year the company has paid managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with schedule 5 to the Companies act 2013.
- (xi) The company is not a Nidhi Company and hence clause XII of the report is not applicable over it.
- (xii) According to the information and explanations given to us by the company, it has disclosed all the related party transactions in the financial statements.



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

Place: New Delhi  
Date: July 27, 2020

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



Nandan S. Bisht  
Partner  
Membership No.: 099805

**UDIN Ref. No.:- 20099805AAAAGL7222\_HFSPL**



Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Balance Sheet as at	Notes	31-Mar-20	31-Mar-19
<b>Equity and liabilities</b>			
<b>Shareholder's funds</b>			
Share capital	3	10,07,77,140	6,69,33,840
Share Premium Account	4	5,75,92,148	1,84,35,450
Reserves and surplus	5	1,69,56,819	36,59,293
<b>Non-current liabilities</b>			
Long-Term Borrowings	6	10,82,35,505	6,49,37,629
<b>Current liabilities</b>			
Other current liabilities	7	24,35,81,250	8,85,77,886
Short-term provisions	8	1,59,52,134	26,70,632
<b>TOTAL</b>		<b>54,30,94,996</b>	<b>24,52,14,730</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	6,02,761	1,89,254
Deferred Tax Asset (Net)	10	13,002	9,466
Other non-current assets	11	16,56,37,513	1,48,86,192
<b>Current assets</b>			
Cash and cash equivalents	12	3,37,73,245	5,29,55,154
Short-term loans and advances	13	33,03,91,991	17,53,36,702
Other current assets	14	1,26,76,484	18,37,962
<b>TOTAL</b>		<b>54,30,94,996</b>	<b>24,52,14,730</b>

Summary of significant accounting policies 1 to 2  
 The accompanying notes are an integral part of the financial statement 3 to 31

As per our report of even date  
**For N S B & ASSOCIATES**  
 Chartered Accountants  
 FRN : 023043N

  
**Nandan Singh Bisht**  
 Partner  
 Membership No. 099805

Place: New Delhi  
 Date: 27/07/2020



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

  
**Kailash Khandelwal**  
 Managing Director  
 DIN.No. 03617258

  
**Raj Kumar Singh**  
 Chief Executive Officer

  
**Sanjeev Bhatt**  
 Director  
 DIN.No. 02122250

  
**Harsh Ranjan**  
 Company Secretary  
 ACS: 35889



Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Statement of profit and loss for the year ended	Notes	31-Mar-20	31-Mar-19
<b>Income</b>			
Revenue from operations	15	7,39,74,178	2,44,65,327
Other income	16	2,64,39,699	10,73,538
<b>Total revenue (I)</b>		<b>10,04,13,877</b>	<b>2,55,38,864</b>
<b>Expenses</b>			
Finance costs	17	3,67,63,237	1,22,69,695
Employee benefit expense	18	2,81,85,561	81,00,255
Other expenses	19	79,14,431	19,69,938
Depreciation and amortisation expenses	9	1,55,823	1,13,845
Provision on loan portfolio		72,56,072	17,07,618
<b>Total expenses (II)</b>		<b>8,02,75,124</b>	<b>2,41,61,351</b>
<b>Profit / (Loss) Before prior period adjustments &amp; tax</b>		<b>2,01,38,753</b>	<b>13,77,513</b>
<b>Prior period adjustments</b>		940	-
<b>Profit before tax (III) = (I)-(II)</b>		<b>2,01,37,813</b>	<b>13,77,513</b>
<b>Tax expense</b>			
Current tax		69,07,000	8,81,570
Tax for earlier period		(63,177)	(9,020)
Deferred tax		(3,536)	(8,928)
<b>Total tax expense (IV)</b>		<b>68,40,287</b>	<b>8,63,622</b>
<b>Profit/(loss) after tax (III)-(IV)</b>		<b>1,32,97,526</b>	<b>5,13,891</b>
<b>APPROPRIATION</b>			
Profit brought forward from the previous years			
Available for appropriation		1,32,97,526	5,13,891
Transfer to:			
Statutory reserve fund		26,59,505	1,02,778
<b>Balance carried to balance sheet</b>		<b>1,06,38,021</b>	<b>4,11,113</b>
<b>Earnings per equity share</b>			
[Nominal value of share Rs.10 (March 31, 2020: Rs.10)]			
Weighted Average Shares		75,43,499	51,47,462
Basic (Computed on the basis of total profit for the year)		1.76	0.10
Diluted (Computed on the basis of total profit for the year)		1.76	0.10

Summary of significant accounting policies 1 to 2

The accompanying notes are an integral part of the financial statement 3 to 31

As per our report of even date  
For N S B & ASSOCIATES  
Chartered Accountants  
FRN : 023043N

Nandan Singh Bisht  
Partner  
Membership No. 099805

Place: New Delhi  
Date: 27/07/2020



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

Kailash Khandelwal  
Managing Director  
DIN.No. 03617258

Raj Kumar Singh  
Chief Executive Officer

Sanjeev Bhatt  
Director  
DIN.No. 02122250

Harsh Ranjan  
Company Secretary  
ACS: 35889



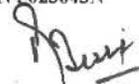
Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Cash flow statement for the year ended	31-Mar-20	31-Mar-19
<b>Cash flow from operating activities</b>		
Profit before tax	2,01,37,813	13,77,513
Non-cash adjustment to reconcile loss before tax to net cash flows		
Depreciation and amortization	1,55,823	1,13,845
Contingent provision against standard assets	72,56,072	17,07,618
Previous year adjustment in reserves and surplus	-	-
<b>Operating profit before working capital changes</b>	<b>2,75,49,708</b>	<b>31,98,976</b>
Movements in working capital :		
Increase / (decrease) in other current liabilities	1,01,72,704	15,83,077
Decrease / (increase) in loans and advances	(23,44,16,354)	(17,11,29,397)
Decrease / (increase) in other current assets	(1,10,62,680)	21,72,647
Cash generated from / (used in) operations	(20,77,56,622)	(16,41,74,697)
Direct taxes paid	(8,18,393)	(6,52,980)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(20,85,75,015)</b>	<b>(16,48,27,677)</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(5,69,330)	(1,46,134)
Investment in fixed/Security Deposits	(7,11,66,098)	(99,01,854)
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(7,17,35,428)</b>	<b>(1,00,47,988)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital	7,29,99,998	3,43,69,290
Long-term borrowings (net)	18,81,28,536	15,07,99,320
<b>Net cash flow (used in) / from in financing activities (C)</b>	<b>26,11,28,534</b>	<b>18,51,68,610</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(1,91,81,909)</b>	<b>1,02,92,945</b>
Cash and cash equivalents at the beginning of the Year	5,29,55,154	4,26,62,209
<b>Cash and cash equivalents at the end of the year</b>	<b>3,37,73,245</b>	<b>5,29,55,154</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	8,10,615	3,734
With banks		
- in Current account	3,29,62,630	4,29,51,420
- in Fixed Deposits	-	1,00,00,000
<b>Total cash and cash equivalents</b>	<b>3,37,73,245</b>	<b>5,29,55,154</b>

Summary of Significant Accounting Policies 1 to 2  
 The Accompanying Notes Are An Integral Part Of The Financial Statement 3 to 31

As per our report of even date  
 For N S B & ASSOCIATES  
 Chartered Accountants  
 FRN : 023043N

  
 Nandan Singh Bisht  
 Partner  
 Membership No. 099805

Place: New Delhi  
 Date: 27/07/2020

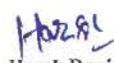


For and on behalf of the Board of Directors of  
 Humana Financial Services Pvt Limited

  
 Kailash Khandelwal  
 Managing Director  
 DIN.No. 03617258

  
 Raj Kumar Singh  
 Chief Executive Officer

  
 Sanjeev Bhatt  
 Director  
 DIN.No. 02122250

  
 Harsh Ranjan  
 Company Secretary  
 ACS: 35889



Notes to financial statements for the year ended March 31, 2020(Amount in Rupees)

**1. Corporate information:**

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

The Company is engaged in the business of providing financial support and carries on the business of Micro credit. Humana Financial Services Private Limited holds a valid certificate of registration no. N-14.03370 dated **August 04, 2017** issued by the Reserve Bank of India.

The Company is engaged in providing financial services to women having 23 branches in the rural and semi-urban areas of Rajasthan, Haryana and Uttar Pradesh India, who are organized as Joint Liability Groups ('JLG'). The Company provides small value collateral free loans to women in groups for income generation. In the initial stages of group formation and mobilization, the operations also involve efforts on development training, efforts on financial discipline, advice on the micro enterprises carried out by the individual members, and later, constant monitoring through weekly/ monthly meetings.

**2. Significant accounting policies:**

**a. Basis of preparation of financial statements:**

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

COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact on their loan portfolio. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the loan portfolio, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date. The management has complied with the norms which are issued by the Reserve Bank of India (RBI) on Assets Classification and Income Recognition (IRAC) norms. The management expects no impairment to the loan portfolio and very positively to recover their entire loan portfolio from their members. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations. The management has approved preparation of basis of company's financial statement shall be on going concern basis.

**b. Use of Estimates:**

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

**c. Revenue Recognition:**

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



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Notes to financial statements for the year ended March 31, 2020(Amount in Rupees)

- i. Interest income on loans given is recognised under the internal rate of return method. Income including interest or any other charges on non-performing asset is recognized only when realized. Any such income recognized before the asset became non-performing and remaining unrealized shall be reserved.
- ii. Interest income on deposits with banks is recognised on a time proportion accrual basis, taking into account the amount outstanding and the rate applicable.
- iii. Loan processing fees collected from members are recognized on an upfront basis.
- v. All other income is recognised on an accrual basis.

**d. Cash Flow Statement:**

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard - 3. Cash & Cash Equivalent Balances are including Fixed Deposits for period over 3 months.

**e. Property, Plant & Equipment:**

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

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

The Details of useful life are as under:

Asset Type	Estimated Useful life
Office Equipment	5 Years
Computers and accessories	3 Years
Furniture & fittings	10 Years

**f. Borrowing costs**

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

**g. Taxation:**

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



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Notes to financial statements for the year ended March 31, 2020 (Amount in Rupees)

**h. Earnings per share**

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

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

**i. Provisions**

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

**j. Contingent liabilities**

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

**k. Cash and cash equivalents:**

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

**l. Classification of loan portfolio:**

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

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

**m. Provisioning policy for loan portfolio**

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

(a) 1% of the outstanding loan portfolio or

(b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.



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Notes to financial statements for the year ended March 31, 2020 (Amount in Rupees)

- ii) All other loans and advances are provided as higher of management estimates and provision in accordance with the NBFC Prudential Norms in accordance with Non – Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions.
- iii) The management has decided for an additional provision of 50 lakhs during the year keeping covid-19 crisis in mind.

**COVID19 Regulatory Package - Asset Classification and Provisioning**

As per the Reserve Bank of India (RBI) issued notification on regulatory package on COVID19 including effected Non-Banking Finance Companies (NBFC) prescribed Prudential norms on Income Recognition, Asset Classification (IRAC) Norms, and the company comply the same.

The Company has permitted to their members a moratorium of three months on payment of all loan instalments falling due between March 1, 2020 and May 31, 2020 ("moratorium period").

As prescribed in the notification issued by the Reserve Bank of India vide dated April 17, 2020, the clarification provided by the Basel Committee on Banking Supervision, in respect of all accounts classified as standard as on February 29, 2020, even if overdue, the moratorium period, wherever granted, shall be excluded by the Company from the number of days past-due for the purpose of asset classification under the IRAC norms.

As at March 31, 2020, the Company has complied the income recognition norms on the loans on which instalments were due and not recovered due to COVID19. The Company has adopted the policy to create standard provision in respect of all accounts classified as standard as on February 29, 2020 as per the existing NBFC Directions issued by RBI from time to time, However, in respect of accounts which falls under overdue in default but classify as standard, due to moratorium period benefit avail, before the prescribed date, the Company has make general provision of not less than 5% of the total outstanding of such accounts, as per the Prudential Norms under COVID19 Regulatory Package - Asset Classification and Provisioning Norms.

**n. Investments:**

The Company has no investments as on year ended March 31, 2020.



(Amount in Rupees unless otherwise stated)

Notes to financial statements for the year ended 31-Mar-20 31-Mar-19

## Note 3: Share capital

## Authorised:

1,50,00,000 (March 31, 2019: 1,00,00,000) equity shares of Rs.10/- each	15,00,00,000	10,00,00,000
	<u>15,00,00,000</u>	<u>10,00,00,000</u>

## Issued and subscribed:

1,00,77,714 (March 31, 2019: 66,93,384) equity shares of Rs.10/- each, fully paid up	10,07,77,140	6,69,33,840
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<b>Total issued, subscribed, fully paid-up equity and preference share capital</b>	<b>10,07,77,140</b>	<b>6,69,33,840</b>
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## Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

## Equity Shares

Particulars	31-Mar-20		31-Mar-19	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	66,93,384	6,69,33,840	51,00,000	5,10,00,000
Issued during the period	33,84,330	3,38,43,300	15,93,384	1,59,33,840
Outstanding at the end of the period	<u>1,00,77,714</u>	<u>10,07,77,140</u>	<u>66,93,384</u>	<u>6,69,33,840</u>

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

Particulars	31-Mar-20		31-Mar-19	
	No. of Shares	% Holding	No. of Shares	% Holding
Humana Trust For Financial Inclusion and Development	84,79,230	84.14%	50,94,900	76.12%
Humana and Planetaid Finance SA	15,93,384	15.81%	15,93,384	23.81%

## Note:-

- The company during the financial year has increased its Authorised share capital from Rs. 10,00,00,000/- to Rs. 15,00,00,000/-.
- The company during the financial year has increased its paid up capital from Rs. 6,69,33,840/- to Rs. 10,07,77,140/- by issuing additional 33,84,330 shares at Rs.21.57 per share including premium of Rs. 11.57 per share. All Shares are equity shares.
- The shares issued at a premium of Rs. 11.57 for each which Resulting total of Rs. 3,91,56,698/- in share premium Account.

## Note 4: Share Premium Account

Humana and Planetaid Finance SA	1,84,35,450	1,84,35,450
Humana Trust for Financial Inclusion and Development	3,91,56,698	-
	<u>5,75,92,148</u>	<u>1,84,35,450</u>

## Note 5 : Reserves and surplus

## Statutory Reserve Fund

Balance at the beginning of the year	4,58,398	3,55,620
Add: Additions during the period	26,59,505	1,02,778
Balance at the end of the period	<u>31,17,903</u>	<u>4,58,398</u>

## Surplus/(Deficit) in the statement of profit and loss

Balance at the beginning of the year	32,00,895	27,89,782
Add: Profit (Loss) for the Period	1,06,38,021	4,11,113
Balance at the end of the period	<u>1,38,38,916</u>	<u>32,00,895</u>

<b>Total Reserves and Surplus</b>	<b>1,69,56,819</b>	<b>36,59,293</b>
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(Amount in Rupees unless otherwise stated)

Notes to financial statements for the year ended

31-Mar-20

31-Mar-19

## Note 6: Long-term borrowings

## Term loans

## Secured

Indian rupee loan from banks	6,12,68,931	4,09,09,088
Indian rupee loan from non banking financial companies	27,76,58,925	10,98,90,232
<b>Total</b>	<b>33,89,27,856</b>	<b>15,07,99,320</b>

## The above amount includes

Current Maturities	23,06,92,351	8,58,61,691
Amount disclosed under the head "Other liabilities" (Refer Note 7)		
<b>Total</b>	<b>10,82,35,505</b>	<b>6,49,37,629</b>

## Disclosure of Repayment Terms

No. of Installments remaining	No. of Installments pending	Rate of Interest (%)	Date of Maturity	Sanctioned Loan	Loan Outstanding on 31.03.2020	Current Maturities
Ananya Finance Inclusive Growth Pvt Ltd	7	15.00	30.09.2020	1,00,00,000.00	29,16,661	29,16,661
Ananya Finance Inclusive Growth Pvt Ltd	7	15.00	30.09.2020	1,00,00,000.00	29,16,661	29,16,661
Ananya Finance Inclusive Growth Pvt Ltd	9	15.00	30.09.2020	1,00,00,000.00	37,49,995	37,49,995
Ananya Finance Inclusive Growth Pvt Ltd	13	15.50	31.03.2021	2,00,00,000.00	1,08,33,337	75,00,000
Ananya Finance Inclusive Growth Pvt Ltd	13	15.50	31.03.2021	1,50,00,000.00	81,25,000	75,00,000
Ananya Finance Inclusive Growth Pvt Ltd	13	15.50	31.03.2021	1,50,00,000.00	81,25,000	75,00,000
Ananya Finance Inclusive Growth Pvt Ltd	20	15.50	31.10.2021	2,50,00,000.00	2,05,33,332	1,25,00,004
Ananya Finance Inclusive Growth Pvt Ltd	21	15.50	30.11.2021	2,50,00,000.00	2,18,74,999	1,25,00,004
Ananya Finance Inclusive Growth Pvt Ltd	23	15.50	31.01.2022	2,00,00,000.00	1,91,66,667	99,99,996
Ananya Finance Inclusive Growth Pvt Ltd	24	15.50	28.02.2022	3,00,00,000.00	3,00,00,000	1,50,00,000
Capital First/IDFC First Bank Ltd.	15	14.50	01.06.2021	5,00,00,000.00	2,27,27,264	1,81,81,824
Caspian Impact Investment Pvt. Ltd.	20	15.65	11.11.2021	3,00,00,000.00	2,50,00,000	1,50,00,000
Eclear Leasing & Finance Pvt. Ltd.	12	15.75	16.03.2021	1,00,00,000.00	69,23,798	69,23,798
Eclear Leasing & Finance Pvt. Ltd.	18	15.75	28.08.2021	1,50,00,000.00	1,50,00,000	1,07,74,371
Incred Financial Services Ltd.	18	16.00	10.09.2021	2,00,00,000.00	2,00,00,000	1,27,89,880
Intellegrow-Jain Sons Finlease Limited	1	16.00	10.04.2020	2,00,00,000.00	13,77,049	13,77,049
Intellegrow-Jain Sons Finlease Limited	10	16.50	10.01.2021	1,70,00,000.00	1,10,78,518	1,10,78,518
Maanveeya Development and Finance Pvt. Ltd.	3	15.00	25.10.2020	4,00,00,000.00	1,50,00,000	1,49,99,986
Reliance Commercial Finance Ltd.	16	12.50	01.07.2021	2,67,00,000.00	1,83,30,639	1,34,64,479
UC Inclusive Credit Pvt. Ltd.	21	16.25	08.12.2021	2,00,00,000.00	1,85,68,735	94,45,409
UC Inclusive Credit Pvt. Ltd.	22	16.25	08.01.2022	2,00,00,000.00	1,78,38,534	95,73,716
Yes Bank Limited	18	13.70	09.09.2021	2,50,00,000.00	1,87,50,000	1,25,00,000
Yes Bank Limited	19	13.70	17.10.2021	2,50,00,000.00	1,97,91,667	1,25,00,000
					<b>33,89,27,856</b>	<b>23,06,92,351</b>

## Note:

1. Loans are secured by exclusive charge on micro finance standard assets portfolio receivables and cash collaterals as per the terms and conditions of respective agreement.

Particulars

31-Mar-20

31-Mar-19

## Note 7: Other liabilities

Employee benefit payable	46,64,812	9,95,018
Expenses and other payable	7,69,021	6,11,995
Audit Fee Payable	1,57,500	90,000
Current Maturities of Long Term Loans	23,06,92,351	8,58,61,691
Interest accrued but not due on borrowings	17,19,550	8,12,103
Business Correspondent Partner payable	30,44,170	-
Statutory dues payable	25,33,846	2,07,079
<b>Total</b>	<b>24,35,81,250</b>	<b>8,85,77,886</b>

## Note 8: Short-term provisions

Provision for income tax	69,07,000	8,81,570
Provision on standard loan portfolio	90,45,134	17,89,062
<b>Total</b>	<b>1,59,52,134</b>	<b>26,70,632</b>



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Humana Financial Services Private Limited

Note 9: Fixed Assets

(Amount in Rupees unless otherwise stated)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At April 1, 2019	Additions	Deletions	31-Mar-20	As At April 1, 2019	For the Period	Deletions	Total	31-Mar-20	As at March 31, 2019
Furniture and Fixtures	83,380	1,56,850	-	2,40,230	20,977	22,813	-	43,790	1,96,440	62,403
Office Equipments	13,729	1,44,101	-	1,57,830	7,241	27,919	-	35,160	1,22,670	6,488
Computers & Peripherals	2,33,984	1,41,279	-	3,75,263	1,13,621	1,05,091	-	2,18,712	1,56,551	1,20,363
Capital work in Progress									1,27,100	-
<b>TOTAL</b>	<b>3,31,093</b>	<b>4,42,230</b>	<b>-</b>	<b>7,73,323</b>	<b>1,41,839</b>	<b>1,55,823</b>	<b>-</b>	<b>2,97,662</b>	<b>6,02,761</b>	<b>1,89,254</b>

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Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Notes to financial statements for the year ended	31-Mar-20	31-Mar-19
<b>Note 10: Deferred Tax Liability / (Asset)</b>		
Balance at the beginning of the year	(9,466)	(538)
Differences in Depreciation & Amortisation for Accounting & Income Tax Purposes	(13,599)	(34,338)
Deferred Tax Liability / (Asset) on differences	(3,536)	(8,928)
<b>Total</b>	<b>(13,002)</b>	<b>(9,466)</b>
<b>Note 11: Other Non-Current Assets</b>		
Preliminary Expenses	7,74,842	5,50,684
Security Deposit-Rent	1,58,000	13,000
First Loan Default Guarantee(Yes Bank Business Correspondent)	4,75,00,000	-
Cash Collateral against Borrowings	3,34,17,452	78,96,354
Long term Maturity of Portfolio	8,37,87,219	44,26,154
Long Term Maturity of Term Deposits	-	20,00,000
<b>Total</b>	<b>16,56,37,513</b>	<b>1,48,86,192</b>
<b>Note 12: Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash in hand	8,10,615	3,734
Balance with bank - in current account	3,29,62,630	4,29,51,420
<b>Total (A)</b>	<b>3,37,73,245</b>	<b>4,29,55,154</b>
<b>Other bank balances</b>		
Term Deposits*	-	1,20,00,000
(*Rs. 20,00,000/- is loan marked)	-	-
<b>Total (B)</b>	<b>-</b>	<b>1,20,00,000</b>
Amount disclosed under non-current assets (note 11)	-	(20,00,000)
<b>Total (A+B)</b>	<b>3,37,73,245</b>	<b>5,29,55,154</b>
<b>Note 13: Short-Term Loans and Advances</b>		
<b>A. Portfolio Loans</b>		
<b>Micro finance loans under Joint Liability Group</b>		
Gross Portfolio	1,31,09,77,902	17,89,06,250
Less: Managed Portfolio	(90,66,96,567)	-
Less: Long Term Maturity of Portfolio	(8,37,87,219)	(44,26,154)
<b>Total (A)</b>	<b>32,04,94,116</b>	<b>17,44,80,096</b>
<b>B. Trade Receivables</b>		
Commission from Yes Bank	63,99,439	-
Unsecured, considered good	18,40,361	7,22,717
<b>Total (B)</b>	<b>82,39,800</b>	<b>7,22,717</b>
<b>C. Other loans and advances</b>		
Advance Salaries	97,142	13,334
Imprest with Staff	94,468	20,492
TDS Recoverable	14,66,465	1,00,063
<b>Total (C)</b>	<b>16,58,075</b>	<b>1,33,889</b>
<b>Total (A+B+C)</b>	<b>33,03,91,991</b>	<b>17,53,36,702</b>
<b>Note 14: Other current assets</b>		
Interest Accrued on Portfolio	51,89,504	11,68,453
Interest Accrued on Deposits	11,72,980	1,11,569
Advance Tax	63,14,000	5,57,000
Prepaid Expenditure	-	940
<b>Total</b>	<b>1,26,76,484</b>	<b>18,37,962</b>



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Humana Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Notes to financial statements for the year ended	31-Mar-20	31-Mar-19
<b>Note 15: Revenue from operations</b>		
<b>Interest income</b>		
Interest income on portfolio loans	6,80,21,578	2,17,27,127
<b>Other operating revenue</b>		
Processing fee on portfolio loans	59,52,600	27,38,200
<b>Total</b>	<b>7,39,74,178</b>	<b>2,44,65,327</b>
<b>Note 16: Other income</b>		
Income from Commission	2,33,44,725	-
Interest on fixed deposits	16,94,304	9,88,052
Income from Security deposit	6,81,991	76,636
Other Income	7,18,679	8,850
<b>Total</b>	<b>2,64,39,699</b>	<b>10,73,538</b>
<b>Note 17: Finance costs</b>		
Bank charges	6,34,335	2,42,947
Interest on Loan	3,32,14,242	1,03,75,948
Loan Processing, Stamping and Legal Fee	29,14,660	16,50,800
<b>Total</b>	<b>3,67,63,237</b>	<b>1,22,69,695</b>
<b>Note 18: Employee benefit expenses</b>		
Salaries and bonus / incentives	2,64,32,112	74,85,625
Contribution to Provident Fund	8,02,638	2,62,417
ESI Expenses	41,505	1,94,164
Staff Insurance	5,15,840	54,081
Staff welfare expenses	3,29,768	1,03,968
Recruitment Expense	2,520	-
Staff Medical Expenses	52,178	-
Staff Training Expenses	9,000	-
<b>Total</b>	<b>2,81,85,561</b>	<b>81,00,255</b>
<b>Note 19: Other expenses</b>		
Travelling, Boarding & Lodging Expenses	4,04,997	1,18,664
Rent	19,49,136	3,43,164
Repairs and Maintenance	43,682	5,734
Printing and stationery	5,24,880	3,05,906
Statutory Filing & Registration Fee	8,22,666	53,222
Professional and consultancy charges	10,37,549	1,25,315
Stipends	1,000	30,000
Sitting Fee to Directors	70,000	1,30,000
Auditor's Fee / Reimbursement*	2,41,500	1,21,820
Insurance Charges	37,392	23,257
Telephone & Internet	85,897	22,874
Electricity and Water Expense	3,83,831	36,917
Branch and Office Establishment	3,83,529	37,327
Interest on Late deposit of Income Tax	32,238	13,954
Postage & Courier	61,126	14,434
Preliminary Expense w/off	2,25,842	1,53,842
Rating & CB Expense	3,90,111	1,23,335
GST Not Eligible for Input	4,93,313	1,82,480
Other / Office Expenses	2,44,573	58,769
Bad Debt Written off	3,50,004	-
Gift and Promotion	9,200	-
Software and License	99,324	-
Penalty on late payment of ESI	3,241	-
Miscellaneous Expense	-	62
CMS Expense	-	29,995
Due Diligence Expense	-	24,634
Interest on Late deposit of GST	-	14,232
<b>Total</b>	<b>79,14,431</b>	<b>19,69,938</b>
<b>*Auditor's remuneration</b>		
As auditor:		
Audit fees	1,50,000	1,00,000
In other capacity:		
Certification fees	91,500	20,000
Reimbursement of expenses	-	1,820
<b>Total</b>	<b>2,41,500</b>	<b>1,21,820</b>



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Notes to financial statements for the year ended March 31, 2020(Amount in Rupees)

**20. Segment information**

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

**21. AS-18 (Related Party)**

Sr. No.	Name	Current Year	Previous Year	Remarks
1.	<b>Remuneration to Directors</b>			
	Kailash Khandelwal	3,60,000	3,00,000	Remuneration
	Pradyuman Singh Rawat	50,000	1,30,000	Sitting Fee
	Ashok Kumar Pahwa	20,000	-	Sitting Fee
	<b>Total</b>	<b>4,30,000</b>	<b>4,30,000</b>	
2.	<b>Humana People to People India</b>	<b>9,23,482</b>	<b>1,12,300</b>	Rent and professional expenses
3.	<b>Humana People to People Microfinance</b>	-	<b>8,15,910</b>	
<b>Total</b>		<b>13,53,482</b>	<b>1,23,065</b>	

**22. Capital and other commitments**

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

**23. Contingent Liability for the year ended -**

The Company is operating Managed portfolio of Yes Bank Ltd, under Business Correspondence Model of Rs.90,66,96,567/- (Previous Year Nil) for which the company has deposited Rs.4,75,00,000/- with Yes Bank Ltd to provide first loan default guarantee against non-recover of such management portfolio. The company is contingently liable for non-recovery and repayment to Yes Bank Ltd to the tune of such first loan default guarantee provided.

**24. Earnings per share**

Particulars	For the year ended March 31, 2020	For the period ended March 31, 2019
Total equity shares (in numbers)	66,93,384	66,93,384
Basic weighted average number of equity shares during the year (A)	75,43,499	51,17,462
Profit / (loss) available for equity shareholders (B)	1,32,97,526	5,13,891
<b>Basic and diluted earnings / (loss) per equity share (Rs.) (C) = (B)/(A)</b>	<b>1.76</b>	<b>0.10</b>



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Notes to financial statements for the year ended March 31, 2020(Amount in Rupees)

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

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

S. No.	Assets Classification	Amount Rs.	Provision %	Current Year Provision Amount in Rs.	Previous Year Provision Amount in Rs.
1	Standard	40,34,33,083	1%	40,34,331	17,86,616
2	Sub-standard	8,48,252	1%	8,483	2,446
3	COVID 19	-	-	2,320	-
4	Additional Provision by Management	-	-	50,00,000	-
<b>Total</b>		<b>40,42,81,335</b>	<b>-</b>	<b>90,45,134</b>	<b>17,89,062</b>

26. Depreciation for the year ended Rs. 1,55,823/- (Previous Year Rs.1,13,845/-).

27. NBFC-MFI activities of the company started from February 01, 2018 i.e. after obtaining license from Reserve Bank of India on August 04, 2017.

**28. Deferred Tax:**

In accordance with Accounting Standard- 22 "Accounting for Taxes on Income" the Company has recognized Rs. 13,002/- (Previous Year Rs.9,380) as deferred tax credit as detailed below:

Particulars	Deferred tax Assets/Liabilities as on April 1, 2019	Current Period (credit)/ change	Deferred tax Assets/(Liabilities) as on Mar 31, 2020
Difference between book and tax depreciation	9,380	13,599	13,002
Provision on Loans	NIL	NIL	NIL
<b>Net Deferred tax Assets/(Liabilities)</b>	<b>9,380</b>	<b>3,536</b>	<b>13,002</b>

**29. Additional disclosures**

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

Particulars	March 31, 2020	March 31, 2019
i) CRAR (%)	37.13%	47.46%
ii) CRAR – Tier I Capital (%)	34.96%	46.47%
iii) CRAR – Tier II Capital (%)	2.17%	0.99%



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Notes to financial statements for the year ended March 31, 2020(Amount in Rupees)

**b. Derivatives:**

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

The Company has no un-hedged foreign currency exposure as on March 31, 2020 (March 31, 2019: Nil).

**c. Disclosures relating to Securitisation:**

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

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

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

**e. Details of assignment transactions undertaken:**

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

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

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

**g. Exposures:**

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

**h. Registration obtained from other financial sector regulators:**

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

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

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

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

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

Sr. No.	Rating by/ rating for	Rating assigned during the year	Previous Rating
1	CRISIL	BB/stable	BB/Stable not renewed
2	ICRA	M3+	M3+
3	SMERA	SMERA M4C3	NIL

Note: CRISIL revised the rating from BB/stable to BB/(watch) Negative on April 21, 2020,

**k. Ratings assigned by credit rating agencies and migration of ratings during the year: Refer note 29(j)**



Notes to financial statements for the year ended March 31, 2020(Amount in Rupees)

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

Particulars	March 31, 2020	March 31, 2019
Provision made towards Income tax	8,81,570	8,81,570
Provision towards NPA	-	-
Provision for Standard Assets	90,45,134	17,89,062

**m. Draw down from Reserves:**

There is no draw down from reserves.

**n. Concentration of Advances, Exposures and NPAs:**

Particulars	March 31, 2020	March 31, 2019
<b>Concentration of Advances</b>	8,00,000	8,00,000
Total advances to twenty largest borrowers		
(%) of advances to twenty largest borrowers to total advances		
<b>Concentration of Exposures</b>		
Total exposure to twenty largest borrowers/customers		
(%) of exposure to twenty largest borrowers/customers to total exposure		
<b>Concentration of NPAs</b>		
Total exposure to top four NPA accounts	1,01,009	47,944

**o. Sector-wise NPAs**

Sector	(%) of NPAs to total advances in that sector as at March 31, 2020	(%) of NPAs to total advances in that sector as at March 31, 2019
Agriculture and allied activities	0.00%	0.00%
MSME	0.00%	0.00%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured personal loans	0.21%	0.14%
Auto loans	0.00%	0.00%
Other personal loans	0.00%	0.00%

**p. Disclosure of Customer Complaints**

Particulars	No. of complaints
(i) No. of complaints pending at the beginning of the year	0
(ii) No. of complaints received during the year	80
(iii) No. of complaints redressed during the year	74
(iv) No. of complaints pending at the end of the year	6

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



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Notes to financial statements for the year ended March 31, 2020(Amount in Rupees)

q. Information on instances of fraud

Instances of fraud for the year ended March 31, 2019:

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

Instances of fraud for the year ended March 31, 2020:

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

r. Outstanding of loans against security of gold as a percentage to total assets is Nil (March 31, 2020: Nil).

s. Information on Margin:

Sr. No.	Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
1	Average Interest charged	23.34	21.66
2	Average effective cost of borrowing	16.91	13.77
	Margin (1-2)	6.43	7.89

30. Microfinance Business Acquisition

During the year the Company entered into business correspondent arrangement with Yes Bank Limited and Yes Bank Limited entrusted the company with recovery of microfinance loan portfolio of Rs. 85,97,29,878/- (Previous Year Nil).

Further during the year the company acquired an additional equity of Rs.7,30,00,000/- by issues of Nos. 33, 84, 330/- equity shares of Rs. 21.57 i.e. face value of Rs.10 at a premium of Rs.11.57 as per share.

31. There are no micro and small enterprises to whom the company owes dues, which are outstanding for more than 45 days on the date of Balance Sheet. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. The Auditors have relied this upon.

32. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

For NSB & ASSOCIATES  
Chartered Accountants  
ICAI Firm's Registration Number:  
023043N

  
Nandan S. Bisht  
Partner

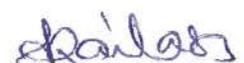
Membership No. 099805

Place: New Delhi

Date: 27/07/2020

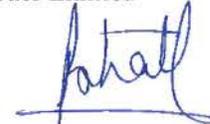


For and on behalf of the Board of Directors of  
Humana Financial Services Private Limited

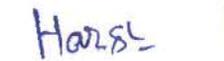
  
Kailash Khandelwal  
Managing Director

DIN.No.03617258

  
Raj Kumar Singh  
Chief Executive Officer



Sanjeev Bhatt  
Director  
DIN.No.02122250

  
Harsh Ranjan  
Company Secretary  
ACS: 35889





## Annexure-1

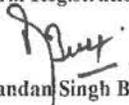
Name of the Non-Banking Financial Company : HUMANA FINANCIAL SERVICES PRIVATE LIMITED  
 Address of the Company : 111/9-Z, ARUNA ASAF ALI MARG, KISHANGARH, VASANT KUNJ, NEW DELHI -110070  
 Registration number (as given by RBI) : N-14.03370  
 Classification of the company (as given by RBI) : Non - Banking Financial Institution - MFI with out accepting Public deposits

**Net Owned Fund  
 Balance Sheet 31-Mar-20**

**of the Company: HUMANA FINANCIAL SERVICES PRIVATE LIMITED,**

Item No.	Item Name	Item Code	Amount (Rs.)
1	<b>Capital Funds – Tier I</b>		
	(i) Paid-up Equity Capital	311	10,07,77,140
	(ii) Preference shares to be compulsorily convertible into equity	312	-
	(iii) Free reserves	313	7,45,48,967
2	<b>Total (311+312+313)</b>	<b>310</b>	<b>17,53,26,107</b>
3	(i) Accumulated balance of loss	321	-
	(ii) Deferred Revenue Expenditure	322	13,002
	(iii) Other Intangible Assets	323	-
4	<b>Total (321 +322+ 323)</b>	<b>320</b>	<b>13,002</b>
5	<b>Owned Fund (310 - 320)</b>	<b>330</b>	<b>17,53,13,105</b>
6	Book Value of Investments in shares of :		
	(i) Subsidiaries	341	-
	(ii) Companies in the same Group	342	-
	(iii) Other non-banking financial companies (Details in Annexure no. I)	343	-
7	Book value of investment in debentures and bonds of :		
	(i) Subsidiaries	344	-
	(ii) Companies in the same Group	345	-
8	Outstanding loans and advances including bills purchased/ discounted, inter-corporate deposits, hire-purchase and lease finance, CPs with		
	(i) Subsidiaries	346	-
	(ii) Companies in the same Group (Details in Annexure no II)	347	-
9	<b>Total (341 to 347)</b>	<b>340</b>	<b>-</b>
10	Amount of Item 340 in excess of 10% of item 330 above	351	-
11	<b>Net owned fund (330 -351)</b>	<b>350</b>	<b>17,53,13,105</b>

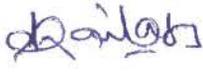
For NSB & Associates  
 Chartered Accountants  
 Firm Registration Number : 023043N

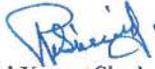
  
 Nandan Singh Bisht  
 Partner  
 Membership No. 099805

Place: New Delhi  
 Date: 27/07/2020



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

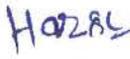
  
 Kailash Khandelwal  
 Managing Director  
 DIN.No. 03617258

  
 Raj Kumar Singh  
 Chief Executive Officer





Sanjeev Bhatt  
 Director  
 DIN.No. 02122250

  
 Harsh Ranjan  
 Company Secretary  
 ACS: 35889

NOTE :

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

- (i) a Reserve created for repayment of any future liability or for depreciation of assets or for provision against non-performing assets / bad debts; or
- (ii) a Reserve created by Revaluation of the Assets of the Company.

2. Hire Purchase and Lease Finance mean :

- (i) in the case of hire purchase asset, the amount of future instalments receivable reduced by the balance of the unmatured finance charges; and
- (ii) in the case of lease assets, the depreciated book value of the lease asset plus/minus the balance in the lease adjustment account;

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



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