

# Walker Chandiook & Associates

## Independent Auditors' Report

To the Members of RAAS Housing Finance (India) Private Limited

## Report on the Financial Statements

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New Delhi 110001  
India

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1. We have audited the accompanying financial statements of **RAAS Housing Finance (India) Private Limited**, (the 'Company'), which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and Cash Flow Statement for the period from 16 July 2013 to 31 March 2014, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

2. Management is responsible for 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 notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



# Walker Chandiook & Associates

## Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
  - ii) in the case of Statement of Profit and Loss, of the loss for the period ended on that date; and
  - iii) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date

## Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 (the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the financial statements dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the financial statements comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 ; and
  - e. on the basis of written representations received from the directors, as on 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

*Walker Chandiook & Associates*  
For Walker Chandiook & Associates  
Chartered Accountants  
Firm Registration No.: 001329N

*Ashish Chandiook*  
per Ashish Chandiook  
Partner  
Membership No.: 511144

Place: New Delhi  
Date: 21 April 2014



# Walker Chandiook & Associates

Annexure to the Independent Auditors' Report of even date to the members of RAAS Housing Finance (India) Private Limited, on the financial statements for the period from 16 July 2013 to 31 March 2014

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the period and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off during the period.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii)(d) of the Order are not applicable.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.
- (iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sell any goods. Further, during the year, there are no transactions pertaining to sale of services. Accordingly, clause 4(iv) of the Order with respect to purchase of inventories, sale of goods and services is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Company has not entered into any contracts or arrangements referred to in Section 301 of the Act. Accordingly, the provisions of clause 4(v) of the Order are not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) The Company is neither listed nor had paid-up capital and reserves exceeding ₹ fifty lakhs as at the commencement of the period. Further, the Company has been registered for a period of less than three years. Accordingly, the provisions of clause 4(vii) of the Order are not applicable



# Walker Chandiook & Associates

Annexure to the Independent Auditors' Report of even date to the members of RAAS Housing Finance (India) Private Limited, on the financial statements for the period from 16 July 2013 to 31 March 2014 (Contd.)

- (viii) To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act, in respect of the Company's services. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the period-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- (x) The Company has been registered for a period of less than five years. Accordingly, the provisions of clause 4(x) of the Order are not applicable.
- (xi) The Company has no dues payable to a financial institution or a bank or debenture-holders during the period. Accordingly, the provisions of clause 4(xi) of the Order are not applicable.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable.
- (xvi) The Company did not have any term loans outstanding during the period. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) During the period, the Company has not made any preferential allotment of shares to parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the period. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.



# Walker Chandiok & Associates

Annexure to the Independent Auditors' Report of even date to the members of RAAS Housing Finance (India) Private Limited, on the financial statements for the period from 16 July 2013 to 31 March 2014 (Contd.)

- (xx) The Company has not raised any money by public issues during the period. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

*Walker Chandiok & Associates*  
For Walker Chandiok & Associates  
Chartered Accountants  
Firm Registration No. 001329N

*Ashish Chandiok*  
per Ashish Chandiok  
Partner  
Membership No. 511144

Place: New Delhi  
Date: 21 April 2014

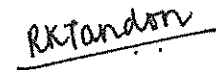



RAAS Housing Finance (India) Private Limited  
 Balance Sheet as at 31 March 2014  
 (All amounts in rupees unless otherwise stated)


	Notes	As at 31 March 2014
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	3	120,001,000
Reserves and surplus	4	(20,679,150)
		<u>99,321,850</u>
<b>Current liabilities</b>		
Other current liabilities	5	974,553
		<u>974,553</u>
		<u>100,296,403</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets		
(a) Tangible assets	6	198,338
(b) Intangible assets	6	13,659
Deferred tax asset, net	7	1,031,384
		<u>1,243,381</u>
<b>Current assets</b>		
Cash and bank balances	8	98,551,421
Short-term loans and advances	9	81,805
Other current assets	10	419,796
		<u>99,053,022</u>
		<u>100,296,403</u>

Notes from 1 to 17 form an integral part of these financial statements

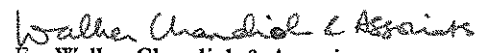
For and on behalf of the board of directors of  
 RAAS Housing Finance (India) Private Limited

  
 Raakhe K Tandon  
 Whole time Director

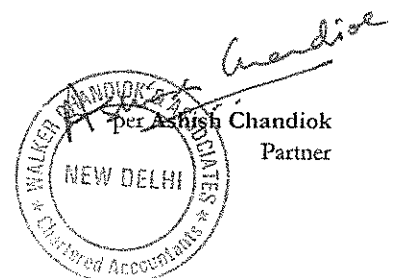
  
 Rajat Baldhi  
 Managing Director & CEO

  
 Vipin Jain  
 Chief Financial Officer

This is the Balance Sheet referred to in our report of even date

  
 For Walker Chandiok & Associates  
 Chartered Accountants

Place: New Delhi  
 Date: 21 April 2014

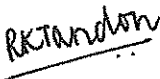


**RAAS Housing Finance (India) Private Limited**  
**Statement of Profit and Loss for the period from 16 July 2013 to 31 March 2014**  
*(All amounts in rupees unless otherwise stated)*


	Notes	Period ended 31 March 2014
<b>Revenue</b>		
Other income	11	578,074
<b>Total revenue</b>		<b>578,074</b>
<b>Expenses</b>		
Employee benefits expense	12	16,645,860
Depreciation and amortization	6	26,653
Other expenses	13	5,616,097
<b>Total expenses</b>		<b>22,288,610</b>
<b>Loss before tax</b>		<b>(21,710,536)</b>
Tax expense		
-Deferred tax	7	(1,031,384)
<b>Loss for the period</b>		<b>(20,679,150)</b>
<b>Loss per equity share :</b>		
- Basic		(9.72)
- Diluted		(9.72)

Notes from 1 to 17 form an integral part of these financial statements

For and on behalf of the board of directors of  
**RAAS Housing Finance (India) Private Limited**

  
**Raakhe K Tandon**  
 Whole time Director

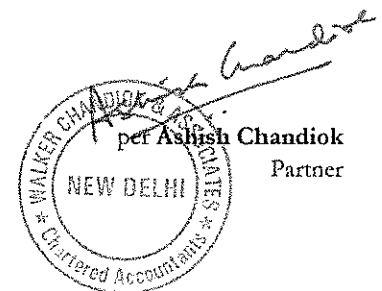
  
**Rajat Baldhi**  
 Managing Director & CEO

  
**Vipin Jain**  
 Chief Financial Officer

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

*Walker Chandniok & Associates*  
 For Walker Chandniok & Associates  
 Chartered Accountants

Place: New Delhi  
 Date: 21 April 2014

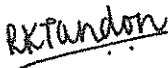


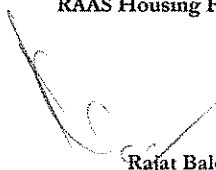
RAAS Housing Finance (India) Private Limited  
Cash Flow Statement for the period from 16 July 2013 31 March 2014  
*(All amounts in rupees unless otherwise stated)*

	Period ended 31 March 2014
<b>Cash flow from operating activities:</b>	
Net loss	(21,710,536)
<b>Adjustments to reconcile net loss to net cash provided by/ (used in) operating</b>	
Depreciation and amortisation	26,653
Interest income	(578,074)
<b>Operating profit before working capital changes</b>	<b>(22,261,957)</b>
<b>Changes in working capital</b>	
Increase in other current liabilities	974,553
Increase in short-term loans and advances	(81,805)
<b>Cash used in operations</b>	<b>(21,369,209)</b>
<b>Net cash used in operating activities</b>	<b>(21,369,209)</b>
<b>Cash flow from investing activities:</b>	
Purchase of fixed assets (including intangible assets)	(238,650)
Interest received	158,280
Movement in fixed deposits	(53,000,000)
<b>Net cash used in investing activities</b>	<b>(53,080,370)</b>
<b>Cash flow from financing activities:</b>	
Proceeds from issuance of share capital	120,001,000
<b>Net cash generated from financing activities</b>	<b>120,001,000</b>
<b>Net increase in cash and cash equivalents</b>	<b>45,551,421</b>
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<b>45,551,421</b>

Notes from 1 to 17 form an integral part of these financial statements


For and on behalf of the board of directors of  
RAAS Housing Finance (India) Private Limited

  
Raakhe K Tandon  
Whole time Director

  
Rajat Baldhi  
Managing Director & CEO

  
Vipin Jain  
Chief Financial Officer

This is the Cash Flow Statement referred to in our report of even date

  
For Walker Chandiok & Associates  
Chartered Accountants

Place: New Delhi  
Date: 21 April 2014





**RAAS Housing Finance (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014**

**1. Company overview**

RAAS Housing Finance (India) Private Limited (the 'Company') was incorporated on 16 July 2013 with its registered office in New Delhi. The Company is a wholly owned subsidiary of RAAS Capital (India) Private Limited.

The main objects of the Company, inter alia, are to carry out the business of providing long term finance to individuals, companies, corporations, societies or association of persons for purchase / construction / repair and renovation of new / existing flats / houses for residential purposes.

Company is yet to commence its commercial operations and are in the process of obtaining the certificate of registration from the National Housing Bank (NHB) as required under Section 29A of the NHB Act

**2 Basis of preparation**

The financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 (the 'Act') read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

**2.1 Summary of significant accounting policies**

**a) Use of estimates**

The preparation of financial statements in conformity with the principles generally accepted in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b) Revenue recognition**

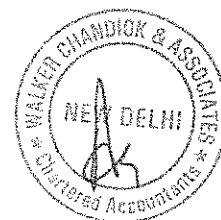
*Interest income:*

Interest income is recognized on a time proportion basis at the applicable rates.

**c) Fixed assets**

**Tangible**

Fixed assets (gross block) are stated at historical cost less accumulated depreciation and impairment (if any). Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.



**RAAS Housing Finance (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014**

**Intangible**

Software which is not integral part of the hardware is classified as intangibles and is stated at cost less accumulated amortisation. These are recognized as assets if it is probable that future economic benefits attributable to such assets will flow to the Company and the cost of the assets can be reliably measured

**d) Depreciation and amortisation**

Depreciation on tangible assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956. Assets individually costing less than rupees five thousands are fully depreciated in the year of purchase.

The intangible assets are being amortised over the estimated useful life of 3 years, as determined by the management.

**e) Leases**

*Operating leases:*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

**f) Employee benefits**

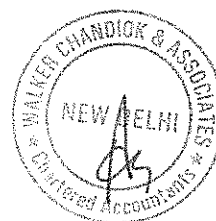
Wages, salaries and bonus are accrued in the period in which the associated services are rendered by employees of the Company.

**g) Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier period.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset to the extent it pertains to unabsorbed business loss/ depreciation is recognized only to the extent that there is virtual certainty of realization based on convincing evidence, as evaluated on a case to case basis.

RKT



**RAAS Housing Finance (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014**

**h) Earnings Per Share (EPS)**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**i) Contingent liabilities and provisions**

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company; or
- ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- iii) present obligation, where a reliable estimate cannot be made.

RKT



**RAAS Housing Finance (India) Private Limited**

Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014

*(All amounts in rupees, unless otherwise stated)***3 Share capital**

	As at 31 March 2014	
	Number	Amount
<b>Authorised share capital</b>		
Equity shares of Rs. 10 each	50,000,000	500,000,000
<b>Issued, subscribed and fully paid up capital</b>		
Equity shares of Rs. 10 each	12,000,100	120,001,000

**(A) Terms/ rights attached to equity shares**

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

**(B) Reconciliation of equity shares outstanding at the end of reporting period**

	As at 31 March 2014	
	Number	Amount
Shares issued during the period	12,000,100	120,001,000
Less : Shares bought back during the period	-	-
<b>Shares outstanding at the end of the period</b>	<b>12,000,100</b>	<b>120,001,000</b>

**(C) Details of shares held by Holding Company**

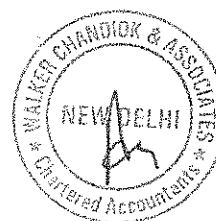
	Number of shares held	12,000,100 % of holding
RAAS Capital (India) Private Limited	12,000,000	99.99%

**(D) Details of shareholders holding more than 5 % of equity share capital of the Company**

	As at 31 March 2014	
	Number of shares held	% of holding
RAAS Capital (India) Private Limited, Holding Company	12,000,000	99.99%

**(E)** No shares have been issued for consideration other than cash or as bonus shares in the current reporting period.**4 Reserves and surplus**

	As at 31 March 2014
<b>Deficit as per Statement of Profit and Loss</b>	
Net loss for the period	(20,679,150)
Closing balance	(20,679,150)



RAAS Housing Finance (India) Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014

6 Fixed assets

Particulars	Gross block		Accumulated depreciation and amortisation		Net block
	Additions during the period	Balance as at 31 March 2014	Charge for the period	Balance as at 31 March 2014	Balance as at 31 March 2014
<b>Tangible assets</b>					
Computer equipments	222,250	222,250	23,912	23,912	198,338
<b>Total</b>	<b>222,250</b>	<b>222,250</b>	<b>23,912</b>	<b>23,912</b>	<b>198,338</b>
<b>Intangible assets</b>					
Computer software	16,400	16,400	2,741	2,741	13,659
<b>Total</b>	<b>16,400</b>	<b>16,400</b>	<b>2,741</b>	<b>2,741</b>	<b>13,659</b>
<b>Total</b>	<b>238,650</b>	<b>238,650</b>	<b>26,653</b>	<b>26,653</b>	<b>211,997</b>



Handwritten initials and signature, including 'AKJ'.

**RAAS Housing Finance (India) Private Limited**

Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014

(All amounts in rupees, unless otherwise stated)

	<u>As at 31 March 2014</u>
<b>5 Other current liabilities</b>	
Statutory dues	588,185
Employee related payable	64,458
Other accrued liabilities	321,910
	<u>974,553</u>
<b>7 Deferred tax asset, net</b>	
Deferred tax asset/(liabilities) arising on account of timing difference on :	
Preoperative and preliminary expenses	1,066,244
Depreciation and amortisation	(34,860)
	<u>1,031,384</u>
<b>8 Cash and bank balances</b>	
<b>Cash and cash equivalents</b>	
Bank balances in	
- Current accounts	551,421
- Deposits with original maturity less than 3 months	45,000,000
	<u>45,551,421</u>
<b>Other bank balances</b>	
Fixed deposits with maturity of less than three months	2,500,000
Fixed deposits with maturity more than 3 months but less than 12 months	50,500,000
	<u>53,000,000</u>
	<u>98,551,421</u>
<b>9 Short term loans and advances</b>	
<b>(Unsecured, considered good)</b>	
Advances recoverable in cash or in kind or for value to be received	24,000
Advance income-tax	57,805
	<u>81,805</u>
<b>10 Other current assets</b>	
Interest accrued on fixed deposits	419,796
	<u>419,796</u>
<b>11 Other income</b>	
Interest income on deposits with banks	578,074
	<u>578,074</u>
<b>12 Employee benefits expense</b>	
Salaries, wages and bonus	16,519,659
Staff welfare expenses	126,201
	<u>16,645,860</u>
<b>13 Other expenses</b>	
Rent	1,241,169
Rates and taxes	158,690
Electricity	137,009
Remuneration to auditors	168,540
Legal and professional charges	60,741
Repair and maintenance	259,851
Preoperative and preliminary expenses	3,464,694
Miscellaneous expenses	125,403
	<u>5,616,097</u>



RKT

*[Handwritten signature]*

RAAS Housing Finance (India) Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014

(All amounts in rupees, unless otherwise stated)

For the period ended  
31 March 2014

14 Earnings per share - Basic and diluted

(a) Computation of loss for computing

Net loss after tax available for equity shareholders (20,679,150)

(b) Computation of weighted average number of shares

Basic earnings per share 2,127,420

Diluted earnings per share 2,127,420

(c) Nominal value of equity share (Rs.)

10

(d) Earning per share

- Basic (9.72)

- Diluted (9.72)

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15 Related party disclosures

Related party disclosures, as required by Accounting Standard 18 - Related Party Disclosures, notified under the Companies Act, 1956 are given below:

Holding Company	:	M/s RAAS Capital (India) Pvt Ltd
Key managerial personnel (KMP)	:	Raakhe K Tandon -Whole time Director
	:	Rajat Baldhi, Managing Director and CEO

Transactions with related parties during the period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period:

Particulars	For the period ended 31 March 2014
<b>Transactions during the period</b>	
<b>Holding company</b>	
M/s RAAS Capital (India) Private Limited	
Issue of share capital	120,000,000
Reimbursement of expenses	3,358,210
Purchase of fixed asset	175,350
<b>Whole time Director</b>	
Raakhe K Tandon	
Issue of share capital	1,000
<b>Key management personnel</b>	
Rajat Baldhi	
-Remuneration paid	11,085,750

16 Payments to auditors

Particulars

Statutory audit	125,000
Certification fees	25,000
Service tax	18,540
	<u>168,540</u>



RKT

*[Handwritten signature]*

**RAAS Housing Finance (India) Private Limited**

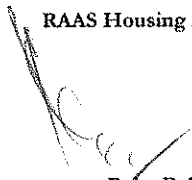
**Summary of significant accounting policies and other explanatory information to the financial statements for the period from 16 July 2013 to 31 March 2014**

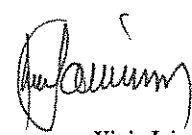
*(All amounts in rupees, unless otherwise stated)*

- 17 These financial statements present the information for the period from 16 July 2013 to 31 March 2014, which is the first financial year since the incorporation of the Company. Accordingly, the requirements to present the corresponding amounts for the preceding financial year are not applicable

  
**Raakhe K Tandon**  
Whole time Director


For and on behalf of the board of directors of  
**RAAS Housing Finance (India) Private Limited**


  
**Rajat Baldhi**  
Managing Director & CEO

  
**Vipin Jain**  
Chief Financial Officer

*Walker Chandio & Associates*  
**For Walker Chandio & Associates**  
Chartered Accountants

Place: New Delhi  
Date: 21 April 2014

  
**Ashish Chandio**  
Partner





## RAAS HOUSING FINANCE (INDIA) PRIVATE LIMITED

### **DIRECTORS' REPORT**

#### **To the Members**

Your Directors are pleased to present the First Annual Report of the Company together with the Audited Accounts of the Company for the period ended 31<sup>st</sup> March, 2014.

#### **Financial Highlights**

The performance of the Company for the financial year ended March 31, 2014 is summarized as under:

(In Rupees)	
<b>Particulars</b>	Period ended 31.03.2014
Total Revenue	5,78,074
Total Expenditure	2,22,61,957
Gross Profit before depreciation, amortizations & taxation	(2,16,83,883)
Depreciation and amortizations	26,653
Profit before Tax (PBT)	(2,17,10,536)
Provisions for Tax/ Deferred Tax	(10,31,384)
Profit after Tax (PAT)	(2,06,79,150)
Profit brought forward	Nil
Tangible Net Worth	9,93,21,850

#### **Operations**

The Company was incorporated on July 16, 2013 for the purpose of commencing housing finance business in India after obtaining the regulatory registration from National Housing Bank (NHB). Your Directors are pleased to inform you that the Company is now in the process of obtaining this regulatory registration.

#### **Financials**

During the year under review, the Profit After Tax was Rs (206.79) lacs, essentially due to set-up/ gestation costs to enable preparation for launch of the business, post obtaining the regulatory approvals. There is no dividend applicable for this period.

#### **Deposits**

The Company did not accept any public deposits during the year under review.

#### **Directors**

Based on the declarations given, none of the directors of the Company are disqualified for being appointed as a Director, as specified under Section 274 of the Companies Act, 1956.

#### **Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo**

During the year under review, there were no foreign exchange earnings or outgo. Since your Company does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998 are not applicable.



## Particulars of employees as required under section 217(2A) of the Companies Act, 1956 and Rules framed thereunder

A statement giving the particulars of employees as required under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) rules 1975, where applicable, is annexed.

### Directors' Responsibility Statement

In accordance with the provisions of section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit and loss account of the Company for the period ended on that date.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- The annual accounts have been prepared on a going concern basis.

### Auditors

M/s Walker Chandio & Associates, Chartered Accountants, Statutory Auditors of your Company, retire at the conclusion of this AGM and being eligible, offer themselves for reappointment. The Board recommends the re-appointment of M/s Walker Chandio & Associates, Chartered Accountants as the Auditors of the Company.

### Acknowledgements

The Board of Directors places on record its deep appreciation for the continued support and co-operation extended by banks, government authorities and other stakeholders.

**For and on behalf of the board of directors of  
RAAS Housing Finance (India) Pvt Ltd**



**Raakhe K Tandon**  
Whole-time Director



**Rajat Baldhi**  
Managing Director & CEO



New Delhi, April 21, 2014

