

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
16th Floor, Tower II  
Indiabulls Finance Centre  
S B Marg, Elphinstone (W)  
Mumbai 400013  
India

## **Independent Auditor's Report**

T +91 22 6626 2600  
F +91 22 6626 2601

**To the Members of YES Capital (India) Private Limited**

## **Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of YES Capital (India) Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## **Management's Responsibility for the Standalone Financial Statements**

2. 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 standalone 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 prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



**YES Capital (India) Private Limited**  
**Independent Auditor's Report on the Standalone Financial Statements**

---

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

## **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2018, and its loss and its cash flows for the year ended on that date.

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

9. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;



# Walker Chandiok & Co LLP

## YES Capital (India) Private Limited Independent Auditor's Report on the Standalone Financial Statements

---

- f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 30 June 2018 as per Annexure II expressed unmodified opinion;
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigation which would impact its financial position;
  - 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; and
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

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



**Manish Gujral**  
Partner  
Membership No.: 105117

Place: Mumbai  
Date: 30 June 2018

# Walker Chandiook & Co LLP

## YES Capital (India) Private Limited Independent Auditor's Report on the Standalone Financial Statements

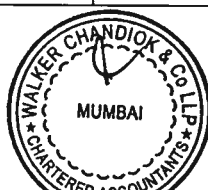
### Annexure I to the Independent Auditor's Report of even date to the members of YES Capital (India) Private Limited, on the standalone financial statements for the year ended 31 March 2018

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'Property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

#### Statement of arrears of statutory dues outstanding for more than six months

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Income Tax Act, 1961	Tax deducted at source	11,500	June 2017	7 July 2017	23 May 2018	None
Finance Act, 1994	Service tax	24,750	July 2016	5 August 2016	Not yet paid	None



# Walker Chandniok & Co LLP

**YES Capital (India) Private Limited**  
**Independent Auditor's Report on the Standalone Financial Statements**

---

## **Annexure I (Contd)**

- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or any dues to debenture-holders during the year. Further the Company did not have any loans or borrowings from any banks or government.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

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



**Manish Gujral**  
Partner  
Membership No.: 105117

Place: Mumbai  
Date: 30 June 2018

**Annexure II to the Independent Auditor's Report of even date to the members of YES Capital (India) Private Limited on the standalone financial statements for the year ended 31 March 18**

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

1. In conjunction with our audit of the standalone financial statements of YES Capital (India) Private Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 Control over Financial Reporting issued by Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

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

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



# Walker Chandniok & Co LLP

YES Capital (India) Private Limited  
Independent Auditor's Report on the Standalone Financial Statements

---

## Annexure II (Contd)

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

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

### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate IFCoFR and such IFCoFR were operating effectively as at 31 March 2018, based on internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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



**Manish Gujral**  
Partner  
Membership No.: 105117

Place: Mumbai  
Date: 30 June 2018

**YES Capital (India) Private Limited**  
**Balance Sheet**

Particulars	Note No	As at 31 March 2018 Amounts in Rs.	As at 31 March 2017 Amounts in Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	238,03,810	110,50,000
Reserves and surplus	4	4614,01,134	4712,39,848
		<b>4852,04,944</b>	<b>4822,89,848</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	66633,53,020	10000,00,000
		<b>66633,53,020</b>	<b>10000,00,000</b>
<b>Current liabilities</b>			
Other current liabilities	6	7,64,128	787,21,324
		<b>7,64,128</b>	<b>787,21,324</b>
<b>TOTAL</b>		<b>71493,22,092</b>	<b>15610,11,172</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	-	25,000
Non-current investments	8	71276,40,100	15556,35,100
Long-term loans and advances	9	6,81,660	26,210
		<b>71283,21,760</b>	<b>15556,86,310</b>
<b>Current assets</b>			
Current investments	10	200,00,000	50,00,000
Cash and cash equivalents	11	8,20,247	2,08,919
Other current assets	12	1,80,085	1,15,943
		<b>210,00,332</b>	<b>53,24,862</b>
<b>TOTAL</b>		<b>71493,22,092</b>	<b>15610,11,172</b>

**Notes 1 to 24 form an integral part of these financial statements**

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

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

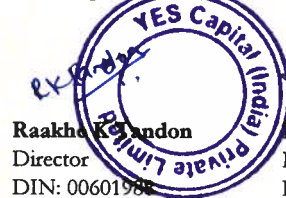


**Manish Gujral**  
Partner  
Membership No.: 105117



Place : Mumbai  
Date : 30 June 2018

For and on behalf of the Board of Directors of  
**YES Capital (India) Private Limited**

  
**Raakha Khandon**  
Director  
DIN: 00601988

  
**Roshini Kulkarni**  
Director  
DIN: 05167806

Place : Mumbai  
Date : 30 June 2018

Place : Mumbai  
Date : 30 June 2018



**YES Capital (India) Private Limited**  
**Statement of Profit and Loss**

Particulars	Note No	Year ended 31 March 2018 Amounts in Rs.	Year ended 31 March 2017 Amounts in Rs.
<b>Revenue</b>			
Revenue from operations	13	1853,35,930	1513,65,944
Other income	14	38,358	2,62,365
<b>Total revenue</b>		<b>1853,74,288</b>	<b>1516,28,309</b>
<b>Expenses</b>			
Finance cost	15	5339,83,456	1044,16,404
Other expenses	16	4,80,736	5,43,430
<b>Total expenses</b>		<b>5344,64,192</b>	<b>1049,59,834</b>
<b>Profit/(loss) before tax</b>		<b>(3490,89,904)</b>	<b>466,68,475</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Profit/(loss) after tax</b>		<b>(3490,89,904)</b>	<b>466,68,475</b>
<b>Earnings/(losses) per equity share</b>			
Basic and diluted	17	(280.45)	42.23

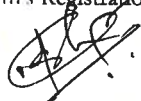
**Notes 1 to 24 form an integral part of these financial statements**

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

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



**Munish Gujral**

Partner

Membership No.: 105117



Place : Mumbai

Date : 30 June 2018

For and on behalf of the Board of Directors of  
**YES Capital (India) Private Limited**



**Raakhe K Vankar**

Director

DIN: 00601988

Place : Mumbai

Date : 30 June 2018



**Roshini Kapoor**

Director

DIN: 05167806

Place : Mumbai

Date : 30 June 2018

YES Capital (India) Private Limited  
Cash Flow Statement

	Year ended 31 March 2018 Amounts in Rs.	Year ended 31 March 2017 Amounts in Rs.
<b>(A) Cash flows from operating activities</b>		
Profit/(loss) before tax	(3490,89,904)	466,68,475
Adjustment for:		
Property, plant and equipment written off	25,000	-
<b>Operating profit before working capital changes</b>	<b>(3490,64,904)</b>	<b>466,68,475</b>
<b>Movement in working capital:</b>		
Increase/(decrease) in other current liabilities	(779,57,196)	321,17,801
(Increase)/decrease in loans and advances	(6,51,614)	-
(Increase)/decrease in other current assets	(64,142)	(1,15,944)
<b>Cash generated from operating activities</b>	<b>(4277,37,856)</b>	<b>786,70,332</b>
Direct taxes paid	(3,836)	(22,730)
<b>Net cash (used in)/generated from operating activities</b>	<b>(4277,41,692)</b>	<b>786,47,602</b>
<b>(B) Cash flows from investing activities</b>		
Purchase of non-current investments	(52200,00,000)	(750,00,000)
Purchase of current investments	(150,00,000)	(50,00,000)
<b>Net cash (used in) investing activities</b>	<b>(52350,00,000)</b>	<b>(800,00,000)</b>
<b>(C) Cash flows from financing activities</b>		
Proceeds from long-term borrowings	66633,53,020	-
Repayment of long-term borrowings	(10000,00,000)	-
<b>Net cash generated from financing activities</b>	<b>56633,53,020</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>6,11,328</b>	<b>(13,52,398)</b>
Cash and cash equivalents as at the beginning of the year	2,08,919	15,61,317
<b>Cash and cash equivalents as at the end of the year (refer note 11)</b>	<b>8,20,247</b>	<b>2,08,919</b>

Note:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3, "Cash Flow Statements", prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- The Company has allotted 1,275,381 shares as fully paid up share of Rs 10 at a premium of Rs. 266 each in pursuant to contracts without payment being received in cash.
- Figures in brackets represent outflows.

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

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Munish Gujral

Partner

Membership No.: 105117

Place : Mumbai

Date : 30 June 2018



For and on behalf of the Board of Directors of  
YES Capital (India) Private Limited

Raakhee K Tandon  
Director  
DIN: 00681988

Roshini Kapoor  
Director  
DIN: 05167806

Place : Mumbai

Date : 30 June 2018

Place : Mumbai

Date : 30 June 2018

## YES Capital (India) Private Limited

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

#### 1 Background of the company

YES Capital (India) Private Limited (the 'Company') was incorporated as a private limited company on 8 May 2003. The Company is engaged in the business of making investments. The Company is registered with Reserve Bank of India ("RBI") as a Core Investment Company ("CIC") holding the Certificate No N-13.02253 dated 5 June 2018.

#### 2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, ("the Act"), and the relevant provisions of the Act as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. Further, the Company follows the Directions issued by the RBI for CICs and Non-Banking Financial Companies ("NBFC's") as applicable (the 'NBFC Directions').

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### 2.1 Summary of significant accounting policies

##### a) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles in India ("Indian GAAP") requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

##### b) Property, plant and equipment and capital work in progress

Property, plant and equipment are stated at cost of acquisition inclusive of all attributable cost of bringing the same to their working condition, net of central credit, accumulated depreciation and accumulated impairment losses, if any

Subsequent expenditure related to an item of asset are added to its book value if they increase the future benefits from existing asset beyond its previously assessed standard of performance

Property, plant and equipment acquired but not ready for use are classified under Capital work in progress and are stated at cost comprising direct cost and related incidental expenses.

Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the statement of Profit and Loss. Losses arising from the retirement of, and gains & losses arising from disposal of tangible assets which are carried at cost are recognised in the statement of Profit and Loss.

##### c) Depreciation

Depreciation on the Property, plant and equipment is provided of the written down value method as per the useful life prescribed under Schedule II to the Companies Act, 2013, with residual value of 5%

##### d) Impairment of assets

Management evaluates at regular intervals, using external and internal sources, the need for impairment of any asset. Impairment occurs if the carrying amount of the asset exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the statement of profit and loss. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated cash flows expected from continuing use of asset and from unlimited disposal are discounted to their present value using pre-determined discount rate that reflects the current market assessments of the time value of money and risk specific to the asset. When there is indication that an impairment loss recognised for an asset in earlier accounting period no longer exists or may have decreased, such reversal of impairment loss in Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

##### e) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

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

(ii) Interest income on loans given are recognised on accrual basis, except in case of interest on non-performing assets which are recognised only when realised.

(iii) Income from dividend on shares of corporate bodies and units of mutual funds is accounted on accrual basis when the Company's right to receive dividend is established.



**YES Capital (India) Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018**

**f) Classification and provisioning of loan portfolio**

- (i) Loans are classified as standard, sub-standard, doubtful and loss assets in accordance with the NBFC Directions, as amended from time to time.
- (ii) Loans are provided for as per the management's estimates, subject to the minimum provision required as per the NBFC Directions, as amended from time to time.

**g) Taxes**

Tax expenses comprise current tax (amount of tax for the period determined in accordance with the Income Tax Regulations in India) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period)

Deferred income-tax reflects the impact of current period timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and 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. In case of carry forward losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such losses can be set off. Deferred tax asset appearing in books is reviewed at each reporting date and is written down to the extent it is not certain that the Company will pay taxes on future incomes against which such deferred tax asset may be adjusted.

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the Income Tax Act,1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each Balance Sheet date.

**h) Investments**

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

On initial recognition, all investments are measured at cost. The cost comprises of purchase price and directly attributable acquisition charges such as brokerage, fees and duties. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**i) Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation to the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. Such liabilities are disclosed by way of notes to the financial statements. No disclosure is made if the possibility of outflow on this account is remote.

**j) Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement comprise of the cash on hand and at bank and other liquid assets with an original maturity of less than three months.



**YES Capital (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018**

**3 Share capital**

	As at 31 March 2018		As at 31 March 2017	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>Authorized share capital</b>				
2,000,000 equity shares of Rs.10 each	25,00,000	250,00,000	20,00,000	200,00,000
<b>Issued, subscribed and fully paid up</b>				
2,000,381 equity shares of Rs.10 each	23,80,381	238,03,810	11,05,000	110,50,000

**a) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian Rupees. The dividend, if proposed by the Board of Directors, will be subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of equity shares outstanding**

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount in Rs.	No of shares	Amount in Rs.
Shares outstanding at the beginning of the year	11,05,000	110,50,000	11,05,000	110,50,000
Add: Shares issued during the year	12,75,381	127,53,810	-	-
<b>Shares outstanding at the end of the year</b>	<b>23,80,381</b>	<b>238,03,810</b>	<b>11,05,000</b>	<b>110,50,000</b>

**c) Details of shareholders holding more than 5% of the shares in the company**

	As at 31 March 2018		As at 31 March 2017	
	No of shares	% of holding	No of shares	% of holding
<b>Equity shares of Rs. 10 each</b>				
Mrs Raakhe K Tandon	7,93,461	33.34%	3,53,334	31.98%
Mrs Radha Kapoor Khanna	7,93,460	33.33%	3,53,333	31.98%
Ms. Roshini Kapoor	7,93,460	33.33%	3,53,333	31.98%
	<b>23,80,381</b>	<b>100.00%</b>	<b>10,60,000</b>	<b>95.94%</b>

d) During the current year, the Company has allotted 1,275,381 shares as fully paid up share of Rs 10 at a premium of Rs. 266 each in pursuant to contracts without payment being received in cash.

**4 Reserves and surplus**

**(A) Surplus in the statement of profit and loss**

Balance at the beginning of the year  
Add: Transferred from statement of profit and loss  
**Balance at the end of the year**

	As at 31 March 2018 Amount in Rs.	As at 31 March 2017 Amount in Rs.
	4712,39,848	4245,71,373
	(3490,89,904)	466,68,475
<b>Balance at the end of the year</b>	<b>1221,49,944</b>	<b>4712,39,848</b>

**(B) Securities premium account**

Balance at the beginning of the year  
Add: Additions made during the Year  
**Balance at the end of the year**

	3392,51,190	-
<b>Balance at the end of the year</b>	<b>3392,51,190</b>	<b>-</b>

**Total (A+B)**

	<b>4614,01,134</b>	<b>4712,39,848</b>
--	--------------------	--------------------

Note: Statutory reserve represents the reserve required under section 45IC from the profits of the year. The company has incurred losses in the current year as a result of which the requirement for compliance with section 45 IC in relation to transfer of sums to statutory required is not attracted.

**5 Long-term borrowings**

**Secured**

**Term loans**

From Non-Banking Financial Companies (NBFCs) [Refer note (i) below]

10000,00,000

**Unsecured**

**Non convertible debentures (NCDs) [Refer note (ii) below]**

From assets management companies (AMC)

63000,00,000

**Premium on redemption of debentures**

3633,53,020

**66633,53,020**      **10000,00,000**

**(i) Nature of security, terms of repayment and interest**

**Secured borrowing**

Loan obtained for capital expenditure and working capital purpose carries an interest rate of 10.50% p.a. till 20 March 2017 and after that interest rate of 9.25% p.a. is repayable at the expiry of 36 months from the date of first disbursement of facility. Interest shall be payable on 1 July every year. The loan is secured by demand Promissory Note and unconditional, irrevocable, continuing personal guarantee of certain shareholders as per the terms of loan agreement.

**(ii) Details of Non-Convertible Debentures ("NCDs") outstanding as at 31 March 2018**

**Unsecured borrowing**

Borrowings from Franklin Templeton Asset Management (India) Private Limited (Assets Management Company) of Rs. 630 crores is the subordinated debt in the nature of Non-Convertible Debentures (No. of NCD - 6,300) of Rs. 0.1 crores each issued on 12 September 2017 which carries a notional coupon rate of 9.25% p.a. and is redeemable at the expiry of 37 months from the date of disbursement of facility having redemption value of Rs. 833.55 crores.

**6 Other current liabilities**

**Interest accrued but not due on borrowings\***

781,57,534

**Other accrued liabilities**

6,16,900

5,39,040

**Statutory dues**

1,47,228

24,750

**7,64,128**

**787,21,324**

\* This refers to the gross interest amount inclusive of any taxes that may need to be deducted on the interest becoming payable/paid to the lender



**YES Capital (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018**

**7 Property, plant and equipment**

Particulars	(Amount in Rs.)
	Vehicles
<b>Gross block</b>	
As at 1 April 2016	5,00,000
Additions	-
Disposals	-
<b>As at 31 March 2017</b>	5,00,000
Additions	-
Disposals	-
<b>As at 31 March 2018</b>	5,00,000
<b>Accumulated depreciation</b>	
As at 1 April 2016	4,75,000
Depreciation	-
Reversal on disposal of assets	-
<b>As at 31 March 2017</b>	4,75,000
Depreciation	-
Reversal on disposal of assets	-
Adjustments to fixed assets	25,000
<b>As at 31 March 2018</b>	5,00,000
<b>Net block</b>	
As at 31 March 2017	25,000
As at 31 March 2018	-



**YES Capital (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018**

	As at 31 March 2018 Amount in Rs.	As at 31 March 2017 Amount in Rs.
<b>8 Non current investments</b>		
Valued at cost unless stated otherwise		
<b>Trade, Unquoted</b>		
<b>(i) Investment in subsidiaries</b>		
YES Capital (India) Private Limited		
(697,619,010 equity shares (Previous year: 140,438,510) of Rs. 10 each)	69763,90,100	14043,85,100
<b>Trade, Quoted</b>		
<b>(ii) Investment in other than subsidiaries</b>		
Yes Bank Limited		
(15,623,000 equity shares (previous year: 15,125,000) of Rs. 2 (Previous year Rs.10) each)	1512,50,000	1512,50,000
	<u>71276,40,100</u>	<u>15556,35,100</u>
Market value of quoted investments	230542,81,250	233945,93,750
Aggregate value of quoted investment	1512,50,000	1512,50,000
Aggregate value of unquoted investments	69763,90,100	14043,85,100
<b>9 Long term loan and advances</b>		
Advance tax (net of provision)	30,046	26,210
Balance with government authorities	6,51,614	-
	<u>6,81,660</u>	<u>26,210</u>
<b>10 Current Investments</b>		
<b>(Quoted, valued at cost)</b>		
Investments in mutual funds		
(13,208.19 Units of Birla Sun Life Cash Plus - Growth Direct Plan, Previous Year- 19,578.13 Units)	200,00,000	50,00,000
	<u>200,00,000</u>	<u>50,00,000</u>
Market value of unquoted investments	204,48,174	51,15,944
<b>11 Cash and cash equivalents</b>		
Cash on hand	885	1,000
Balance with banks in current accounts	8,19,362	2,07,919
	<u>8,20,247</u>	<u>2,08,919</u>
<b>12 Other current assets</b>		
Accrued income	-	1,15,943
Other receivables	1,45,564	-
Accrued interest on advances	34,521	-
	<u>1,80,085</u>	<u>1,15,943</u>



**YES Capital (India) Private Limited**
**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018**

	Year ended 31 March 2018 Amounts in Rs.	Year ended 31 March 2017 Amounts in Rs.
<b>13 Revenue from operations</b>		
Dividend income	1815,00,000	1512,50,000
Income from mutual fund	38,35,930	1,15,944
	<b>1853,35,930</b>	<b>1513,65,944</b>
<b>14 Other income</b>		
Interest income on fixed deposits with banks	-	2,62,055
Interest income on loans	38,358	-
Miscellaneous income	-	310
	<b>38,358</b>	<b>2,62,365</b>
<b>15 Finance cost</b>		
Interest expenses on loan	1646,16,421	1044,16,404
Premium on redemption of debentures	3633,53,020	-
Issue expenses of non-convertible debentures	60,14,015	-
	<b>5339,83,456</b>	<b>1044,16,404</b>
<b>16 Other expenses</b>		
Payment to auditor (refer note (a) below)	1,50,000	1,50,000
Rates and taxes	1,200	22,032
Expenses for increase in capital	66,100	-
Legal and professional charges	2,23,858	3,70,325
Fixed assets written off	25,000	-
Miscellaneous expenses	14,578	1,073
	<b>4,80,736</b>	<b>5,43,430</b>
<b>a) Payment to auditors:</b>		
Statutory audit fees (excluding GST)	1,50,000	1,50,000
	<b>1,50,000</b>	<b>1,50,000</b>

**17 Earnings/(losses) per equity share**

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations :

Particulars	Year ended 31 March 2018 Amount in Rs.	Year ended 31 March 2017 Amount in Rs.
Net profit/(loss) after tax attributable to equity shareholders	(3490,89,904)	466,68,475
Weighted average number of shares outstanding during the year – Basic and diluted	12,44,768	11,05,000
Basic and Diluted earnings/(losses) per equity share	(280.45)	42.23
Nominal value per equity share	10.00	10.00

**18 Related party disclosures**

As required under Accounting Standard 18 – Related Parties details and disclosures of transactions with the related parties as defined in the Accounting Standards are given below:

**a) Names of related parties and nature of relationship**

Nature of Relationship	Name of Related Party
Key Management Personnel (KMP)	Mrs. Radha Kapoor Khanna Mrs. Raakhe K Tandon Ms. Roshini Kapoor
Subsidiary Company	ART Capital (India) Private Limited





**YES Capital (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018**

**b) Transactions with related parties**

As required under Accounting Standard 18 – Related Parties, the details of the transactions with related parties occurred during the year are given below:

Nature of transaction	Relationship	Year ended 31 March 2018 Amount in Rs.	Year ended 31 March 2017 Amount in Rs.
<b>ART Capital (India) Private Limited</b>	Subsidiary Company		
- Investment in equity share		52200,00,000	750,00,000
- Loan given		200,00,000	-
- Loan repayment received		200,00,000	-
- Interest on loan		38,358	-
<b>Mrs. Radha Kapoor Khanna</b>	Key Management Personnel		
- Issue of equity shares		1173,35,000	-
- Purchase of shares of ART Capital (India) Private Limited		1173,35,000	-
<b>Mrs. Raakhe K Tandon</b>	Key Management Personnel		
- Issue of equity shares		1173,35,000	-
- Purchase of shares of ART Capital (India) Private Limited		1173,35,000	-
<b>Ms. Roshini Kapoor</b>	Key Management Personnel		
- Issue of equity shares		1173,35,000	-
- Purchase of shares of ART Capital (India) Private Limited		1173,35,000	-

**b) Balances with related parties**

Particulars	As at 31 March 2018 Amount in Rs.	As at 31 March 2017 Amount in Rs.
<b>ART Capital India Private Limited</b>		
- Interest on business loan receivable	34,521	-

**19 Segment reporting**

As the Company's business activity primarily falls within a single business and geographical segments within India, there are no additional disclosures to be provided in terms of Accounting Standard – 17 Segment Reporting.

**20 Exposure to Real Estate Sector**

Category	As at 31 March 2018 (Amount in Rs.)	As at 31 March 2017 (Amount in Rs.)
<b>1. Direct exposure</b>		
<b>Residential mortgages -</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented :	-	-
- Individual housing loan up to Rs 15 lacs	-	-
- Individual housing loan above Rs 15 lacs	-	-
<b>Commercial real estate -</b>		
Lending secured by mortgages on commercial real estate (office building, retail space, multi purpose commercial premises, multi family residential building, multi tenanted commercial premises, industrial and warehouse space, hotels, land acquisitions, developments and construction etc.	-	-
Investment in mortgage backed securities (MBS) and other securitised exposure -		
1. Residential	-	-
2. Commercial Real Estate	-	-
<b>2. Indirect Exposure</b>		
Fund based exposure on Housing Finance Companies	375,00,00,000	115,00,00,000
Non fund based exposure on National Housing Bank	-	-



**YES Capital (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018**

**21 Asset Liability Management**

Maturity pattern of certain items of Assets and Liabilities (Based on RBI Guidelines)

(Amount in Rs.)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
<b>For the year 2017-18</b>				
1 day to 30/31 days (One month)	-	-	-	200,00,000
Over 1 month to 2 months	-	-	-	-
Over 2 months to 3 months	-	-	-	-
Over 3 months to 6 months	-	-	-	-
Over 6 months to 1 year	-	-	-	-
Over 1 year to 3 years	-	66633,53,020	-	-
Over 3 years to 5 years	-	-	-	-
Over 5 years	-	-	-	71276,40,100
<b>For the year 2016-17</b>				
1 day to 30/31 days (One month)	-	-	-	50,00,000
Over 1 month to 2 months	-	-	-	-
Over 2 months to 3 months	-	-	-	-
Over 3 months to 6 months	-	10781,57,534	-	-
Over 6 months to 1 year	-	-	-	-
Over 1 year to 3 years	-	-	-	-
Over 3 years to 5 years	-	-	-	-
Over 5 years	-	-	-	15556,35,100

**Note :-**

1. Liabilities included interest payable on borrowings
2. Assets included investment in listed and unlisted securities.





YES Capital (India) Private Limited  
 Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018

Note 22 : Disclosure of details as required by RBI/DNBR/2016-17/39 ie Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 dated 25 August 2016

		(Amount in Rs.)			
Liabilities side :		As at 31 March 2018		As at 31 March 2017	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1)	Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:				
	(a) Debentures : Secured	66633,53,020	-	-	-
	: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	10781,57,534	-
	(d) Inter corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Other Loans (Borrowings)	-	-	-	-
<b>Assets side :</b>					
2)	Break-up of Loans and Advances including bills receivables [other than those included in (3) below]	Amount outstanding as at 31 March 2018	Amount outstanding as at 31 March 2017		
	(a) Secured	-	-		
	(b) Unsecured	6,81,660	26,210		
	<b>Total</b>	<b>6,81,660</b>	<b>26,210</b>		
3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities				
	(i) Lease assets including lease rentals under sundry debtors:				
	(a) Financial lease	-	-		
	(b) Operating lease	-	-		
	(ii) Stock on hire including hire charges under sundry debtors:				
	(a) Assets on hire	-	-		
	(b) Repossessed Assets	-	-		
	(iii) Other loans counting towards AFC activities				
	(a) Loans where assets have been repossessed	-	-		
	(b) Loans other than (a) above	-	-		





**YES Capital (India) Private Limited**

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018

4) Break-up of Investments :	Amount outstanding as at 31 March 2018	Amount outstanding as at 31 March 2017
<b>Current Investments :</b>		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	200,00,000	50,00,000
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
<b>Long term Investments :</b>		
1. Quoted		
(i) Shares : (a) Equity	1512,50,000	1512,50,000
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted		
(i) Shares : (a) Equity	69763,90,100	14043,85,100
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
<b>Total</b>	<b>71476,40,100</b>	<b>15606,35,100</b>

5) Borrower group-wise classification of assets financed as in (2) and (3) above:	Amount net of provision as at 31 March 2018		Amount net of provision as at 31 March 2017		
	Secured	Unsecured	Secured	Unsecured	Total
1. Related Parties					
(a) Subsidiaries	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-
(c) Other related parties	-	-	-	-	-
2. Other than related parties					
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

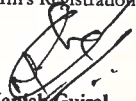


**YES Capital (India) Private Limited**

**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018**

- 23 In the opinion of the Board of Directors, current assets have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated and provision for all known liabilities has been made in the financial statements
- 24 Previous year's figures have been regrouped where necessary to conform to this year's classification.


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

  
**Manish Gujral**  
Partner  
Membership No. 105117

Place : Mumbai  
Date : 30 June 2018



For and on behalf of the Board of Directors of  
**YES Capital (India) Private Limited**

  
**Raakhee Khandon**  
Director  
DIN: 00601988

Place : Mumbai  
Date : 30 June 2018



  
**Roshini Kapoor**  
Director  
DIN: 05167806

Place : Mumbai  
Date : 30 June 2018

