


ESS KAY FINCORP LIMITED
Balance Sheet as at March 31, 2019

(Amount in Rs.)			
Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	4,60,32,258	3,50,91,900
(b) Reserves and surplus	4	5,50,58,13,960	2,02,79,16,175
		5,55,18,46,218	2,06,30,08,075
Non-current liabilities			
(a) Long-term borrowings	5	8,02,61,79,330	4,28,15,15,840
(b) Deferred tax liabilities (net)	12	-	-
(c) Other long-term liabilities	6	31,40,45,763	14,30,46,376
(d) Long-term provisions	7	10,24,80,047	5,94,11,321
		8,44,27,05,140	4,48,39,73,537
Current liabilities			
(a) Short-term borrowings	8	65,04,67,288	85,23,07,264
(b) Trade payables	9	-	-
i) total outstanding dues to micro and small enterprises; and		29,95,63,327	30,37,59,323
ii) total outstanding dues of creditors other than micro and small enterprises		4,79,03,18,782	4,35,17,22,236
(c) Other current liabilities	10	19,65,97,470	15,52,50,730
(d) Short-term provisions	7	-	-
		5,93,69,46,867	5,66,30,39,553
		19,93,14,98,225	12,21,00,21,165
TOTAL ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	17,03,76,667	12,29,86,722
(ii) Intangible assets	11	59,42,878	27,03,701
(iii) Capital work-in-progress	11	6,29,562	96,86,434
(b) Non-current investments	15 (a)	4,66,66,786	4,66,66,786
(c) Deferred tax assets (net)	12	8,24,23,239	6,23,63,995
(d) Long-term loans and advances	17	9,91,72,86,530	6,69,92,84,236
(e) Other non-current assets	13	16,96,10,375	12,59,31,059
		10,39,29,36,037	7,06,96,22,933
Current assets			
(a) Current investments	15 (b)	11,00,00,000	-
(b) Trade receivables	14	2,65,143	23,84,111
(c) Cash and bank balance	16	2,77,60,66,660	29,37,15,247
(d) Short-term loans and advances	17	6,46,23,65,981	4,63,61,88,943
(e) Other current assets	18	18,98,64,404	20,81,09,931
		9,53,85,62,188	5,14,03,98,232
		19,93,14,98,225	12,21,00,21,165
TOTAL			
Significant accounting policies and notes to the financial statements	2-44		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

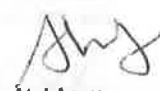
For **B S R & Co. LLP**
Chartered Accountants
Firms' Registration No: 101248W/W-100022



Manoj Kumar Vijal
Partner
M. No. : 046882

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited


Rajendra Kumar Setia
Managing Director
DIN- 00957374


Shalini Setia
Director
DIN - 02817624


Atul Arora
Chief Financial Officer


Anagha Bangur
Company Secretary

Place : Jaipur
Date : May 03, 2019

Place : Jaipur
Date : May 03, 2019

ESS KAY FINCORP LIMITED

Statement of Profit and Loss for the year ended March 31, 2019			
(Amount in Rs.)			
Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations	19	3,49,34,20,320	2,20,83,87,225
Other income	20	15,59,25,688	6,49,12,101
Total Revenue		3,64,93,46,008	2,27,32,99,326
Expense:			
Employee benefit expenses	21	70,84,48,411	50,02,04,879
Finance costs	22	1,38,46,21,714	89,45,06,497
Depreciation and amortisation expenses	23	3,21,24,975	2,33,62,425
Provisions and write offs	24	29,18,00,049	21,68,79,313
Other expenses	25	47,74,40,526	30,91,01,175
Total expenses		2,89,44,35,675	1,94,40,54,289
Profit before tax		75,49,10,333	32,92,45,037
Tax Expenses			
a. Current tax		25,49,07,427	14,19,66,102
b. Deferred tax	12	(2,99,48,680)	(1,90,91,848)
c. Taxes for earlier year		76,49,612	(1,31,51,530)
Total tax expense		23,26,08,359	10,97,22,724
Profit for the year		52,23,01,974	21,95,22,313
Basic earnings per equity share (Face value Rs. 2 each)	26	26.32	15.08
Diluted earnings per equity share (Face value Rs. 2 each)	26	26.32	15.08
Significant accounting policies and notes to the financial statements	2-44		

The notes referred to above form an integral part of the financial statements.

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For B S R & Co. LLP

Chartered Accountants

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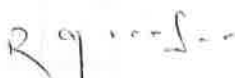
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Shalini Setia

Director

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Anagha Bangur

Company Secretary

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ESS KAY FINCORP LIMITED

Cash Flow Statement for the year ended March 31, 2019

(Amount in Rs.)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A Cash flow from operating activities		
Profit before tax	75,49,10,333	32,92,45,037
Adjustment for		
Interest expenses	1,30,96,28,308	84,78,65,330
Interest income	(2,86,46,20,337)	(1,65,60,98,335)
Depreciation and amortization expenses	3,21,24,975	2,33,62,425
Provisions and write offs	29,18,00,049	21,68,79,313
Loss on sale of fixed assets	94,527	41,110
Provision for employee benefits	2,39,89,734	1,62,79,018
Gain on sale of investments	(4,18,652)	(7,95,569)
Operating cash flow before working capital changes	(45,24,91,063)	(22,32,21,672)
Adjustment for working capital changes		
(Increase) / decrease in trade receivables	21,18,968	1,65,40,400
(Increase) / decrease in short-term loans and advances	(2,02,98,67,384)	(2,12,18,13,038)
(Increase) / decrease in long-term loans and advances	(3,21,78,11,794)	(3,00,31,20,509)
(Increase) / decrease in other non-current assets	(4,36,79,316)	1,47,45,491
(Increase) / decrease in other current assets	(1,17,22,637)	20,08,48,284
Increase / (decrease) in other current liabilities	(27,41,29,572)	22,38,62,496
Increase / (decrease) in other long-term liabilities	17,09,99,387	8,16,57,019
Increase / (decrease) in other short-term provisions	79,71,198	(1,199)
Increase / (decrease) in other long-term provisions	(20,00,583)	(16,14,853)
Increase/ (decrease) in bank deposits (having original maturity more than three months)	(1,83,14,92,970)	(4,84,88,306)
Interest paid	(1,07,36,34,761)	(81,99,73,600)
Interest received	2,89,45,88,501	1,61,22,94,473
Cash generated from operations	(5,86,11,52,026)	(4,06,82,85,014)
Direct taxes paid (net of refunds)	(28,65,12,688)	(11,58,67,540)
Net cash flow generated from / (used in) operating activities (A)	(6,14,76,64,714)	(4,18,41,52,553)
B Cash flow from investing activities		
Purchase of investments	(50,00,00,000)	-
Sale of investments	39,04,18,652	11,91,78,946
Purchase of fixed assets	(7,51,84,344)	(5,54,67,435)
Sale of fixed assets	13,92,592	4,70,000
Net cash flow generated from / (used in) investing activities (B)	(18,33,73,100)	6,41,81,511
C Cash flow from financing activities		
Proceeds from issue of share capital	1,09,40,356	80,21,000
Proceeds from share premium	2,95,55,95,812	97,27,52,840
Amount received from issuance of non-convertible debentures	6,00,00,00,000	1,85,00,00,000
Repayment of non-convertible debentures	(1,41,54,61,362)	(76,21,96,969)
Amount received from long-term borrowings	1,05,07,00,000	5,05,46,70,045
Repayment of long-term borrowings	(1,41,80,38,572)	(3,70,48,96,750)
Short-term borrowings (net)	(20,18,39,976)	39,25,90,225
Dividend tax paid	-	(251)
Net cash flow generated from / (used in) financing activities (C)	6,98,18,96,257	3,81,09,40,140
Net increase / (decrease) in cash and cash equivalent (A+B+C)	65,08,58,443	(30,90,30,902)
Add:- Cash and cash equivalent at the beginning of the year	9,18,92,940	40,09,23,842
Cash and cash equivalent at the end of the year*	74,27,51,383	9,18,92,940



*Components of cash and cash equivalents		
Balances with banks	64,45,85,195	1,28,79,290
Fixed deposits (having original maturity less than 3 months)	79,07,887	30,22,401
Cash on hand	9,02,58,301	7,59,91,249
Total	74,27,51,383	9,18,92,940

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firms' Registration No: 101248W/W-100022


Manoj Kumar Vijai
Partner

M. No. : 046882

For and on behalf of the Board of Directors of

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Managing Director

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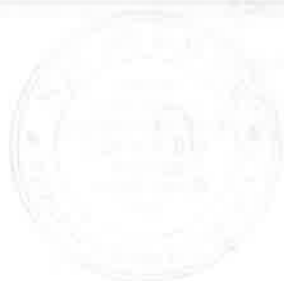

Anagha Bangur
Company Secretary

Place : Jaipur

Date : May 03, 2019

Place : Jaipur

Date : May 03, 2019



1. CORPORATE INFORMATION

Ess Kay Fincorp Limited ("the Company") is a Limited Company incorporated under the provisions of Companies Act, 1956. The Company is engaged in the business of providing finance and allied activity.

The Company is holding 'CoR' and registered as a systemically important non-deposit taking Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 and is primarily engaged in the business of lending and distribution of third party financial products.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention as a going concern and on accrual basis of accounting, unless otherwise stated, and in accordance with the generally accepted accounting principles in India ('Indian GAAP') and conform to the statutory requirements, circulars and guidelines issued by the RBI from time to time to the extent they have an impact on the financial statements and current practices prevailing in India. The financial statements have been prepared to comply in all material respects with the Accounting Standards ('AS') notified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported amounts of income and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements. Management believes that the estimates used in the preparation of these financial statements are prudent and reasonable. Any revision to accounting estimates are recognized prospectively in the current and future periods.

2.3 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:



SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Current and non-current classification (Continued)

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company considers its operating cycle to be within a year.

2.4 Revenue recognition

- a. Interest income from finance activities is recognized in the statement of profit and loss on accrual basis. In case of Non-Performing Assets ('NPA'), interest income is recognized upon realization as per RBI guidelines. Interest accrued and not realized before the classification of assets as an NPA is reversed and credited to the interest suspense account.
- b. Income from other financial charges are recognized on accrual basis, except in case of cheque bouncing charges, foreclosure charges which are accounted as and when received.

Upfront/processing fees collected from the customer are recovered and recognized at the time of disbursement of loan.

Income from other financial support services and interest on fixed deposit are accounted on accrual basis.



SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Income on direct assignment/ securitization

The Company enters into arrangements for sale of loan receivables through direct assignment / securitization. The said assets are de-recognised upon transfer of significant risks and rewards to the purchaser and on meeting the true sale criteria.

The Company retains the contractual right to receive share of future monthly interest i.e. excess interest spread ("EIS") on the transferred assets which is the difference between the pool IRR and the yield agreed with the portfolio buyer.

The Company recognizes gain / excess interest spread on direct assignment / securitization transactions in line with RBI Master Direction – Non Banking Financial Company – Systemically Important Non-deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 (as amended). Accordingly direct assignment / securitization transactions effected post issuance of the said guidelines are accounted as under:

- (i) Gain / income realized on direct assignment / securitization of loan receivables arising under premium structure is recognised over the tenure of securities issued by Special Purpose Vehicle ("SPV") / agreements. Loss, if any, is recognised upfront.
- (ii) EIS under par structure of securitization / direct assignment of loan receivables is recognised only when redeemed in cash, over the tenure of the securities issued by SPV / agreements. Loss, if any, is recognised upfront.

2.6 Advances

Advances are classified as standard, sub-standard and doubtful assets as per the Company policy approved by the board and in conformity with RBI guidelines. Interest on non-performing advances is transferred to an interest suspense account and not recognized in the statement of profit and loss until received. Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date and loans assigned and the amount pending to be disbursed.

2.7 Employee stock option plan ('ESOP')

The ESOP provides for grant of the equity shares of the Company to employees. The scheme provides that employees are granted an option to subscribe to the equity shares of the Company that vest in the graded manner. The option may be exercised within the specified period. The Company follows the intrinsic value method to account for its stock based employee compensation plan. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of the period.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Provision for Non-Performing Assets ("NPA") and Doubtful Debts

Non-performing assets ('NPA') including loans and advances, receivables are identified as sub-standard/ doubtful based on the tenor of default. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning and meets the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 prescribed by Reserve Bank of India vide circular dated on 01 Sept, 2016 (updated 31 May, 2018), as amended and the related notifications (collectively referred to as 'the framework'). These provisioning norms are considered the minimum and additional provision is made based on perceived credit risk where necessary.

All contracts which as per the management are not likely to be recovered are considered as loss assets and written-off as bad debts. Recoveries made from written off contracts are included in "Other Income".

All contracts, which are settled as per the authorization of management at the time of termination of contract, are considered as write off.

2.9 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit / functioning capability from / of such assets.

2.10 Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years (Currently 3 Years) from the date when the asset is available for use. Any expenses on intangible assets for support and maintenance payable annually are charged to the statement of profit and loss.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Depreciation on tangible assets / amortization of intangible assets

- Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives as per Schedule II of Companies Act, 2013. The Company has estimated 5% residual value at the end of the useful life for all block of assets except in software and leasehold improvements.
- For assets purchased and sold during the year, depreciation is provided on pro rata basis by the Company.
- Improvements to lease hold premises are charged off over the primary period of lease or its useful life, whichever is lower.

2.12 Impairment of tangible and intangible fixed assets

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit and loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

2.13 Investments

Investments intended to be held for not more than a year from the reporting date are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair market value whichever is less and long term investments are carried at cost. However, provision is recognized only in case of diminution, which is other than temporary in nature.

2.14 Employee Benefits

a) Gratuity

The Company provides for gratuity to all employees. The benefits is in the form of lump sum payments to vested employees on resignation, retirement or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable to each completed year of service. Vesting occurs after completion of five years of service. The same is valued by an independent external actuary as at the balance sheet date using the projected unit credit method to determine the present value of defined benefit obligation and the related service costs. Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14. Employee Benefits (Continued)

b) Provident fund

In accordance with the applicable law, all employees of the Company are entitled to receive benefits under the Provident Fund Act, 1952. The Company contributes an amount, on a monthly basis, at a determined rate to the pension scheme administered by the Regional Provident Fund Commissioner ('RPFC') and the Company has no liability for future provident fund benefits other than its annual contribution. Since it is a defined contribution plan, the contributions are accounted for on an accrual basis and recognized in the statement of profit and loss.

c) Compensated absences

The company accounts for the liability for compensated absence based on an independent actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet date. Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise.

2.15 Taxation

Tax expense comprises of current and deferred tax charged or credited to the statement of profit and loss for the year.

- a. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
- b. Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date. Deferred Tax Asset and Liability are netted off and disclosed in the balance sheet under the Head 'Deferred Tax Asset / Liability'.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with AS 20, Earnings per Share issued, by the Institute of Chartered Accountants of India. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity shareholders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

2.17 Borrowing cost

Borrowing costs consists of interest and other ancillary cost that an entity incurs in connection with borrowing of funds. Ancillary costs incurred in connection with the arrangement of borrowings are amortized over the tenor of borrowings. Unamortized borrowing costs remaining, if any, are fully expensed off as and when the related borrowing is prepaid & cancelled.

2.18 Segment reporting

The Company's primary business comprises only of financing related activities i.e. lending by way of secured and unsecured Loans to various types of customers. For the purpose of AS-17, the Company operates only in India hence it has only one geographical segment viz. India.

2.19 Operating lease

Lease rentals in respect of assets taken on operating leases are charged to the Statement of Profit and Loss account over the lease term in accordance with AS - 19, Leases, issued by the Institute of Chartered Accountants of India.

2.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.21 Cash & cash equivalent

Cash and Cash equivalent comprise of cash and cash on deposit with bank. The Company considers all investments as highly liquidated if the investment having an original maturity at the date of purchase of three months or less and they are readily convertible.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.22 Provisions, contingent liabilities and contingent assets**

The Company recognizes provision when there is present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. In cases where the available information indicates that the loss on the contingencies is reasonable possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to reflect the current management estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A disclosure of contingent liabilities is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements.

2.23 Provision on receivables from financing activity

Provision is made for Secured /Unsecured loans/ advances and Contingent assets as per Company's policy subject to the minimum provision required as per Non-banking finance companies prudential norms (Reserve Bank) directions, 2016. The details of which are as under: -

Particulars	F.Y. 2018-2019
a. Standard Assets	
Upto 90 days past due	0.40% of outstanding amount
b. Substandard Assets	
Upto 2 month	10.00% of outstanding amount
More than 2 months upto 3 months	15.00% of outstanding amount
More than 3 months upto 9 months	20.00% of outstanding amount
More than 9 months upto 12 months	50.00% of outstanding amount
c. Doubtful assets	
Upto 2 month	50.00% of outstanding amount
More than 2 month	100.00% of outstanding amount
d. Assigned Cases	Provisioning norms will be at par with own books provisioning.

2.24 Loan origination costs

Brokerages, commission, incentive to employees etc. paid at the time of acquisition of loans are charged to revenue.



ESS KAY FINCORP LIMITED

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

3 Share capital

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Authorised		
28,750,000 equity shares of Rs 2 each (year ended March 31, 2018 : 575,000 equity shares of Rs. 100 each) (refer note 3.5)	57,500,000	57,500,000
Issued, subscribed and paid up		
23,016,129 equity shares of Rs 2 each (year ended March 31, 2018 : 350,919 equity shares of Rs. 100 each)	46,032,258	35,091,900
Total	46,032,258	35,091,900

3.1 Reconciliation of number of shares

(Amount in Rs.)

Particulars	March 31, 2019		March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 100 each fully paid up				
Shares outstanding at the beginning of the year	350,919	35,091,900	270,709	27,070,900
Shares issued - Preferential Issue	-	-	80,210	8,021,000
Shares split during the year	(350,919)	(35,091,900)	-	-
Shares outstanding at the end of the year of Rs. 100 each	-	-	350,919	35,091,900
Equity shares of Rs. 2 each fully paid up				
Shares outstanding at the beginning of the year	-	-	-	-
Shares split during the year	17,545,950	35,091,900	-	-
Shares issued - Preferential issue	4,715,529	9,431,058	-	-
Shares issued - Share warrants	754,650	1,509,300	-	-
Shares issued - Exercise for ESOP scheme	-	-	-	-
Equity shares outstanding at the end of the year of Rs. 2 each	23,016,129	46,032,258	-	-

3.2 Terms and rights attached to equity shares

The Company has only one class of outstanding equity shares having a par value of Rs. 2 per share. Each shareholder is entitled to one vote per share. During the year the company has not declared and paid any dividend. In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity share holders.

3.3 Details of shareholders holding more than 5% equity shares are as under:

Particulars	March 31, 2019		March 31, 2018	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity shares of Rs. 2 each				
Rajendra Kumar Sella	9,801,097	41.71%	-	-
Norwest Venture Partners X - Mauritius	5,646,047	24.53%	-	-
TPG Growth IV Sfr Pte. Ltd.(SC)	3,072,538	13.35%	-	-
Baring Private Equity India AIF	1,540,400	6.69%	-	-
Evolence Coinvest I	1,899,647	8.25%	-	-
Equity shares of Rs. 100 each				
Rajendra Kumar Sella	-	-	180,283	51.38%
Norwest Venture Partners X - Mauritius	-	-	85,824	24.46%
Baring Private Equity India AIF	-	-	30,806	8.78%
Evolence Coinvest I	-	-	28,876	8.23%

3.4 Number of shares reserved for ESOPs

Particulars	March 31, 2019	March 31, 2018
Equity shares of Rs. 2 fully paid up		
Number of shares reserved for ESOPs (Refer Note 27B)	405,250	-

3.5 During the year ended March 31, 2019, the authorized share capital of the Company having Face value of Rs. 100 each was split into 50 shares of Rs. 2 each.

3.6 Pursuant to the approval of the shareholders of the Company w.e.f. September 11, 2018 ("Record date") 350,919 equity shares of face value of Rs. 100 each were sub-divided into 17,545,950 equity shares of face value of Rs. 2 each.

3.7 During the year, the Company has issued 4,715,529 equity shares by way of private placement having face value of Rs. 2 each at a premium of Rs. 594.29 per equity shares.



ESS KAY FINCORP LIMITED

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

- 3.8 During the year, Rajendra Kumar Setia (Promoter) exercised the option to convert 15,093 warrants, issued on preferential basis, upon payment of Rs. 1,881.68 lakhs and accordingly, 754,650 equity shares of the face value of Rs. 2 each were allotted to Rajendra Kumar Setia on October 13, 2018 at a premium of Rs. 247.35 per equity share. The funds received upon allotment have been utilised for meeting funding requirements of the business activities of the Company as per the objects of the issue.



ESS KAY FINCORP LIMITED
Notes to the financial statements for the year ended March 31, 2019
4 Reserves and surplus

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Securities premium account		
Opening balances	1,223,539,844	250,787,004
Additions during the year on account of issue of shares	2,989,059,643	891,877,925
Deduction during the year on account of issue of shares (refer note 4.1)	33,463,831	19,225,085
Closing Balance	4,179,135,655	1,223,539,844
Statutory reserve		
Opening balances	160,854,729	116,950,266
Add:- Addition during the year	104,460,395	43,904,463
Closing balance	265,315,124	160,854,729
Surplus in the statement of profit and loss		
Opening balances	643,521,602	487,903,752
Add: Profit for the year	522,301,974	219,522,313
Less: Transfer to statutory reserve (refer note 4.2)	104,460,395	43,904,463
Closing balance	1,061,363,181	643,521,602
Total	5,505,813,880	2,027,916,175

4.1 Expenses incurred in connection with issue of fresh equity shares have been charged off against the available balance of the 'Securities Premium Account' in accordance with the provisions of Section 52(2)(c) of the Companies Act, 2013.

4.2 In accordance with the provisions of section 45-IC of the RBI Act, 1934, the Company has created a Statutory Reserve and during the year the Company has transferred 20% profit after tax to the said Statutory Reserve.

5 Long-term borrowings

(Amount in Rs.)

Particulars	Non-Current		Current*	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(A) Privately placed redeemable non-convertible debentures				
Secured (refer note 5.1)	4,569,999,997	778,485,841	1,878,485,839	1,010,461,357
Unsecured (refer note 5.2)	450,000,000	450,000,000	-	75,000,000
	5,019,999,997	1,228,485,841	1,878,485,839	1,085,461,357
(B) Term loans				
Secured				
From banks (refer note 5.3)	1,296,357,180	1,558,459,117	1,377,077,600	1,449,257,163
From others (refer note 5.4)	1,309,822,154	1,094,570,882	1,059,473,264	1,136,844,108
	2,606,179,334	2,653,029,999	2,436,550,864	2,586,101,271
(C) Privately placed subordinated (Tier II) redeemable bonds				
Unsecured NCD (refer note 5.5)	200,000,000	200,000,000	-	-
Unsecured term loan (refer note 5.5)	200,000,000	200,000,000	-	170,937,500
	400,000,000	400,000,000	-	170,937,500
TOTAL (A+B+C)	8,026,179,330	4,281,515,840	4,315,036,703	3,842,500,128
Secured	7,176,179,330	3,431,515,840	4,315,036,703	3,596,562,628
Unsecured	850,000,000	850,000,000	-	245,937,500
Total	8,026,179,330	4,281,515,840	4,315,036,703	3,842,500,128

*Disclosed under the head "other current liability" (refer note 10)



ESS KAY FINCORP LIMITED

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

5.1 Schedule of secured privately placed non-convertible redeemable debentures						
ISIN	Face value	No of debentures	First redemption Date	Final redemption date	Rate	Amount outstanding
INE124N07234	100	5,000,000	5-Mar-24	5-Mar-24	11.16%	500,000,000
INE124N07127	100,000	2,500	12-Nov-21	12-Nov-21	10.85%	250,000,000
INE124N07143	1,000,000	500	11-Jun-21	11-Jun-21	10.80%	500,000,000
INE124N07168	1,000,000	750	11-Jun-21	11-Jun-21	10.90%	750,000,000
INE124N07200	1,000,000	750	11-Jun-21	11-Jun-21	10.90%	750,000,000
INE124N07176	1,000,000	1,500	25-Nov-18	24-May-21	11.23%	1,250,000,000
INE124N07226	1,000,000	750	25-Sep-20	25-Sep-20	11.14%	750,000,000
INE124N07184	1,000,000	250	31-Aug-20	31-Aug-20	11.14%	250,000,000
INE124N07077	20,000	7,500	18-Aug-20	18-Aug-20	11.75%	70,000,000
INE124N07093	1,000,000	350	17-Jan-20	17-Jan-20	10.60%	145,833,333
INE124N07085	1,000,000	200	27-Dec-19	27-Dec-19	10.85%	112,500,000
INE124N07085	1,000,000	300	27-Dec-19	27-Dec-19	10.85%	75,000,000
INE124N07101	1,000,000	250	27-Dec-19	27-Dec-19	10.60%	102,272,727
INE124N07150	1,000,000	750	27-Sep-19	27-Sep-19	10.85%	750,000,000
INE124N07119	100,000	2,000	12-Sep-19	12-Sep-19	9.75%	92,307,692
INE124N07028	1,000,000	480	30-May-19	30-May-19	14.75%	53,333,334
INE124N07036	500	188,855	5-Feb-19	5-May-19	12.05%	47,238,750
Total						6,448,485,836

Note:-

The total amount of personal guarantee given by directors and others, against the NCD amounts to Rs. 2,027,913,756 during the year ended March 31, 2019 as compared to Rs. 1,384,469,698 during the year ended March 31, 2018.

5.2 Schedule of unsecured privately placed non-convertible redeemable debentures						
ISIN	Face value	No of debentures	First redemption Date	Final redemption date	Rate	Amount outstanding
INE124N08034	1,000,000	200	29-Sep-22	29-Sep-22	13.00%	200,000,000
INE124N08087	1,000,000	250	12-Jan-21	12-Jan-21	12.75%	250,000,000
Total						450,000,000



ESS KAY FINCORP LIMITED

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

Particulars	Initiation date	Maturity date	Sanctioned loan	March 31, 2019	March 31, 2018
Andhra Bank Limited-26930100007532	31-Mar-17	29-Jun-20	150,000,000	62,538,771	112,556,764
AU Small Finance Bank-9001130111002220	28-Mar-17	5-Jul-20	550,000,000	225,641,005	394,871,795
AU Small Finance Bank-90011301114744581	10-May-18	5-Dec-21	250,000,000	196,428,671	-
Axix Bank Limited-817060028955174	28-Apr-17	30-Jun-20	250,000,000	105,261,948	189,273,756
Bank of Baroda-39500600000047	30-Mar-15	1-Sep-18	150,000,000	-	24,750,000
Bank of India-665564610000028	8-Nov-16	30-Apr-20	150,000,000	-	103,957,047
Bank of Maharashtra-60207676814	14-Mar-16	1-Jul-18	250,000,000	-	20,056,276
DCB Bank-11155100000073	19-Aug-16	31-Aug-19	100,000,000	13,200,000	46,800,000
DCB Bank-111551000000134	8-Nov-17	31-Oct-20	130,000,000	68,800,000	112,000,000
HDFC Bank-638893142	5-Feb-18	5-Jan-23	400,000	389,626	-
HDFC Bank-39108919	23-Apr-16	5-May-21	600,000	285,070	412,140
HDFC Bank-39277263	26-Apr-16	5-May-21	1,200,000	590,128	824,270
HDFC Bank-39514994	1-May-16	5-May-21	300,000	147,548	206,081
HDFC Bank-39808570	21-May-16	5-May-21	1,350,000	658,657	920,001
HDFC Bank-40098748	1-Jun-16	7-Jun-21	608,000	309,326	427,024
HDFC Bank-40099350	1-Jun-16	7-Jun-21	395,000	200,956	277,422
HDFC Bank-40114343	1-Jun-16	7-Jun-21	672,000	341,870	471,961
HDFC Bank-40114505	1-Jun-16	7-Jun-21	672,000	341,870	471,961
HDFC Bank-40114606	1-Jun-16	7-Jun-21	399,000	202,977	280,220
HDFC Bank-40249806	6-Jun-16	7-Jun-21	334,000	169,924	234,581
HDFC Bank-40250682	8-Jun-16	7-Jun-21	608,000	309,311	427,012
HDFC Bank-40251335	8-Jun-16	7-Jun-21	608,000	309,311	427,012
HDFC Bank-40255133	8-Jun-16	7-Jun-21	331,000	168,398	232,474
HDFC Bank-40256686	8-Jun-16	7-Jun-21	399,000	202,990	280,231
HDFC Bank-40256999	8-Jun-16	7-Jun-21	382,000	194,344	268,292
HDFC Bank-40257717	8-Jun-16	7-Jun-21	400,000	203,499	280,933
HDFC Bank-40348817	22-Jun-16	5-Jul-21	400,000	210,235	287,061
HDFC Bank-40349410	22-Jun-16	5-Jul-21	595,000	312,719	426,999
HDFC Bank-40349870	29-Jun-16	5-Jul-21	700,000	367,903	502,350
HDFC Bank-40357760	22-Jun-16	5-Jul-21	700,000	367,903	502,350
HDFC Bank-40358424	22-Jun-16	5-Jul-21	551,000	289,584	395,423
HDFC Bank-40358804	22-Jun-16	5-Jul-21	944,000	496,152	677,462
HDFC Bank-40359170	22-Jun-16	5-Jul-21	359,000	188,688	257,639
HDFC Bank-40404311	22-Jun-16	5-Jul-21	400,000	210,235	287,061
HDFC Bank-40586985	29-Jun-16	5-Jul-21	700,000	367,903	502,350
HDFC Bank-40700985	6-Jul-16	5-Jul-21	603,000	316,924	432,740
HDFC Bank-40706585	6-Jul-16	5-Jul-21	551,000	289,584	395,423
HDFC Bank-40706883	29-Jun-16	5-Jul-21	1,000,000	525,584	717,649
HDFC Bank-40881610	21-Jul-16	5-Aug-21	523,000	283,618	383,279
HDFC Bank-47817782	31-May-17	5-Jun-22	900,000	627,297	788,057
HDFC Bank-48843353	30-Jun-17	5-Jul-22	700,000	498,730	622,885
HDFC Bank-49118300	30-Jun-17	5-Jul-22	888,000	703,924	879,158
HDFC Bank-4926491	9-Aug-17	7-Aug-22	700,000	509,482	632,764
HDFC Bank-49927120	8-Sep-17	7-Sep-22	400,000	297,236	367,186
HDFC Bank-50281029	22-Aug-17	5-Sep-22	600,000	445,848	550,776
HDFC Bank-50284044	24-Aug-17	5-Sep-22	700,000	520,159	642,574
HDFC Bank-50288515	22-Aug-17	5-Sep-22	600,000	445,848	550,776
HDFC Bank-50292660	26-Aug-17	5-Sep-22	600,000	445,848	550,776
HDFC Bank-50543628	30-Aug-17	5-Sep-22	700,000	520,159	642,574
HDFC Bank-59080119	17-Jul-18	7-Jul-23	700,000	624,219	-
HDFC Bank-60555445	5-Nov-18	5-Oct-23	400,000	373,413	-
HDFC Bank-60940381	7-Oct-18	7-Sep-23	2,000,100	1,836,800	-
HDFC Bank-61662324	24-Sep-15	7-Oct-18	150,000,000	-	33,283,594
HDFC Bank-82324547	28-Nov-16	7-Dec-19	100,000,000	27,927,150	62,431,687
HDFC Bank-83121958	31-Mar-18	7-Apr-21	100,000,000	72,713,737	100,000,000
HDFC Bank-83374483	7-Mar-19	7-Mar-22	250,000,000	250,000,000	-
HDFC Bank-83383566	6-Sep-18	7-Sep-22	150,000,000	134,510,750	-
IDBI Limited-0142673200000851	26-Aug-15	1-Nov-18	100,000,000	-	22,222,216
IDBI Limited-0142673200000888	18-Oct-16	1-Jan-20	150,000,000	-	91,200,000
Indusind Bank Limited-733000000016	6-Dec-17	30-Nov-20	250,000,000	148,345,588	225,577,382
Indusind Bank Limited-7330000000137	4-Nov-18	4-Nov-22	150,000,000	139,686,749	-
Karnataka Bank Limited-3647901600351901	10-Aug-16	10-Feb-20	50,000,000	16,386,462	33,198,957
Karur Vysya Bank-4501742000000023	30-Jun-15	30-Nov-18	150,000,000	-	37,500,000
Lakshmi Vilas Bank-03417850000000015	30-Dec-15	30-Jun-19	100,000,000	-	41,666,669
Oriental Bank of Commerce-00617025004561	29-Oct-15	31-Jan-19	200,000,000	-	65,287,862
Oriental Bank of Commerce-00617025006071	18-Feb-17	31-May-20	100,000,000	41,616,303	74,998,520
Ratanak Bank-909000027225	30-Jun-16	30-Jun-18	100,000,000	-	12,500,000
Ratanak Bank-909000043881	28-Aug-17	28-Feb-20	150,000,000	55,000,000	115,000,000
Ratanak Bank-909000052098	28-Feb-18	28-Feb-21	229,000,000	154,374,236	223,340,302
Ratanak Bank - III	8-Mar-19	8-Mar-22	320,000,000	320,000,000	-
Small Industrial and Development Bank of India-I	30-Nov-16	10-May-22	150,000,000	85,000,000	125,000,000
South Indian Bank Limited-0157652000006491	23-Feb-16	23-Feb-20	50,000,000	13,326,000	26,662,000
South Indian Bank Limited-0157652000006510	5-Oct-16	5-Oct-20	120,000,000	82,500,000	82,500,000
State Bank of India-61311295566	31-Mar-16	31-Mar-19	150,000,000	-	49,704,702
Tamilnad Mercantile Bank-2147004701000023	28-Oct-15	21-Apr-19	100,000,000	2,777,805	36,111,129
Ujjivan Small Finance Bank-1102220270000000	31-Dec-18	31-Dec-20	200,000,000	175,000,000	-
Utkarsh Small Finance Bank-I	21-Dec-17	21-Mar-21	200,000,000	133,333,336	200,000,000
Vijaya Bank-702709051000001	19-May-17	30-Apr-22	50,000,000	34,246,215	45,370,375
Yes Bank-I	20-Oct-16	20-Oct-18	120,000,000	-	27,500,000
Yes Bank-II	5-Jan-18	20-Feb-20	272,500,000	117,708,334	253,958,333
Total				2,673,434,780	3,007,716,280

Note:-

The interest rate subsisting as on March 31, 2019 from banks is in the range between 8.50% to 13.00%.

The loans are secured by the personal guarantee of Mr. Arjun Das Setia, who is relative of Mr. Rajendra Kumar Setia.

The total amount of personal guarantees given by directors and others, against the borrowings from banking institutions, amounts to Rs. 2,656,322,321 in FY ended on March 31, 2019 as compared to Rs. 2,664,279,356 in FY ended March 31, 2018.



ESS KAY FINCORP LIMITED

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

5.4 Schedule of Secured term loan from others

Particulars	Initiation date	Maturity date	Sanctioned loan	March 31, 2019	March 31, 2018
Audi Financial Services-I	3-Nov-16	3-Oct-20	3,000,000	1,314,066	2,055,116
Bajaj Finance Limited-I	29-Sep-17	29-Mar-21	200,000,000	123,076,910	184,615,352
Bajaj Finance Limited-II	31-Mar-19	28-Feb-22	250,000,000	243,055,555	-
BMW Financial Services-I	16-Nov-15	16-Oct-18	6,500,000	-	1,427,614
Clix Finance India Private Limited	1-Dec-17	30-Nov-20	300,000,000	178,478,118	271,135,975
IDFC First Limited-I	6-Feb-17	5-Feb-19	150,000,000	-	75,000,000
Fedbank Financial Services Limited-I	1-Feb-18	1-Jan-18	100,000,000	-	100,000,000
Fedbank Financial Services Limited-II	1-Feb-18	1-Jan-22	50,000,000	40,435,278	50,000,000
Fedbank Financial Services Limited-III	31-Jul-18	1-Aug-22	50,000,000	48,564,453	-
Fedbank Financial Services Limited-IV	31-Jul-18	1-Aug-19	50,000,000	27,751,125	-
Hinduja Leyland Finance Limited-I	29-Feb-16	7-Mar-19	50,000,000	-	18,744,409
Hinduja Leyland Finance Limited-II	12-Aug-16	7-Aug-19	100,000,000	16,102,681	51,612,511
Hinduja Leyland Finance Limited-III-I	31-Mar-17	7-Apr-20	100,000,000	40,083,213	73,038,576
Hinduja Leyland Finance Limited-III-II	7-Jun-17	7-May-20	70,000,000	29,920,223	52,655,187
Hinduja Leyland Finance Limited-IV	7-Aug-17	7-Jul-20	70,000,000	34,040,668	56,459,309
Hinduja Leyland Finance Limited-V	10-Dec-17	10-Nov-20	75,000,000	44,666,426	67,806,100
Hinduja Leyland Finance Limited-VI	30-Apr-18	31-Mar-21	200,000,000	140,327,604	200,000,000
Magma Fincorp Limited-I	29-Jan-18	29-Jan-21	100,000,000	64,711,600	95,213,085
Mahindra and Mahindra Financial Services Limited-I	21-Dec-17	21-Sep-18	200,000,000	-	102,607,580
Mahindra and Mahindra Financial Services Limited-II	21-Dec-17	21-Mar-20	100,000,000	43,423,807	82,198,429
Mahindra and Mahindra Financial Services Limited-III	25-Jun-18	20-Mar-19	250,000,000	-	250,000,000
Mahindra and Mahindra Financial Services Limited-IV	23-Apr-18	23-Apr-19	250,000,000	64,989,651	-
Manappuram Finance Limited-I	30-Nov-17	31-May-20	250,000,000	160,714,285	232,142,857
Manappuram Finance Limited-II	18-Mar-19	18-Mar-22	500,000,000	500,000,000	-
Nabkisan Finance Limited-I	31-Oct-17	31-Jan-22	150,000,000	112,445,812	149,997,260
Nabkisan Finance Limited-II	31-Jul-19	30-Apr-24	77,500,000	78,196,042	-
Tata Capital Financial Services Limited-20754602	22-Jun-18	20-Jun-21	50,000,000	37,489,900	-
Tata Capital Financial Services Limited-7470504	25-Jul-17	25-Jun-20	100,000,000	41,666,200	74,999,800
Tata Capital Financial Services Limited-7772720	25-Sep-17	25-Jun-20	50,000,000	22,058,600	39,705,800
Viviti Capital Private Limited-I	27-Apr-19	29-Sep-22	100,000,000	100,000,000	-
Volkswagen Finance Private Limited-I	1-Dec-18	1-Nov-21	200,000,000	175,774,200	-
Total				2,369,295,418	2,231,414,990

Note:-

The interest rate subsisting as on March 31, 2019 from Financial Institutions is in the range between 9.04% to 13.98%.

The total amount of personal guarantee given by directors and others, against the borrowings from Financial Institutions amounts to Rs. 1,433,346,017 in financial year ended on March 31, 2019 as compared to Rs. 1,365,667,302 in financial year ended on March 31, 2018.

5.5 Schedule of privately placed subordinated (Tier II) redeemable bonds

Loan ID number	Category	Initiation date	Maturity date	Sanctioned loan	March 31, 2019	March 31, 2018
IDFC First bank Limited	Subordinates debts	1-Jan-19	31-Aug-22	200,000,000	200,000,000	200,000,000

Note:-

Privately placed subordinated (Tier II) redeemable bonds are covered by the Personal Guarantee of Director amounting to Rs. 200,000,000 in financial year ended on March 31, 2019 as compared to Rs. 200,000,000 in financial year ended on March 31, 2018.

ISIN	Face value	No of debentures	First redemption Date	Final redemption date	Rate	Amount outstanding
INE124N08042	1,000,000	200	3-Feb-23	3-Feb-23	13.50%	200,000,000



ESS KAY FINCORP LIMITED
Notes to the financial statements for the year ended March 31, 2019
6 Other long-term liabilities

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Unrealised gain on loan transfers under securitisation transactions	86,356,705	115,328,821
Interest accrued but not due	227,689,058	27,717,555
TOTAL	314,045,763	143,046,376

7 Long-term and short-term provisions

(Amount in Rs.)

Particulars	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(a) Provision for employee benefits				
- Gratuity	23,743,567	15,202,820	2,788,622	1,744,096
- Leave encashment	26,333,213	16,071,376	5,019,586	2,877,745
- Provision for bonus and incentives	-	-	7,971,198	-
(b) Other provisions				
- Provision for income taxes	-	-	615,342	34,184,613
- Contingent provision against other advances	-	-	26,711,314	24,005,346
- Contingent provision against standard assets	36,942,156	24,454,213	21,901,324	14,600,044
- Provision on sub-standard assets	15,461,111	3,683,112	77,624,108	67,929,332
- Provision on doubtful and loss assets	-	-	53,965,976	9,909,554
TOTAL	102,480,047	59,411,321	196,597,470	155,250,730

8 Short-term borrowings

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Secured		
Loan repayable on demand	257,487,727	359,303,659
Working capital demand loan	392,979,561	493,003,605
TOTAL	650,467,288	852,307,264

Note:-

The total amount of personal guarantee given by directors and others, against the cash credit limits amounts to Rs. 257,487,727 in financial year ended on March 31, 2019 as compared to Rs. 359,303,659 in financial year ended on March 31, 2018.

The total amount of personal guarantee given by directors and others, against the working capital demand loans amounts to Rs. 392,979,561 in financial year ended on March 31, 2019 as compared to Rs. 493,003,605 in financial year ended on March 31, 2018.

9 Trade payables

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Trade payables (refer note 35)		
i) total outstanding dues to micro and small enterprises, and		
ii) total outstanding dues to creditors other than micro and small enterprises	299,563,327	303,759,323
TOTAL	299,563,327	303,759,323

10 Other current liabilities

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
(a) Current maturities of term loans from banks and non-convertible debentures (refer note 5)	4,315,036,703	3,842,500,128
(b) Other payables		
Overdue balances in current account with banks	37,292	4,974,568
Interest accrued but not due	90,064,614	54,042,570
Unrealised gain on loan transfers under securitization transactions	193,953,417	262,049,998
Statutory dues payables	33,936,025	22,286,150
Dividend payable	5,995	5,995
Other advances	80,400,489	103,005,649
Creditors for other expenses (refer note 10.1)	76,882,247	62,856,878
TOTAL	4,790,318,782	4,351,722,236

10.1 Creditors for other expenses includes Rs. Nil (Previous year: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The above is based on the information available with the Company which has been relied upon by the auditors.

10.2 In terms of the accounting policies stated in 2.5, securitisation income is recognised as per RBI guidelines dated 21.08.2012. Accordingly, interest only (I/O) strip representing present value of interest spread receivable has been recognised and reflected under loans and advances (refer note 17) and equivalent amount of Unrealised gain has been recognised as liabilities (refer note 6 and 10).



11 Fixed Assets

(a) for the financial year ended on March 31, 2019:

Description	Gross Block				Depreciation & amortization				Net block
	Opening balance	Addition	Adjustment/ Deletion	Total	Opening balance	Addition	Adjustment/ Deletion	Total	
Tangible assets									
Land	888,365	-	-	888,365	-	-	-	-	888,365
Leasehold improvements	18,231,413	32,839,055	1,001,471	47,128,998	1,529,939	2,815,445	160,464	4,104,921	42,934,077
Furniture and fixtures	55,050,216	15,198,600	-	70,288,816	14,206,326	6,186,444	-	20,392,770	49,896,047
Computers	40,954,217	15,077,340	-	56,031,557	23,390,082	8,893,577	-	33,283,659	22,747,898
Vehicles	50,750,023	4,889,125	770,000	54,669,148	11,408,646	8,257,394	140,473	17,525,567	37,143,581
Office equipments	18,093,535	10,210,286	16,585	28,287,236	7,478,054	4,844,482	-	11,620,536	16,796,700
Total	181,007,769	78,074,486	1,788,056	257,254,120	58,821,047	29,187,343	300,937	86,917,453	170,376,667
Intangible assets									
Software	7,132,091	6,166,808	-	13,298,899	4,428,390	2,927,632	-	7,356,022	5,942,878
Total	7,132,091	6,166,808	-	13,298,899	4,428,390	2,927,632	-	7,356,022	5,942,878
Capital work-in-progress (CWIP)									
Leasehold improvements (building)	9,686,434	25,229,368	34,280,180	629,502	-	-	-	-	629,502
Total	9,686,434	25,229,368	34,280,180	629,502	-	-	-	-	629,502
Grand Total (other than CWIP)	188,139,860	84,241,215	1,788,056	270,593,919	62,449,437	32,124,875	300,937	94,273,476	176,319,545

(b) for the financial year ended on March 31, 2018:

Description	Gross Block				Depreciation & Amortization				Net Block
	Opening balance	Addition	Adjustment/ Deletion	Total	Opening balance	Addition	Adjustment/ Deletion	Total	
Tangible assets									
Land	-	888,365	-	888,365	-	-	-	-	888,365
Leasehold improvements	7,813,752	7,417,061	-	15,231,413	248,104	1,291,835	-	1,539,839	13,691,474
Furniture and fixtures	45,203,548	9,886,867	-	55,090,216	9,391,890	4,814,636	-	14,206,326	40,883,890
Computers	29,216,638	11,237,579	-	40,454,217	15,890,050	7,500,032	-	23,390,082	17,564,135
Vehicles	42,085,144	9,260,395	595,516	50,750,023	6,698,681	5,572,812	70,647	11,408,646	39,341,377
Office equipments	12,961,233	5,132,302	-	18,093,535	4,718,460	2,757,574	-	7,476,034	10,617,481
Total	137,780,318	43,822,869	595,516	181,007,769	36,155,005	21,836,689	70,647	58,021,047	122,986,722
Intangible assets									
Software	5,174,059	1,968,032	-	7,132,091	3,002,654	1,425,736	-	4,428,390	2,703,701
Total	5,174,059	1,968,032	-	7,132,091	3,002,654	1,425,736	-	4,428,390	2,703,701
Capital work-in-progress (CWIP)									
Leasehold improvements (building)	-	9,686,434	-	9,686,434	-	-	-	-	9,686,434
Total	-	9,686,434	-	9,686,434	-	-	-	-	9,686,434
Grand Total (other than CWIP)	142,954,375	45,781,091	595,516	188,139,860	39,157,659	23,362,425	70,647	82,449,437	125,030,423



ESS KAY FINCORP LIMITED

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

12 Deferred tax assets (net):

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Deferred tax liabilities		
Depreciation and amortisation	701,315	2,172,116
Deferred tax liabilities	701,315	2,172,116
Deferred tax asset		
Provision on loans and advances	67,734,864	50,036,800
Provision on rent straight lining	807,332	-
Provision for employee benefit expenses	14,582,358	14,489,311
Deferred tax assets	83,124,554	64,536,111
Net deferred tax assets	82,423,239	62,363,995

13 Other non-current assets

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Term deposits, lien with banks (refer note 16.1)	38,838,778	11,900,000
Term deposits, lien with securitisation trust (refer note 16.1)	96,375,905	85,151,357
Unamortised borrowing cost	20,381,841	23,406,221
Prepaid expenses	14,013,852	5,473,481
Total	169,610,375	125,931,059

14 Trade receivables

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Trade receivable (unsecured considered good)	-	2,375,132
Outstanding less than six months	-	8,979
Outstanding above six months	265,143	-
TOTAL	265,143	2,384,111

15 (a) Non-current investments

(Amount in Rs.)

Particulars	March 31, 2019		March 31, 2018	
	No of Units	Amount	No of Units	Amount
Non trade unquoted investment (valued at cost unless stated otherwise)				
Pass through certificates for securitisation / assignment of loan assets (Face value Rs. 1 each, Previous year Rs. 1 each)	46,666,786	46,666,786	46,666,786	46,666,786
TOTAL	46,666,786	46,666,786	46,666,786	46,666,786

Particulars	March 31, 2019		March 31, 2018	
	Cost	Market value*	Cost	Market value*
Aggregate value of unquoted Investments	46,666,786	-	46,666,786	-
Aggregate provisions for diminution of quoted Investments	-	-	-	-

*Investments being unquoted so market value of the same is not available

15 (b) Current Investments

(Amount in Rs.)

Particulars	March 31, 2019		March 31, 2018	
	No of Units	Amount	No of Units	Amount
Non trade unquoted investment				
Investments in Mutual funds				
SBI Magnum Medium Duration Fund Regular Growth (NAV: Rs. 30.6916)*	162,911	5,000,000	-	-
SBI Dual Advantage Fund-Series XXIX-Regular Growth (NAV: Rs. 10)*	500,000	5,000,000	-	-
Northern Arc Money Market Alpha Fund (NAV: Rs. 100)	1,000,000	100,000,000	-	-
Aggregate amount of book value of unquoted investment	1,662,911	110,000,000	-	-
Aggregate amount of market value of unquoted investment	1,662,911	110,862,711	-	-

*Mutual fund earmarked in favour of State Bank of India



ESS KAY FINCORP LIMITED

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

16 Cash and bank balance

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
(a) Cash and cash equivalents		
Cash in hand	90,258,301	75,991,249
Balances with bank	644,585,195	12,879,290
Deposits (having original maturity less than three months)	7,907,887	3,022,401
(b) Other bank balances		
Term deposits, lien with banks (Refer Note 16.1)	45,215,829	146,548,270
Term deposits, lien with securitisation trust (Refer Note 16.1)	78,189,448	55,274,037
Deposit (maturity less than twelve months)	1,909,800,000	-
TOTAL	2,776,066,660	293,715,247

16.1 FDR balances with bank (kept as margin money against guarantees/loan)

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
-Maturity within 3 months from date of acquisition	7,907,887	3,022,401
-Maturity after 3 months to 1 year from date of acquisition	55,806,833	44,144,287
-Maturity within 1 year from reporting date	67,608,443	157,678,020
Shown under cash and bank balances	131,323,163	204,844,708
-Maturity more than 12 months	135,214,683	87,051,357
Shown under other non-current assets (refer note 13)	135,214,683	87,051,357
TOTAL	266,537,846	301,896,065

17 Loans and advances

(Amount in Rs.)

Particulars	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Receivable under financing activity				
Secured				
Standard	9,230,014,324	6,113,553,320	5,432,803,631	3,882,907,720
Sub-standard	152,552,511	204,111	322,893,553	321,364,219
Doubtful	-	81,888	103,457,029	19,106,414
Unsecured				
Standard	5,524,811	-	42,527,309	9,778,759
Sub-standard	2,058,597	-	4,658,797	-
Doubtful	-	-	368,835	-
Trade Advances	-	-	19,960,413	36,187,101
Other loans and advances				
Unsecured advances, considered good				
Advance to staff	-	-	2,488,269	2,209,637
Other advances	-	-	61,549,025	59,747,882
Security deposits	8,505,335	6,313,136	-	-
Secured advances				
Retained interest under securitisation / assignment transactions	430,203,211	461,538,925	265,332,745	33,102,648
Interest only strip (I/O) strip (refer note 10.2)	86,356,705	115,328,821	193,953,417	262,049,998
Other statutory receivables	2,071,035	2,264,035	12,372,958	8,734,565
TOTAL	9,917,286,530	6,699,284,236	6,462,365,981	4,638,188,943

18 Other current assets

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
Prepaid expenses	8,956,050	5,012,807
Unamortised borrowing cost and servicing fees	31,009,206	23,229,812
Incomes accrued but not received	149,869,148	179,867,312
TOTAL	189,834,404	208,109,931



ESS KAY FINCORP LIMITED

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

19 Revenue from operations (Amount in Rs.)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue		
Interest income	2,864,620,337	1,656,098,335
Income from assignments	259,420,717	312,294,081
Total revenue	3,124,041,053	1,968,392,426
Other operating revenue		
Other financing fee income	369,379,267	239,994,799
Total other operating revenue	369,379,267	239,994,799
TOTAL	3,493,420,320	2,208,387,225
20 Other Income (Amount in Rs.)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from support services	43,120,094	11,330,793
Write offs recovered	38,804,455	14,594,912
Income from fixed deposits	68,204,217	32,785,453
Gain on sale of current investments	418,652	785,569
Interest from margin money deposits	5,184,797	4,167,736
Miscellaneous income	183,473	1,227,638
TOTAL	155,925,688	64,912,101
21 Employee benefit expenses (Amount in Rs.)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	635,602,498	445,888,154
Contribution to provident and other funds	37,374,359	30,096,354
Gratuity and leave encashment expenses (refer note 27A)	24,134,741	16,405,663
Staff welfare expenses	11,336,813	7,814,708
TOTAL	708,448,411	500,204,879
22 Finance cost (Amount in Rs.)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expenses	1,309,620,300	847,865,330
Other borrowing costs	74,993,406	46,841,167
TOTAL	1,384,621,714	894,506,497
23 Depreciation and amortisation expenses (Amount in Rs.)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on tangible assets	29,197,343	21,836,689
Amortisation of Intangible assets	2,927,632	1,425,736
TOTAL	32,124,975	23,362,425
24 Provisions and write offs (Amount in Rs.)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Bad debts write offs	203,775,660	160,510,292
Provision on Non-performing assets	65,529,197	34,752,159
Contingent provision against standard assets	19,789,223	18,402,877
Contingent provision against other advances	2,705,968	13,213,985
Total provisions	88,024,388	66,369,021
TOTAL	291,800,049	216,879,313



ESS KAY FINCORP LIMITED
Notes to the financial statements for the year ended March 31, 2019

(Amount in Rs.)		
25 Other expenses		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent (refer note 25.2)	44,182,261	35,070,797
Rates and taxes	6,692,836	14,246,840
Commission and brokerage	171,073,406	105,654,829
Advertisement and publicity	5,725,678	4,759,399
Travelling and conveyance	39,226,645	26,463,694
Director sitting fees	1,079,350	-
Repair and maintenance		
(i) buildings	2,996,637	2,312,297
(ii) others	1,642,654	1,357,972
Legal and professional charges	61,140,640	32,976,741
Printing and stationery	12,198,562	8,815,695
Auditor's remuneration (refer note 25.1)	2,900,000	3,665,000
Postage and telegram	7,960,460	5,501,462
Electricity and water expenses	10,473,456	7,492,769
Telephone expenses	12,709,157	8,594,216
Office expenses	58,597,039	25,172,096
Collection expenses	21,733,901	18,473,972
Business promotion expenses	8,637,652	8,745,680
CSR expenses (refer note 32)	8,175,665	1,756,607
Loss on sale of fixed assets	94,527	41,110
TOTAL	477,440,526	309,101,175

(Amount in Rs.)		
25.1 Auditor's remuneration		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As Auditor		
Audit fees	2,327,500	2,300,000
In other capacity		
Limited review	472,500	400,000
Certification fees	100,000	965,000
TOTAL	2,900,000	3,665,000

(Amount in Rs.)		
25.2 Operating leases		
i. Future lease rental payments		
Particulars	March 31, 2019	March 31, 2018
Not later than one year	10,850,968	-
Later than one year, but less than three years	20,753,278	-
More than three years	42,480,916	-

ii. The Company is a lessee under various cancellable and non-cancellable operating leases. Rental expense for operating leases for the years ended March 31, 2019 and March 31, 2018 was Rs. 44,182,261 and Rs. 35,070,797 respectively.

iii. General description of leasing arrangement

- Leased assets: Premises
- Future lease rentals are determined on the basis of agreed terms.



ESS KAY FINCORP LIMITED

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

		(Amount in Rs.)	
Particulars		March 31, 2019	March 31, 2018
Earnings per share			
Basic earnings per share			
Net profit available for equity shareholders	522,301,874	219,522,313	
Weighted average number of equity shares	19,846,171	14,557,303	
Basic earnings per share	26.32	15.08	
Diluted earnings per share			
Weighted average number of equity shares	19,846,171	219,522,313	
Effect of dilution	-	-	
Weighted average number of equity shares in dilution	19,846,171	219,522,313	
Diluted earnings per share	26.32	15.08	

*Pursuant to the approval of the shareholders of the Company w.e.f. September 11, 2018 (Record date) 350,919 equity shares of face value of Rs. 100 each were sub-divided into 17,545,950 equity shares of face value of Rs. 2 each and the Earnings per share (EPS) has been arrived for all reporting periods after considering such sub division.

27A Employment benefits plan
a) Defined contribution plan:-

The Company has recognised an expense of Rs. 37,374,359 (for year ended March 31, 2018 : Rs. 30,096,354) towards the defined contribution plan.

b) Defined benefits plan

		(Amount in Rs.)			
Particulars		Gratuity benefit plan (Unfunded)		Leave encashment plan (Unfunded)	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Changes in present value of benefit obligation					
Opening present value of obligation	16,946,716	10,160,072	18,949,121	11,071,600	
Interest cost	1,170,848	742,815	1,296,267	795,030	
Current service cost	6,067,084	3,710,350	8,488,862	5,340,810	
Past service cost	-	-	-	-	
Benefits paid	(771,848)	(587,994)	(1,228,735)	(1,026,859)	
Actuarial (gain) / loss	3,119,389	1,908,821	3,847,284	2,768,540	
Closing present value	26,532,189	16,946,716	31,352,799	18,949,121	
Component of employers expense					
Current service cost	6,067,084	3,710,350	8,488,862	5,340,810	
Interest cost	1,170,848	742,815	1,296,267	795,030	
Expected return on plan assets	-	-	-	-	
Net actuarial (gain)/ loss recognised in the year	3,119,389	1,908,821	3,847,284	2,768,540	
Past service cost	-	-	-	-	
Expenses recognised in statement of profit and loss	10,357,321	7,374,638	13,632,413	8,904,380	
Movement in net liability recognised in balance sheet					
Opening net liability	16,946,716	10,160,072	18,949,121	11,071,600	
Expenses recognised in statement of profit and loss	10,357,321	7,374,638	13,632,413	8,904,380	
Contribution	(771,848)	(587,994)	(1,228,735)	(1,026,859)	
Closing balance	26,532,189	16,946,716	31,352,799	18,949,121	
Actuarial assumptions					
Discount rate	7.07%	7.53%	7.07%	7.53%	
Salary escalation rate	10.00%	7.50%	10.00%	7.60%	
Demographic assumption					
Mortality*	IALM 2012 - 2014 ultimate	IALM 2006 - 2008 ultimate	IALM 2012 - 2014 ultimate	IALM 2006 - 2008 ultimate	
Retirement age (in years)	60	60	60	60	
Withdrawal rate	18.00%	15.00%	18.00%	15.00%	

Note:

1) Discount rate is based on the prevailing market yields.

2) The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

As per revised AS-15 provision for gratuity and leave encashment for the current year has been calculated as under:-

		(Amount in Rs.)				
Particulars		March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Gratuity						
Value of obligation	26,532,189	16,946,716	10,160,072	6,360,505	5,094,852	
Fair value of plan assets	-	-	-	-	-	
Balance sheet liability/(asset)	26,532,189	16,946,716	10,160,072	6,360,505	5,094,852	
Profit and loss - (income)/expenses	10,357,321	7,374,638	3,819,466	1,362,674	(1,228,678)	
Experience adjustment on plan liabilities (gain) / loss	878,099	2,328,748	494,375	(375,810)	(2,823,687)	

		(Amount in Rs.)				
Particulars		March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Leave encashment						
Value of obligation	31,352,799	18,949,121	11,071,600	9,345,273	5,282,445	
Fair value of plan assets	-	-	-	-	-	
Balance sheet liability/(asset)	31,352,799	18,949,121	11,071,600	9,345,273	5,282,445	
P&L - (income)/expenses	13,632,413	8,904,380	2,628,752	4,546,639	2,810,634	
Experience adjustment on plan liabilities (gain) / loss	934,619	3,157,229	-2,016,368	1,277,932	1,593,081	

The Company has provided for compensatory leaves which can be availed and not encashed as per policy of the Company as present value obligation of the benefit at related current service cost measured using the projected unit credit method on the basis of an actuarial valuation. The estimates of future salary increases, considered in actuarial valuation, are on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



ESS KAY FINCORP LIMITED

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

27B Accounting for employee share based payments (ESOP)

In accordance with resolution approved by the Shareholders, the Company has reserved shares, for issue to employees through ESOP Schemes. On the approval of Nomination and Remuneration Committee (NRC), each ESOP scheme is issued. The NRC has approved stock option schemes on dated October 15, 2018. Under the term of the scheme, the Company may issue stock option to employees and directors of the Company, each of which consist of one equity shares.

Such option vest at definite date, save for specific incidents, prescribed in the schemes as framed/ approved by NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of 36 months from the date of vesting for ESOP Schemes.

Method used for accounting for shared based payments plan.

The Company uses intrinsic value method to account for the compensation cost of stock options to employees of the Company.

Movement in the options outstanding under the employees stock options plan (ESOP)

Particulars	March 31, 2019		March 31, 2018	
	Options	Weighted average exercise price (per share)	Options	Weighted average exercise price (per share)
ESOP - I				
Options outstanding, beginning of year	-	-	-	-
Granted during the year	406,750	249.35	-	-
Exercised during the year	-	-	-	-
Forfeited / lapsed during the year	1,500	249.35	-	-
Options outstanding, at the end of year	405,250	249.35	-	-

Following summarizes the information about stock options outstanding as at March 31, 2019.

Plan	Exercise price	Number of shares arising out of options	Weighted average remaining contractual life (in months)	Weighted average exercise price
ESOP-I	249.35	405,250	35	249.35

Fair value methodology

The fair value of options used to compute pro forma net income and earnings per equity share have been estimated on the dates of each grant using the Black-Scholes model. The shares of Company are not listed on any stock exchange. Accordingly, the Company has considered the volatility of the Company's stock price as zero, since historical volatility of similar listed enterprise was not available. The various assumptions considered in the pricing model for the stock options granted by the Company during the year ended March 31, 2019 are:

Particulars	March 31, 2019	March 31, 2018
Dividend yield	0.00%	-
Expected volatility	29.85%	-
Risk - free interest rate	7.81%-7.98%	-
Expected life of the option	6 years	-

Impact of fair value method on net profit and EPS

Had compensation cost for the Company's stock option plans outstanding been determined based on the fair value approach, the Company's net profit and earnings per share would have been as per the pro-forma amounts indicated below:

Particulars	March 31, 2019	March 31, 2018
Net profit (as reported)	522,301,974	-
Stock based compensation expense determined under fair value based method: (pro forma)	8,291,783	-
Net profit (pro forma)	514,010,211	-
Basic earnings per share (pro forma)	25.90	-
Vesting period (in years)	2-6	-
Exercise period from the date of vesting (in years)	2	-
Diluted earnings per share (pro forma)	25.90	-

28 Segment reporting

The Company's primary business comprises only of Financing related activities i.e. lending by way of secured and unsecured Loans for the purpose of AS-17. The Company operates only in India hence it has only one geographical segment viz. India.



ESS KAY FINCORP LIMITED
Notes to the financial statements for the year ended March 31, 2019
29 Related party disclosures

As per the Accounting Standard 18 on 'Related party disclosures', the disclosure of related parties of the Company are as follows:

List of related party : where control exist
Company has no subsidiary and holding company

A Major equity shareholder

Rajendra Kumar Setia
Norwest Venture Partners X - Mauritius

B Key management personnel

Rajendra Kumar Setia	Managing Director
Shalini Setia	Director
Amar Chand Chug	Independent Director
Amar Lal Daulani	Independent Director
Anand Raghavan	Independent Director
Munish Dayal	Chief Financial Officer
Atul Arora	Company Secretary
Anagha Bangur	

C. Relatives of key management personnel

Arjun Des Setia	Father of Rajendra Kumar Setia
Raj Kumar Setia	Brother of Rajendra Kumar Setia
Surendra Kumar Setia	Brother of Rajendra Kumar Setia
Sameer Arora	Brother of Shalini Setia
Sanjeev Arora	Brother of Shalini Setia
Yash Setia	Son of Rajendra Kumar Setia

D. Enterprises owned and significantly influenced by key management personnel or their relatives

Sharma Brothers (Partnership firm)	Brother of Rajendra Kumar Setia (Managing Director) is Partner
Shubham Leasing & Financial Company (Sole proprietorship)	Brother of Rajendra Kumar Setia (Managing Director) is Proprietor
Diamond Capfin Pvt. Ltd	Brother of Rajendra Kumar Setia (Managing Director) is Director
Chamunda Computers (Partnership firm)	Sister of Rajendra Kumar Setia (Managing Director) is Partner
Rakam Credit Private Limited	Brother of Rajendra Kumar Setia (Managing Director) is Director

(Amount in Rs.)			
Nature of transaction	Particulars	March 31, 2019	March 31, 2018
Expenditure			
Salary	Key management personnel		
	Rajendra Kumar Setia	13,211,812	7,713,401
	Shalini Setia	1,171,812	1,112,298
	Atul Arora	2,472,806	2,145,834
	Anagha Bangur	770,980	642,485
	Relative of key management personnel		
	Sameer Arora	4,617,744	2,671,296
	Sanjeev Arora	874,248	712,980
	Yash Setia	839,216	-
Sitting fees	Key management personnel		
	Amar Chand Chug	115,000	400,000
	Amar Lal Daulani	415,000	400,000
	Anand Raghavan	415,000	-
	Munish Dayal	70,000	-
Insurance expenses	Key management personnel		
	Rajendra Kumar Setia	429,000	429,000
Commission	Relative of key management personnel		
	Surendra Kumar Setia	-	393,360
	Raj Kumar Setia	1,162,465	-
	Enterprises under significant influence		
	Shubham Leasing & Finance Company	1,325,342	600,382
	Diamond Capfin Private Limited	-	21,601
Rent expenses	Key management personnel		
	Shalini Setia	3,125,000	2,600,000
Vehicle running & maintenance	Enterprises under significant influence		
	Sharma Brothers	515,756	454,485
Issue of share capital	Major equity shareholder		
	Norwest Venture Partners X - Mauritius	805,174,543	549,947,318
	Rajendra Kumar Setia	168,659,056	-



ESS KAY FINCORP LIMITED

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

		(Amount in Rs.)	
Balances with related parties	Particulars	March 31, 2019	March 31, 2018
Salary payable	Key management personnel		
	Rajendra Kumar Setia	5,257,529	415,761
	Shailini Setia	85,775	95,251
	Atul Arora	272,782	-
	Anagha Bangur	55,522	-
	Relative of key management personnel		
	Sameer Arora	325,466	-
Advance salary	Sanjeev Arora	59,120	-
	Yash Setia	78,102	-
	Key management personnel		
	Atul Arora	50,000	87,500
Sitting fees payable	Independent director		
	Amar Chand Chug	-	90,000
	Amer Lal Daultani	-	90,000
Commission payable	Relative of key management personnel		
	Surendra Kumar Setia	-	300,873
	Shubham Leasing & Finance Company	128,642	-
Vehicle running & maintenance payable	Enterprises under significant influence		
	Sharma Brothers	39,443	-
Advance receivable	Relative of key management personnel		
	Raj Kumar Setia	208,468	-

(Amount in Rs.)					
Particulars	Opening balance	Given	Taken	Interest	Closing balances
Advances given					
Key managerial personnel					
Arun Das Setia	-	(7,870,840)	(8,125,095)	(154,255)	(0)
Enterprises under significant influence					
Diamond Caplin Pvt. Ltd.	(0)	-	(3,853,083)	(411,088)	(0)
Sharma Brothers	(3,441,095)	(0)	(3,108,838)	(8,836)	(0)
Chamunda Computers	(0)	(3,100,000)	(5,501,748)	(1,749)	(0)
Advances taken					
Enterprises under significant influence					
Rakam Credit Private Limited	(0)	(13,400,000)	(13,502,611)	(102,611)	(0)

Figures in () are related to financial year ended March 31, 2018

(Amount in Rs.)				
Particulars	Opening	Addition	Transfer/Self	Closing
Major Equity Shareholder				
Share capital				
Rajendra Kumar Setia	18,028,300	1,509,300	335,406	19,202,194
Norwest Venture Partners X - Mauritius	8,582,400	2,709,894	-	11,292,094
No of Shares (refer note 3.5)				
Rajendra Kumar Setia	9,014,150	754,650	167,703	9,801,097
Norwest Venture Partners X - Mauritius	4,291,200	1,354,847	-	5,646,047



ESS KAY FINCORP LIMITED

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

30 Contingent liabilities, capital and other commitments

		(Amount in Rs.)	
Particulars	March 31, 2019	March 31, 2018	
(I) Contingent liabilities:-			
(a) Claims against the Company not acknowledged as debt:			
- Service tax liability	99,727,239	55,037,506	
(b) Guarantees:-			
- corporate guarantees towards assignment transaction	43,250,726	43,250,726	
- towards law suits, claims and proceedings, including collection and repossession related matters, which arise in the ordinary course of business.	176,500	10,000	
(II) Commitments:-			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	2,006,450	
(b) Other commitments (specify nature)			
- Agreement with Nucleus Software Exports Limited	5,000,000	-	

- a. Demand raised by the Office of Commissioner, Central Excise, Jaipur for the period 2009-10 to June 30, 2017 (in year ended March 31, 2018 : 2009-10 to 2014-15) for non-payment of service tax on services rendered towards provision of collection of receivables and liquidity facilities in respect of Securitisation / Direct assignments. Company has filed an appeal against this order with the CESTAT, New Delhi and has deposited an amount equal to 7.5% of the demand i.e. Rs. 3,046,340 (March 31, 2018 - Rs. 2,063,535) under protest.

- b. There are numerous Interpretative Issues relating to the honourable Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

There is no capital commitment on the part of the Company

- 31 The Company's pending litigations comprises of claims against the company by the customer and proceedings pending with other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements. (refer note 30)

32 Corporate social responsibility

In line with the provisions of Section 135 of Companies Act 2013, the Company was required to spend Rs 5,465,072/- towards CSR expenditure in the Financial Year ended on March 31, 2019. However the Company actually spent Rs 8,175,665/- for the same including previous year carry forward balances.

		(Amount in Rs.)	
Particulars	March 31, 2019	March 31, 2018	
(i) Construction/ acquisition of any asset	-	-	
(ii) On purpose other than (i) above	8,175,665	6,256,176	

- 33 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provisions as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts, if required.

34 Dividend distributed to equity shareholders

The Board has not declared any interim dividend or final dividend during the financial year ended March 31, 2019 and March 31, 2018.

35 Details of dues under micro, small and medium enterprises

Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

Particulars	March 31, 2019	March 31, 2018
Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
The amount of interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the	-	-



36.1 Capital Adequacy Ratio as per clause 3.1 of annexure XIV of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Particulars	March 31, 2019	March 31, 2018
CRAR (%)	33.02%	20.46%
CRAR-Tier- I Capital (%)	31.17%	16.87%
CRAR-Tier- II Capital (%)	1.85%	3.59%
Amount of subordinated debt raised as Tier-II capital (Rs. in lacs)	4,000	4,000
Amount raised by issue of Perpetual Debt Instruments (Rs. in lacs)	-	-

36.2 Investments

Particulars	March 31, 2019	March 31, 2018
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	15,66,66,786	4,66,66,786
(b) Outside India	-	-
(ii) Provision for Dimunltion		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments	15,66,66,786	4,66,66,786
(a) In India	-	-
(b) Outside India	-	-
(2) Movement of provisions held towards dimunltion on Investments		
(i) Opening Balances	-	-
(ii) Add: Provision made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

36.3 Derivatives

The Company has not entered into any derivatives contracts during the year ended March 31, 2019 (for year ended March 31, 2018 - Nil).

36.4 Disclosure related to securitisation transaction

S. No.	Particulars	March 31, 2019	March 31, 2018
1	No of SPVs (i.e. special purpose vehicle) sponsored by the NBFC for securitisation transactions	9	11
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	2,78,13,25,590	2,41,30,44,362
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	* First Loss	4,32,50,726	4,32,50,726
	* Others	-	-
	b) On-balance sheet exposures		
	* First Loss	14,88,91,254	12,94,69,305
	(Cash collateral term deposits with banks)		
	* Others	44,30,89,394	45,76,70,108
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations	-	-
	* First Loss	-	-
	* Others	-	-
	ii) Exposure to third party securitisations	-	-
	* First Loss	-	-
	* Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations	-	-
	* First Loss	-	-
	* Others	4,66,66,786	4,66,66,786
	(Investment in Pass- through Certificates (PTC))		
	ii) Exposure to third party securitisations	-	-
	* First Loss	-	-
	* Others	-	-

Disclosure related to Direct assignments

S. No.	Particulars	March 31, 2019	March 31, 2018
1	No of transactions assigned by the Company	11	7
2	Total amount outstanding	1,94,02,86,837	36,97,14,650
	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	* First Loss	-	-
	* Others	-	-
3	b) On-balance sheet exposures		
	* First Loss	-	-
	(Cash collateral term deposits with banks)		
	* Others	25,24,46,562	3,69,71,465
	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations	-	-
	* First Loss	-	-
	* Others	-	-
	ii) Exposure to third party securitisations	-	-
	* First Loss	-	-
	* Others	-	-
4	b) On-balance sheet exposures		
	i) Exposure to own assigned transaction	-	-
	* First Loss	-	-
	* Others	-	-
	(Investment in Pass- through Certificates (PTC))		
	ii) Exposure to third party assigned transaction	-	-
	* First Loss	-	-
	* Others	-	-



ESS KAY FINCORP LIMITED

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

36.5 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction

The Company has not sold any financial assets to securitisation / reconstruction company during the financial year ended March 31, 2019 and March 31, 2018.

36.6 Details of Assignment transactions

(Rs in Lacs)		
Particulars	March 31, 2019	March 31, 2018
(i) No. of accounts	6,665	1,367
(ii) Aggregate value (net of provisions) of accounts sold	18,842.47	3,312.66
(iii) Aggregate consideration	16,363.06	2,981.42
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

Details of Securitisation transactions

(Rs in Lacs)		
Particulars	March 31, 2019	March 31, 2018
(i) No. of accounts	14,110	11,198
(ii) Aggregate value (net of provisions) of accounts sold	25,360.08	21,328.24
(iii) Aggregate consideration	22,767.42	19,195.41
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

36.7 Details of non-performing financial assets purchased / sold

The Company has not purchased and sold any non-performing financial assets during the financial year ended March 31, 2019 and March 31, 2018.

36.8 Asset liability management

Maturity pattern of certain items of Assets and Liabilities as per RBI guidelines.

For the Financial year 2018-19

Particulars	Liabilities		Assets		
	Borrowings from banks	Market Borrowings	Advances	Deposits	Investments
1 day to 30/31 days (One month)	15.96	21.70	43.09	0.99	10.00
Over one month to 2 months	24.20	50.34	45.40	0.68	-
Over 2 months upto 3 months	16.04	52.47	58.19	2.14	-
Over 3 months to 6 months	61.92	76.77	129.94	117.70	-
Over 6 months to 1 year	84.64	92.61	269.91	87.26	1.00
Over 1 year to 3 years	123.13	577.75	709.92	6.82	4.67
Over 3 years to 5 years	6.50	84.85	182.71	2.03	-
Over 5 years	-	0.39	79.53	-	-
Total	332.39	966.78	1,529.69	217.84	15.67

For the Financial year 2017-18

Particulars	Liabilities		Assets		
	Borrowings from banks	Market Borrowings	Advances	Deposits	Investments
1 day to 30/31 days (One month)	15.12	9.50	32.32	2.35	-
Over one month to 2 months	8.83	20.57	34.43	-	-
Over 2 months upto 3 months	17.39	38.82	44.47	1.42	-
Over 3 months to 6 months	85.13	57.38	101.92	7.49	-
Over 6 months to 1 year	100.61	116.05	176.12	8.30	-
Over 1 year to 3 years	144.82	211.57	510.69	10.63	-
Over 3 years to 5 years	1.53	70.22	105.70	-	4.67
Over 5 years	-	-	29.05	-	-
Total	373.52	524.13	1,034.70	30.19	4.67

36.9 Exposure to real estate sector

The Company does not have any direct or indirect exposure to real estate sector during the year ended on March 31, 2019 and March 31, 2018.

36.10 Exposure to capital market

The Company has no exposure to capital market during year ended March 31, 2019 (for March 31, 2018 : Nil)

36.11 Details of financing of parent company products

There is no financing during the year ended on March 31, 2019.

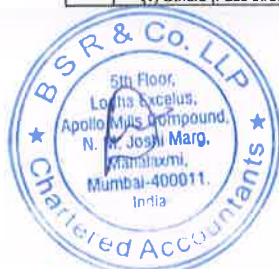
36.12 Details of single borrower limit ('SGL') / group borrower limits ('GBL') exceeded by NBFC's

The Company has not exceeded the single borrower limits / group borrowers limits during the financial year ended March 31, 2019 and March 31, 2018 as set as Reserve Bank of India.



36.13 Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in Lacs)		
Particulars	Amount outstanding	Amount overdue
Liabilities Side:		
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	66,427.17	-
: Unsecured	7,586.26	-
(Other than falling within the meaning of public deposits*)	-	-
(b) Deferred Credits	-	-
(c) Term Loans From bank	28,843.71	-
(d) Inter-corporate loans and borrowing	23,732.55	-
(e) Commercial Paper	-	-
(f) Other Loans (Specify nature)	-	-
Loan from:		
(i) Directors	-	-
(ii) Shareholders	-	-
(iii) CC Limit from Bank	6,504.67	-
(iv) Un Loan from Bank and Inst	6,504.67	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
Assets side:		
	Amount outstanding	
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		159,372.57
(b) Unsecured		1,366.48
4 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		160,739.05
5 Break-up of Investments:		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(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)		1,100.00
Long term investments		
1. Quoted:		
(i) Shares: (a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(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 (Pass through Certificates)		466.67



ESS KAY FINCORP LIMITED

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

6	Borrower group-wise classification of assets finances as in (3) and (4) above:		
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	157,386.41	1,293.70	158,680.11
Total	157,386.41	1,293.70	158,680.11
7	Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted):		
Category	Market Value / Break up or fair value or NAV		Book Value (Net of Provisions)
1. Related Parties **			
(a) Subsidiaries		-	-
(b) Companies in the same group		-	-
(c) Other related parties		-	-
2. Other than related parties		1,662.91	1100.00
Total			
** As per Accounting Standard of ICAI			
8	Other information		Amount
1	Particulars		
i Gross Non-Performing Assets			
(a) Related Parties			-
(b) Other than related parties			5,859.89
ii Net Non-Performing Assets			
(a) Related Parties			-
(b) Other than related parties			4,389.38
iii Assets acquired in satisfaction of debt			-

36.14 Unsecured Advances

The Company has not given any unsecured advances against intangible securities such as charge over the rights/licenses, authority, etc. during the financial year ended March 31, 2019 and March 31, 2018.



ESS KAY FINCORP LIMITED
Notes to the financial statements for the year ended March 31, 2019
37.1 Registration under other regulators

The Company is not registered under any other regulator other than Reserve Bank of India.

37.2 Details of penalties imposed by RBI and other regulators

During the year ended March 31, 2019, penalty amounting to Rs 12,500 has been imposed for Late Fee on FC-TRS (i.e. penalty due to delay in submission of declaration regarding transfer of shares to non-resident within 60 days to the designated AD branch from the date of receipt of funds) by Reserve Bank of India, the same has been deposited (penalty during the year ended March 31, 2018 was Nil)

37.3 Details of Ratings assigned by credit rating agencies and migration of ratings during the year

Products	Month of rating assigned*	Rating assigned	Previous rating assigned
(a) Secured debentures	June - 2018 March - 2018	CARE A- BWR A	CARE BBB+ BWR A
(b) Unsecured debentures	June - 2018 June - 2018	CARE A- (Tier-II) CARE A-	CARE BBB (Tier-II) CARE BBB+
(c) Subordinated term loan	June - 2018	CARE A-	CARE BBB
(d) Bank loan facility	June - 2018 June - 2018	CARE A- BWR A	CARE BBB+
(e) Commercial papers	June 2018 December 2018	CARE A2+ Withdrawn	CARE A3+

(* Month of rating assigned relates to rating valid on March 31, 2019)

37.4 Remuneration of Non-Executive Directors

Name of Director	Nature of payment	(Amount in Rs.)	
		March 31, 2019	March 31, 2018
1. Mr. Amar Lal Gaultani	Sitting Fees	415,000	400,000
2. Mr. Amar Chand Chug	Sitting Fees	115,000	400,000
3. Mr. Anand Raghavan	Sitting Fees	415,000	-
4. Mr. Munish Dayal	Sitting Fees	70,000	-

38.1 Provisions and contingencies

(Amount in Rs.)		
Break up of "Provisions and contingencies" shown under the head expenditure in statement of profit and loss account	March 31, 2019	March 31, 2018
Provision towards NPA	65,529,197	34,752,159
Provision made towards Income tax	232,608,369	100,722,724
Other provision and contingencies	2,705,968	13,213,885
Provision for standard assets	19,759,223	18,402,877

38.2 Draw Down from Reserves

The Company has adjusted the share issue expenses amounting to Rs. 33,463,831 from Securities Premium Reserves during the year ended March 31, 2019 (during the year ended March 31, 2018 : Nil).

38.3 Concentration of Advances, Exposures and NPA's

(Rs in Lacs)		
i) Particulars	March 31, 2019	
	March 31, 2019	March 31, 2018
Concentration of Advances		
Total advances to twenty largest borrowers	578.70	548.00
Percentage of advances to twenty largest borrowers to total advances	0.38%	0.54%
ii) Particulars	March 31, 2019	
	March 31, 2019	March 31, 2018
Concentration of Exposures		
Total exposure to twenty largest borrowers / customers	678.72	521.17
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers/ customers	0.38%	0.52%
iii) Particulars	March 31, 2019	
	March 31, 2019	March 31, 2018
Concentration of NPA's		
Total exposure to top four NPA accounts	52.05	37.75
iv) Sector wise NPA	% of NPAs to total advances in that sector	
	March 31, 2019	March 31, 2018
(i) Agriculture & allied activities	-	-
(ii) MSME	-	-
(iii) Corporate borrowers *	-	-
(iv) Services	-	-
(v) Unsecured personal loans	4.20%	3.72%
(vi) Auto loans	1.55%	0.58%
(vii) Other personal loans**	-	-

Note:-

* Corporate borrowers are included in respective sectors

** Other Personal Loans include: Loan against Property and top-up facilities



ESS KAY FINCORP LIMITED

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

39.4 Movement of Non-Performing Assets (NPA's)

(Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
i) Net NPAs as on advances (%)	2.87%	2.57%
ii) Movement of NPAs (gross)		
a) Opening balance	340,756,632	242,858,972
b) Addition during the year	534,298,320	319,396,671
c) Reduction during the year	289,065,630	221,500,011
d) Closing balance	585,989,322	340,756,632
iii) Movement of net NPAs		
a) Opening balance	259,234,634	196,090,133
b) Addition during the year	395,193,695	251,211,486
c) Reduction during the year	215,490,202	188,066,985
d) Closing balance	438,938,127	259,234,634
iv) Movement of provision for NPAs		
a) Opening balance	81,521,998	46,769,839
b) Provision made during the year	139,104,625	68,185,185
c) Write-off / write-back of excess provisions	73,575,428	33,433,026
d) Closing balance	147,051,195	81,521,998

Note:-

The movement of gross NPA's, provisions for NPA and net NPA presented above excludes NPA identified and regularized in the same financial year.

39.5 Overseas assets (for those with Joint ventures and subsidiaries abroad)

There are no overseas assets owned by the Company.

39.6 Off-balance sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms during year ended March 31, 2019 (during year ended March 31, 2018 : Nil).

39 Customer complaints

Particulars	March 31, 2019	March 31, 2018
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	36	26
No. of complaints redressed during the year	36	26
No. of complaints pending at the end of the year	-	-

40 There were no cases of frauds during the year ended March 31, 2019 and March 31, 2018.

41 Clause 16 of the listing agreement for debt securities

i) The Company has maintained the minimum security cover (i.e. 100% security cover ratio) for listed secured debt securities at all times.

ii) The Company has registered the charges on the assets where secured debt securities are issued.

iii) The Company has no default in repayment of interest and principal on non convertible debentures.

iv) The Company has made the payment in accordance with applicable norms of Reserve Bank of India.

v) The Company has complied with all the requirements of Securities and Exchange Board of India, 1992, the Securities Contracts (Regulation) Act, 1956, and rules and the regulations made thereunder as applicable to further issuance, if any, of debt securities.

42 Additional Notes

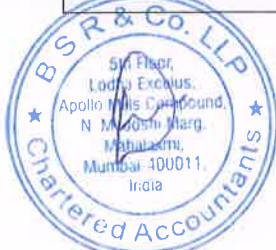
a. Earnings in foreign during the year ended March 31, 2019: Nil (year ended March 31, 2018 - Nil)

b. Expenditure in foreign currency on account of professional fees during the year ended March 31, 2019: Nil (year ended March 31, 2018 - Nil)

c. Expenditure in foreign currency on account of payment of interest during the year ended March 31, 2018: Nil (year ended March 31, 2018 Rs 11,944,768)

43 Certain items reported in the financial statement as at 31 March 2019 have been regrouped to confirm to current year's classification and does not impact recognition and measurement principles followed for preparation of financial statements. The following table shows the amounts reported in the financial statements for the year ended 31 March 2018 and how these amounts would have appeared in the financial statements for the year ended 31 March 2018 if the current year grouping/classification were applied:

Particulars	Classified from	Classified to	Amount
Non-current portion of interest accrued but not due, reclassified from other current liabilities	Other current liabilities	Other long-term liabilities	27,717,555
Non-current portion of provision on sub-standard assets, reclassified from short term provision	Short-term provisions	Long-term provisions	3,683,112
Creditors other than micro and small enterprises shown as a separate line item	Other current liabilities	Trade Payable	303,759,323
Trade advances has been shown as a separate line item under short term loans & advances	Short-term loans and advances	Short-term loans and advances	36,187,101
Standard assets of loans and advances has been reclassified from secured to unsecured	Short-term loans and advances	Short-term loans and advances	9,778,759
Non current portion of sub-standard assets, reclassified to long term loans and advances	Short-term loans and advances	Long-term loans and advances	204,111
Non current portion of sub-standard assets, reclassified to long term loans and advances	Short-term loans and advances	Long-term loans and advances	81,888
Non-current portion of unamortised borrowing cost, reclassified from other current assets	Other current assets	Other non-current assets	23,406,221
Non-current portion of prepaid expenses, reclassified to other non current assets	Other current assets	Other non-current assets	5,473,481
Incomes accrued but not received, reclassified	Other current assets	Short Term Loan & Advances	232,896,742
Interest from margin money deposits has been reclassified from revenue from operations	Other income	Revenue from Operations	36,963,189
Gain on sale of current investment regrouped from miscellaneous income	Other income	Other income	795,569
Income from fixed deposits has been reclassified from interest from margin money deposit	Revenue from operations	Other income	32,795,453
Rebate and claim has been reclassified to provision and write off	Other expenses	Provisions and write off	79,255,505
Reimbursement of Auditor expenses has been reclassified from Auditor remuneration to Legal and professional charges	Auditor's Remuneration	Legal and professional charges	42,117



ESS KAY FINCORP LIMITED

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

44 Other Disclosures

- a. Security deposit for assigned cases is maintained as cash collateral deposits with banks under lien with respective trustee.
b. Provision for Impairment loss as required under AS-28 on impairment of assets is not necessary as In the opinion of management there is no impairment of the Company's assets in terms of AS-28,
c. Previous year's figures have been audited by the predecessor auditors.

As per our report of even date attached


For B S R & Co. LLP

Chartered Accountants

Firms' Registration No: 101248WW-100022

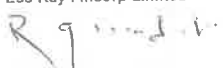
Manoj Kumar Vijal
Partner

M. No. : 046882

Place : Jaipur

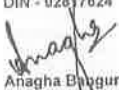
Date : May 03, 2019

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited


Rajendra Kumar Setia
Managing Director
DIN- 00957374


Atul Arora
Chief Financial Officer


Shalini Setia
Director
DIN - 02817624


Anagha Bhatnagar
Company Secretary