

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Fullerton India Home Finance Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Fullerton India Home Finance Company Limited ("the Company"), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Independent Auditor's Report (Continued)

Fullerton India Home Finance Company Limited

Auditor's Responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order.

As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

Independent Auditor's Report (Continued)

Fullerton India Home Finance Company Limited

Report on Other Legal and Regulatory Requirements (Continued)

- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations as on 31 March 2016 which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses -;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Manoj Kumar Vijai

Partner

Membership No: 046882

Mumbai
18 May 2016

Fullerton India Home Finance Company Limited

Annexure A to the Independent Auditor's Report of even date on financial statements of Fullerton India Home Finance Company Limited

- (i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, the Company is not having any immovable property.
- (ii) The Company is a HFC. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) During the year, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3(iii)(a) is not applicable.
 - a. According to the information and explanations provided and on the basis of our examination of the records of the Company, the borrower has been regular in repayment of principal and payment of interest as stipulated.
 - b. According to the information and explanations provided and on the basis of our examination of the records of the Company, there is no overdue balance of loan as at 31 March 2016.
- (iv) According to the information and explanations given to us, the provisions of section 185 and 186 of the Act are not applicable to the Company. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under apply.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the activities conducted/ services rendered by the Company. Accordingly paragraph 3(vi) of the Order is not applicable.
- (vii)
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, service tax, professional tax and other material statutory dues have generally been deposited regularly during the year by the Company to the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales-tax, duty of customs, duty of excise, employees' state insurance and value added tax as at 31 March 2016.
 - b. According to the information and explanations given to us, there are no dues of income tax or service tax which have not been deposited to appropriate authorities on account of any dispute.

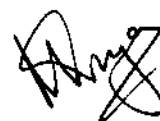
Fullerton India Home Finance Company Limited

Annexure A to the Independent Auditor's Report of even date on financial statements of Fullerton India Home Finance Company Limited (Continued)

- (viii) In our opinion and according to the information and explanations given to us, the Company did not have any outstanding loans or borrowings from financial institutions, government or dues to debenture-holders.
- (ix) According to the information and explanations given to us, during the year, the Company has not raised money by way of initial public offer or further public offer (including debt instrument) and term loans. Thus, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the explanation and information given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on examination of the relevant records of the Company, the Company has not paid/provided for managerial remuneration as covered by the provisions of section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the relevant records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the relevant records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company being a HFC is registered with National Housing Bank and thus not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai
18 May 2016

Fullerton India Home Finance Company Limited

Annexure B to the Independent Auditor's Report of even date on financial statements of Fullerton India Home Finance Company Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of Fullerton India Home Finance Company Limited ('the Company') as at 31 March 2016 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Fullerton India Home Finance Company Limited

Annexure B to the Independent Auditor's Report of even date on financial statements of Fullerton India Home Finance Company Limited (Continued)

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

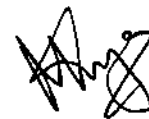
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai
18 May 2016

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Independent Auditors' Report

To the Board of Directors of Fullerton India Home Finance Company Limited

Report on the Financial Statements

In addition to the report made under section 143 of the Companies Act, 2013 on the financial statements of Fullerton India Home Finance Company Limited ('the Company') for the year ended 31 March 2016 and as required by the 'The Housing Finance Companies (NHB) Directions, 2010' dated 10 June 2010 (as amended upto 1 July 2013) ('the Directions'), we report as follows on the matters specified in paragraph 34 and 35 of the said Directions to the extent applicable.

Management's Responsibility

The Company's management is responsible for ensuring that the Company complies with the requirements of the Directions. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the Directions.

Auditor's Responsibility

Pursuant to the requirements of the Directions, it is our responsibility to examine the books and records of the Company and report on the matters specified in the Directions to the extent applicable to the Company.

We conducted our examination in accordance with the Guidance Note on Special Purpose Audit Reports and Certificates issued by the Institute of Chartered Accountants of India.

Conclusion

Based on our examination of the books and records of the Company as produced for our examination and the information and explanations given to us we report that:

- The Company was incorporated after 12 June 2000 hence clause (i) of the para 34 is not applicable to the Company;
- The Company has obtained a certificate of registration from the National Housing Bank ('the NHB') vide letter dated 14 July 2015, in pursuance of section 29A, of the NHB Act, 1987 ('the Act');
- The Company does not accept deposits from the public and as such the Company is not required to comply with the liquidity requirements and to keep any securities with a designated bank as specified under Section 29B of the Act;
- The Company has not transferred amounts to special reserve as required by provisions of Section 29C of the Act due to inadequacy of profits in the current year;



Independent Auditors' Report (Continued)

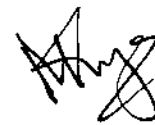
Fullerton India Home Finance Company Limited

Conclusion (Continued)

- In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of the Directions relating to income recognition, asset classification and provision for bad and doubtful debts as applicable to the Company;
- The capital adequacy ratio as disclosed in the half yearly return for the year ended 31 March 2016 submitted to NHB on 12 May 2016 has been correctly determined and the said ratio is in compliance with the minimum capital to risk weighted asset ratio as prescribed by NHB in the Directions ;
- The Company has not accepted public deposits during the year ended 31 March 2016, hence clause (vii) of the para 34 is not applicable to the Company ;
- The company is not accepting / holding public deposits:
 - a) the Board of Directors has passed a resolution dated 9 September, 2015 for non-acceptance of any public deposit;
 - b) in our opinion and according to the information and explanations given to us, the Company has not accepted any public deposits during the year ended 31 March 2016; and
 - c) in our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the prudential norms prescribed by the NHB relating to income recognition, asset classification and provision for bad and doubtful debts as applicable to the Company.

This report is issued to the Company for its compliance with the Directions and may not be suitable for any other purpose.

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



Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai
18 May 2016

FULLERTON INDIA HOME FINANCE COMPANY LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

	Notes	March 31, 2016	March 31, 2015
		Rupees	Rupees
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	57,61,90,480	10,00,00,000
Reserves and surplus	4	(2,11,08,897)	49,92,773
Non-current liabilities			
Other long term liabilities	5	26,50,959	-
Long-term provisions	6	19,47,290	-
Current liabilities			
Other current liabilities	7	8,76,71,428	1,18,131
Short-term provisions	6	41,094	-
TOTAL		64,73,92,354	10,51,10,904
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	8	34,03,309	-
Long-term loans and advances	9	23,86,29,255	1,10,383
Other non-current assets	12	15,11,454	-
Current assets			
Current investments	10	25,25,67,405	-
Cash and bank balances	11	14,24,83,971	10,29,22,336
Short-term loans and advances	9	73,74,256	-
Other current assets	12	14,22,704	20,78,185
TOTAL		64,73,92,354	10,51,10,904

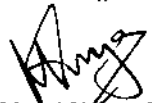
Summary of significant accounting policies.

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For BSR & Co LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

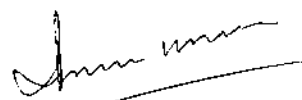

Manoj Kumar Vijai
Partner

Membership No: 046882

For and on behalf of the Board of Directors of
Fullerton India Home Finance Company Limited


Shantanu Mitra
Chairman


Pankaj Malik
Chief Financial Officer


Rakesh Makkar
Managing Director


Jitendra Maheshwari
Company Secretary

Place : Mumbai
Date : May 18, 2016

Place : Mumbai
Date : May 18, 2016

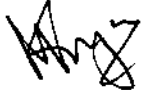
FULLERTON INDIA HOME FINANCE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Notes	March 31, 2016	March 31, 2015
		Rupees	Rupees
Income			
Revenue from operations	13	1,11,14,596	39,05,892
Other income	14	1,20,01,853	-
Total revenue (I)		2,31,16,449	39,05,892
Expenses			
Employee benefit expense	15	2,68,87,928	-
Other expenses	16	4,48,13,606	5,07,093
Depreciation and amortisation expense	8	3,52,696	-
Provisions and write-offs	17	9,73,413	-
Total expenses (II)		7,30,27,643	5,07,093
Profit before tax (III) = (I)-(II)		(4,99,11,194)	33,98,799
Tax expenses			
Income tax for the period		-	12,06,921
Total tax expense (IV)		-	12,06,921
Profit for the year (III)-(IV)		(4,99,11,194)	21,91,878
Earnings per equity share (Rs.)	18		
Basic (Computed on the basis of total profit for the period)		(1.89)	0.51
Diluted (Computed on the basis of total profit for the period)		(1.89)	0.51
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For BSR & Co LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

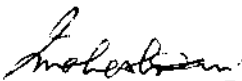

Manoj Kumar Vijai
Partner
Membership No: 046882

For and on behalf of the Board of Directors of
Fullerton India Home Finance Company Limited


Shantanu Mitra
Chairman


Rakesh Makkar
Managing Director


Pankaj Malik
Chief Financial Officer


Jitendra Maheshwari
Company Secretary

Place : Mumbai
Date : May 18, 2016

Place : Mumbai
Date : May 18, 2016

FULLERTON INDIA HOME FINANCE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

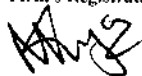
	March 31, 2016	March 31, 2015
	Rupees	Rupees
A. Cash flow from operating activities:		
Net profit before taxation	(4,99,11,194)	33,98,799
Adjustment for computing operating profit before working capital changes:		
Depreciation and amortisation	3,52,696	-
Interest on fixed deposits and bonds	(86,23,805)	-
Profit on sale of investments	(1,20,01,853)	-
Provision for standard/sub standard assets	9,73,413	-
Provision for employees benefits	10,14,970	-
Unamortised loan origination costs	(16,95,810)	-
Unamortised loan processing fees	33,75,122	-
Operating profit before working capital changes	(6,65,16,462)	33,98,799
Movements in working capital :		
- (Increase)/decrease in long term loans and advances	(23,33,67,198)	-
- (Increase)/decrease in short term loans and advances	(73,74,256)	-
- (Increase)/decrease in other current assets	(11,67,660)	(17,00,782)
- Increase/(decrease) in current liabilities	8,68,29,135	(1,37,538)
Cash generated from operations	(22,55,96,440)	15,60,479
- Income taxes paid	(11,51,674)	(12,42,736)
Net cash from operating activities (A)	(22,67,48,114)	3,17,743
B Cash flow from investing activities:		
Purchase of fixed assets	(37,56,005)	-
Purchase of current investments	(3,42,76,00,000)	-
Sale/maturity of investments	3,18,70,34,448	-
Fixed deposit placed during the year	(8,65,00,000)	(10,38,00,000)
Fixed deposit matured during the year	10,28,75,000	2,33,18,043
Interest received on fixed deposits	1,06,31,302	-
Net cash from investing activities (B)	(21,73,15,254)	(8,04,81,957)
C. Cash flow from financing activities		
Proceeds from issuance of share capital (including share premium)	50,00,00,004	8,00,00,000
Net cash used in financing activities (C)	50,00,00,004	8,00,00,000
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	5,59,36,636	(1,64,214)
Cash and cash equivalents as at the beginning of the year	47,336	2,11,550
Cash and cash equivalents as at the end of the year (refer note 21)	5,59,83,971	47,336
Components of cash and cash equivalents as at the end of the year		
With banks - on current account	5,59,83,971	47,336

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B S R & Co LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

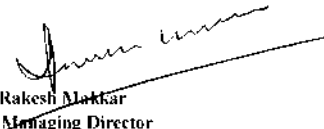


Manuj Kumar Vijai
Partner
Membership No: 046882

For and on behalf of the Board of Directors of
Fullerton India Home Finance Company Limited



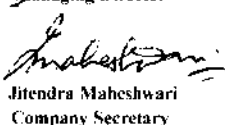
Shantanu Mitra
Chairman



Rakesh Malakar
Managing Director



Pankaj Malik
Chief Financial Officer



Jitendra Maheshwari
Company Secretary

Place : Mumbai
Date : May 18, 2016

Place : Mumbai
Date : May 18, 2016

1 Background

Fullerton India Home Finance Company Limited ('The Company') has been incorporated on August 12, 2010, with the main object of providing finance for purchase, repairs, construction, and enlargement, erection of house or apartments or building. The Company is registered with the National Housing Bank of India (the NHB) vide Registration number 07.0122.15 dated July 14, 2015.

2 Basis of preparation

The accompanying financial statements are prepared in accordance with India Generally Accepted Accounting Principles (GAAP) and comply with the Accounting Standards as prescribed under Section 133 of the companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (the Act), Schedule III to the Act and circulars and Housing Finance Companies (NHB) Directions, 2010. The financial statements have been prepared under the historical cost convention on an accrual basis.

The financial statements are presented in Indian Rupees.

The Company being a Housing Finance Company registered with the NHB follows the guidelines issued by the NHB, in respect of income recognition, provisioning for non-performing assets and valuation of investments.

2.1 Summary of Significant Accounting Policies

(a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from the estimates. Any revision to the accounting estimates is recognised prospectively in current and future periods.

(b) Fixed assets and depreciation

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost of fixed assets comprises purchase price and any directly attributable cost of bringing the asset to its working condition for the intended use.

Gain or loss arising from de-recognition of a fixed asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

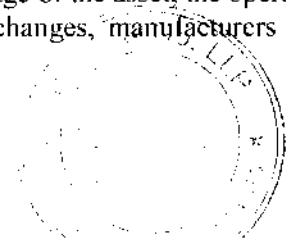
Intangible assets

Costs relating to acquisition and development of computer software are capitalised in accordance with the AS 26 'Intangible Assets' issued by the Institute of Chartered Accountants of India ('ICAI') and are amortised using the straight line method over a period of five years, which is the management's estimate of its useful life.

Depreciation on tangible fixed assets

Depreciation on is provided on pro-rata basis using the Straight Line Method ('SLM') from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Life of the assets has been assessed based on internal assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.



	Management estimate of Useful life (in years)	Useful life as per the limits prescribed in Schedule II to the Companies Act, 2013 (in years)
Computer Server and Other Accessories	4	6
Computer Desktop and Laptops	3	3

Assets individually costing Rupees Five Thousand or less are fully depreciated in the year of purchase or acquisition.

(c) Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such estimated recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its estimated recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

(d) Investments

Investments are classified into long term investments and current investments. Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined in accordance with the NHB directions. The comparison of cost and fair value is done separately in respect of each category of investment. Investments in the units of mutual funds in the nature of current investments that have been valued at the net asset value (NAV) declared by the mutual fund in respect of each particular scheme.

Long-term investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

(e) Asset classification and Provisioning/write-off of Assets

- (i) Loans are classified as standard and non-performing assets in accordance with The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time.
- (ii) Loans are provided for/written off, in accordance with Company's policy, subject to the minimum provision required as per The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time.
- (iii) Provision for standard assets is being made on total outstanding amount of standard loans including accrued interest on such loans, on the basis of prudential norms laid down by the NHB and as mentioned in Notes 6 to the financial statements.

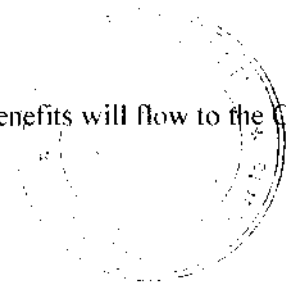
(f) Operating Leases

Lease arrangements where the Lessor effectively retains, substantially, all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(g) Revenue recognition

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

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Interest Income

Interest income on loans given is recognised on accrual basis, except in case of non-performing assets where interest is recognised on realisation, as per NHB guidelines. Loans are repaid by way of Equated Monthly Installments (EMI), which comprise of principal and interest. Interest is calculated on outstanding balance at the EMI dates. EMIs generally commence only after the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is charged every month and is accounted on accrual basis.

Interest income on deposits with banks is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Fee income

Processing fee collected are amortised over the term of the loan in proportion to the interest accrued during the year. The unamortised balance is disclosed under "Other current/non-current liabilities" based on unexpired term of loan. For the agreements foreclosed or transferred through assignment, the unamortised portion of the fee is recognised as income to the Statement of Profit and Loss at the time of such foreclosure/transfer through assignment.

Additional charges such as penal, cheque bouncing charges, foreclosure charges, loan conversion charges etc. are recognised on receipt basis.

Commission and brokerage income

Commission and brokerage income earned for the services rendered are recognised on accrual basis.

Profit/Loss in sale of investments

Profit/loss earned on sale of investments is recognised on trade date basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit / loss on sale of investments is determined on average cost basis.

(h) Retirement and Other Employee benefits

i) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid earned leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the year.

ii) Defined Contribution Plans

The Company contributes to a recognised provident fund which is a defined contribution scheme. The contributions as specified by law are made to the Regional Provident Fund Commissioner and charged to the Statement of Profit and Loss of the year when the contribution to the respective fund is due. There are no other obligations other than contribution payable to the provident fund.

iii) Defined Benefit Plans

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

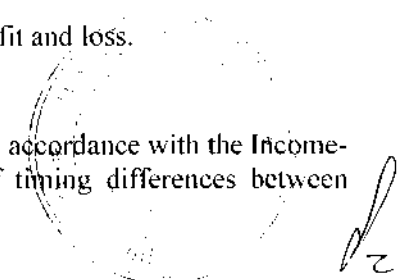
The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

(i) Income taxes

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income-tax Act, 1961) and deferred tax charge / credit (reflecting the tax effects of timing differences between

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accounting income and taxable income for the period). Current income tax is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised when there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised to the extent there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.

(j) Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – Earnings Per Share as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic earnings per share is calculated by dividing the net profit after tax / net loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(k) Provisions & Contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a 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 the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions have been made on standard as well as on non-performing housing loans and other property loans as per the Prudential Norms prescribed by the NHB.

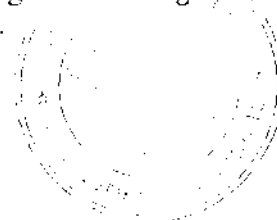
(l) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and cash in hand and short term balances with original maturity of three months or less from the date acquisition, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(m) Loan origination costs

Loan origination costs such as credit verification, contact point verification, agreement stamping and direct selling agents commission directly attributable to disbursed loans are amortised over the contractual tenor of the loan agreements in proportion to the interest accrued during the year. The unamortised balance is disclosed as part of "Other Assets" based on unexpired term of loan. For the agreements foreclosed or transferred through assignment, the unamortised portion of such loan origination costs are recognised as charge to the Statement of Profit and Loss at the time of such foreclosure/transfer through assignment.

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FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(n) Current-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 :

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) 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 financial assets.

All other assets are classified as non-current.

Liabilities

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

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

3. Share Capital

Particulars	March 31, 2016	March 31, 2015
	Rupees	Rupees
Authorised Shares		
1,500,000,000 (March 31, 2015: 15,000,000) equity shares of Rs. 10 each	15,000,000,000	150,000,000
	15,000,000,000	150,000,000
Issued, subscribed and fully paid up shares		
57,619,048 (March 31, 2015: 10,000,000) equity shares of Rs. 10 each	576,190,480	100,000,000
	576,190,480	100,000,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	March 31, 2016		March 31, 2015	
	No. of shares	Rupees	No. of shares	Rupees
At the beginning of the year	10,000,000	100,000,000	2,000,000	20,000,000
Issued during the year	47,619,048	476,190,480	8,000,000	80,000,000
Outstanding at the end of year	57,619,048	576,190,480	10,000,000	100,000,000

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

NA

FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Any Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend is declared and paid in Indian rupees.

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

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

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Fullerton India Credit Company Limited, the holding company and its nominees 57,619,048 (March 31, 2015: 10,000,000) equity shares of Rs.10 each fully paid)	576,190,480	100,000,000

Details of shareholders holding more than 5% shares in the Company				
	March 31, 2016		March 31, 2015	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of Rs 10 each fully paid Fullerton India Credit Company Limited, the holding company and its nominees	57,619,048	100.00%	10,000,000	100.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Reserve and Surplus

Particulars	March 31, 2016	March 31, 2015
	Rupees	Rupees
Securities Premium Account		
Opening Balance	-	-
Add: Received during the year	23,809,524	-
(A)	23,809,524	-
Reserve Fund under Section 29C(i) of the NHB Act, 1987*		
Balance as per the last financial statements	-	-
Add: Amount transferred from statement of profit	-	-
Closing Balance (B)	-	-
Surplus/(Deficit) in the statement of profit and loss		
Balance as per the last financial statements	4,992,773	2,800,895
Add: Profit/(loss) for the year	(49,911,194)	2,191,878
Net deficit in the statement of profit and loss (C)	(44,918,421)	4,992,773
Total reserves and surplus (A+B+C)	(21,108,897)	4,992,773

* As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. The Company commenced commercial operations as Housing Finance Company during the current year. No amount has been transferred to special reserve as Company has incurred losses during the current year.

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FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

5. Other Long Term Liabilities

Particulars	March 31, 2016	March 31, 2015
	Rupees	Rupees
Unamortised income		
Unamortised loan processing fees	2,650,959	-
Total	2,650,959	-

6. Provisions

Particulars	Long Term		Short Term	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
Provision for employee benefits				
Provision for gratuity (refer note 24)	998,275	-	16,695	-
Other provisions				
Provision for standard assets	949,015	-	24,399	-
Total	1,947,290	-	41,094	-

7. Other Current Liabilities

Particulars	March 31, 2016	March 31, 2015
	Rupees	Rupees
Other liabilities		
Expenses and other payable (refer note 25 for details of dues to Micro Small and Medium Enterprises)	10,662,171	118,131
Employee benefits payable	5,320,157	-
Bank balances (Book overdraft)	64,716,380	-
Undisputed statutory dues payable	2,204,284	-
Others	4,044,274	-
Unamortised income		
Unamortised loan processing fees	724,162	-
Total	87,671,428	118,131

8. Fixed Assets

Particulars (Rupees)	Computers & Accessories	Total
Cost		
At March 31, 2014	-	-
Addition	-	-
Disposals	-	-
At March 31, 2015	-	-
Addition	3,756,005	3,756,005
Disposals	-	-
At March 31, 2016	3,756,005	3,756,005
Depreciation		
At March 31, 2014	-	-
Addition	-	-
Disposals	-	-
At March 31, 2015	-	-
Addition	352,696	352,696
Disposals	-	-
At March 31, 2016	352,696	352,696
Net Block		
At March 31, 2015	-	-
At March 31, 2016	3,403,309	3,403,309
All assets have been recognised at cost		

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FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

9. Loan and Advances

Particulars	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
A Portfolio loans				
a. Secured, considered good*				
Housing	174,381,580	-	3,223,954	-
Non Housing	62,871,867	-	1,708,191	-
Sub-Total	237,253,447	-	4,932,145	-
B Advances recoverable in cash or in kind or for value to be received				
Unsecured, considered good	159,385	-	-	-
Sub-Total	159,385	-	-	-
C Other loans and advances				
Advance Income Tax (net of provision for tax)	1,216,423	110,383	-	-
Prepaid expenses	-	-	573,563	-
Others	-	-	1,868,548	-
Sub-Total	1,216,423	110,383	2,442,111	-
Total (A+B+C)	238,629,255	110,383	7,374,256	-

* Loans granted by the Company are secured by equitable mortgage of the property.

No loans have been granted by the Company against the collateral of gold jewellery.

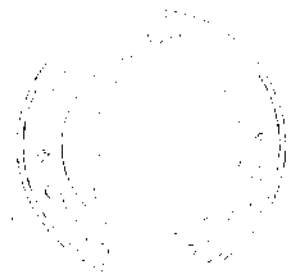
10. Current Investments

Particulars	March 31, 2016	March 31, 2015
	Rupees	Rupees
Current investments (valued at lower of cost and fair value, unless stated otherwise)		
a) Unquoted: Mutual funds (At net asset value)		
Birla Sun Life Cash Plus - Growth - Direct Plan	53,051,239	-
DSP BlackRock Liquidity Fund - Direct Plan - Growth	53,050,213	-
ICICI Prudential Money Market Fund Option - Direct Plan - Growth	53,043,712	-
Reliance Liquid Fund - Cash Plan - Direct Plan - Growth Plan - Growth Option	55,377,973	-
Franklin India Treasury Management Account - Super Institutional - Direct - Growth	38,044,268	-
Total Value	252,567,405	-
Aggregate Amount of unquoted investment (at Cost Price Rs 252,300,000 (March 31, 2015: Nil))	252,567,405	-

11. Cash and Bank Balances

Particulars	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
Cash and cash equivalents:				
Balances with Banks				
- On Current accounts	-	-	55,983,971	47,336
(A)	-	-	55,983,971	47,336
Other bank balances				
- Deposits with original maturity for more than 3 months but less than 12 months	-	-	86,500,000	102,875,000
(B)	-	-	86,500,000	102,875,000
Total {(A)+(B)}	-	-	142,483,971	102,922,336

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FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

12. Other Assets

Particulars	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
Unamortised loan origination costs	1,511,454	-	184,357	-
Interest Accrued but not due				
On deposits placed with banks	-	-	70,688	2,078,185
On secured loans	-	-	1,167,659	-
Total	1,511,454	-	1,422,704	2,078,185

13. Revenue from Operations

Particulars	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	Rupees	Rupees
Interest income		
Interest income on loans	2,142,386	-
Interest on bank deposits	8,623,805	3,905,892
Other operating revenue		
Processing charges	64,679	-
Ancillary income from operations	283,726	-
Total	11,114,596	3,905,892

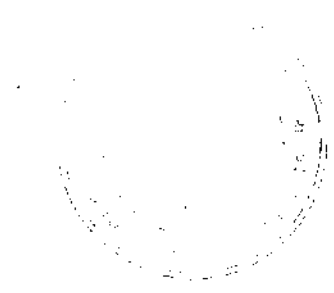
14. Other Income

Particulars	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	Rupees	Rupees
Profit on sale of investments	11,734,448	-
Unrealised Gain on investment in mutual fund	267,405	-
Total	12,001,853	-

15. Employee Benefit expenses

Particulars	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	Rupees	Rupees
Salaries, bonus and allowances	25,437,663	-
Contribution to provident and other funds	886,184	-
Gratuity expense	390,603	-
Staff welfare expenses	173,478	-
Total	26,887,928	-

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16. Other Expenses

Particulars	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	Rupees	Rupees
Printing and stationery	100,294	-
Rent	204,041	-
Rates and taxes	24,204,816	8,400
Business promotion expenses	3,278,027	-
Legal charges	1,648,202	-
Professional Charges	4,794,592	337,450
Courier charges	1,799	-
Repairs and maintenance		-
Office premises	363	-
Others	84,158	-
Directors' sitting fees	518,750	-
Travelling expenses	874,981	-
Telecommunication expenses	113,041	-
Payment to auditor (refer details below)	1,026,000	161,085
Recruitment expenses	1,206,264	-
Training expenses	138,958	-
Miscellaneous expenses	1,095,860	158
Cost for shared services	5,510,372	-
Loan origination cost amortised	13,088	-
Total	44,813,606	507,093
As auditor:		
Audit fee	645,000	112,360
Tax audit fee	107,500	-
In other capacity:		
Other services (certification fees)	273,500	46,910
Reimbursement of expenses	-	1,815

17. Provision and Write offs

Particulars	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	Rupees	Rupees
Provision against standard assets	973,413	-
Total	973,413	-

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18. Earnings Per Equity Share

Particulars	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	Rupees	Rupees
Profit after Tax	(49,911,194)	2,191,878
Weighted average number of shares used in computing basic earnings per share	26,393,443	4,257,534
Add: Weighted average number of equity shares for Nil	-	-
Weighted average number of equity shares in calculating diluted EPS	26,393,443	4,257,534
Earnings per Share :		
Basic (Rs.)	(1.89)	0.51
Diluted (Rs.)	(1.89)	0.51
[Nominal value of shares Rs. 10 each (Previous Year : Rs. 10)]		

19. Segment Reporting

The Company's main business is to provide loans for purchase or construction of residential houses. All other activities of the Company revolve around the main business. Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment.

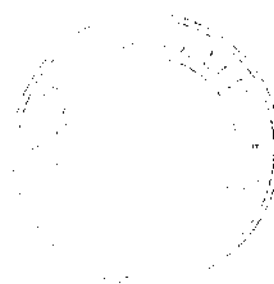
As the Company's business activity fall within a primary business segment, the financial statements are reflective of information required under the Accounting Standard 17 on Segment Reporting notified under section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Rule 2014 and the provisions of the Companies Act, 2013.

20. Related Party Disclosures

Ultimate Holding Company	Temasek Holdings (Private) Limited (Holding Company of 'FFH')*
	Fullerton Financials Holdings Pte Ltd ('FFH', Holding Company of 'Angelica')*
	Angelica Investments Pte Ltd, Singapore ('Angelica', Holding Company of 'FICCL')*
Holding Company	Fullerton India Credit Company Limited ('FICCL', Holding Company)
Fellow subsidiary	Fullerton India Foundation for Social & Economic Development (Not for profit Company, Subsidiary of 'FICCL')*
Other related companies	Fullerton Securities & Wealth Advisors Ltd. (Subsidiary of 'Angelica')*
	Fullerton Financial Holdings (International) Pte Ltd (Subsidiary of 'FFH')*
	Temasek International (Private) Limited (Subsidiary of Temasek Holdings)*
Key Management Personnel	Mr. Rakesh Makkar, Managing Director*

* No transactions during the year

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FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Transactions during the year	Holding Company		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Expenses as per Resource sharing agreement	5,645,655	-	5,645,655	-
Reimbursement of expense incurred on behalf of Company	185,844	-	185,844	-
Investment on equity shares	500,000,004	80,000,000	500,000,004	80,000,000
Other Payable				
Fullerton India Credit Company Limited	3,432,797	-	3,432,797	-
Other Receivable				
Fullerton India Credit Company Limited	624,367	-	624,367	-

21. Cash and cash equivalents for the purpose of cash flow statement

Particulars	March 31, 2016	March 31, 2015
	Rupees	Rupees
Cash and Bank Balance (refer note 11)	142,483,971	102,922,336
Less: Other bank balances (refer note 11)	86,500,000	102,875,000
Balance considered as Cash and Cash Equivalents for Cash Flow Statement	55,983,971	47,336

22. Contingent Liability and commitments

a) **Contingent Liabilities** The Company doesn't have contingent liabilities.

b) Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2016 is Rs. Nil (March 31, 2015: Rs. Nil).

Loans sanctioned not yet disbursed as at March 31, 2016 were Rs. 9,236,775 (March 31, 2015: Rs. Nil).

23. Expenditure in Foreign currency

The Company has not incurred any expenditure in foreign currency during the year 2015-2016 (Previous year: Nil).

24. Retirement and other employee benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the amounts recognised in the balance sheet for the plan.

Statement of Profit and Loss

Gratuity expense (recognised in Employee benefit expense):

Particulars	March 31, 2016 Rupees	March 31, 2015 Rupees
Current service cost	3,90,603	-
Interest cost on benefit obligation	-	-
Net actuarial (gain)/loss recognised in the year	-	-
Past service cost	-	-
Net Benefit Expense	3,90,603	

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Balance Sheet

Details of Provision for gratuity:

Particulars	March 31, 2016 Rupees	March 31, 2015 Rupees
Defined benefit obligation	10,14,970	-
Less: Unrecognised Past Service Cost	-	-
Plan asset/(liability)	10,14,970	-

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

Particulars	March 31, 2016 Rupees	March 31, 2015 Rupees
Opening defined benefit obligation	-	-
Interest cost	-	-
Current service cost	3,90,603	-
Benefits paid	-	-
Actuarial (gains)/losses on obligation	-	-
Liability Transferred In / Acquisitions	6,24,367	-
Closing defined benefit obligation	10,14,970	-

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	March 31, 2016	March 31, 2015
Discount rate	7.79%	-
Employee attrition	For service 4 years and below 23.10% p.a. For service 5 years and above 2.00% p.a.	-
Salary escalation	10.00%	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current period and previous periods are as follows:

Particulars	March 31, 2016 Rupees	March 31, 2015 Rupees	March 31, 2014 Rupees	March 31, 2013 Rupees	March 31, 2012 Rupees
Defined benefit obligation	10,14,970	-	-	-	-
Plan assets	-	-	-	-	-
Surplus/(deficit)	(10,14,970)	-	-	-	-
Experience adjustments on plan liabilities	-	-	-	-	-

25. Based on information available with the Company, there are no amounts payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) as on the balance sheet date. This information has been relied upon by the statutory auditors.

26. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

During the year ended March 31, 2016, the Company has complied with the National Housing Bank guidelines on single borrower and group borrower limits.

FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

27. Deferred Tax Asset

	March 31, 2016	March 31, 2015
Deferred tax asset		
Provision on standard assets	336,879	-
Unamortised loan processing fee income	1,168,062	-
Unabsorbed carried forward losses	7,791,560	-
Provision for gratuity	135,180	-
A	9,431,681	-
Deferred tax liability		
Difference in depreciation as per financial statements and tax books	267,902	-
Unamortised loan origination costs	586,886	-
B	854,788	-
Net deferred tax assets (A-B)	8,576,893	-
Net deferred tax assets recognised	-	-

The Company has not recognised net deferred tax assets as it has carry forward business loss and there is no virtual certainty supported by convincing evidence that sufficient taxable income will be available in future years against which such deferred tax asset can be realised. The composition of deferred tax asset is given above.

28. Cost Sharing

During the year, the Company carried out its operations out of premises leased by Fullerton India Credit Company Limited, the Holding Company. The Company has entered into resource sharing agreement with the Holding Company, as per which Holding Company has agreed to share premises and other resources and thereby to facilitate achieve economies of scale and avoid duplication. The reimbursement of cost is calculated on the basis of number of employees, area occupied, time spent by employees for other companies, actual identification, etc.

During the year Company has been charged with INR 5,645,655 (including service tax) on account of above mentioned arrangement.

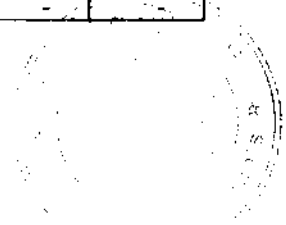
29. Disclosures as required by NHB Directions 2010 and circular no. NHB/ND/DRS/Pol-No.35/2010-11 dated October 11, 2010, issued by National housing Bank

a) No penalties imposed by any regulator during the year.

b) Total provision carried by the Company

Particulars	March 31, 2016			March 31, 2015		
	Standard Assets	Sub-Standard Assets	Doubtful Assets	Standard Assets	Sub-Standard Assets	Doubtful Assets
Housing	710,422	-	-	-	-	-
Non-Housing	262,991	-	-	-	-	-
Total	973,413	-	-	-	-	-

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c) Capital to Risk Assets ratio

Items	Particulars	March 31, 2016	March 31, 2015
i)	CRAR (%)	134.06%	NA
ii)	CRAR - Tier I Capital (%)	133.82%	NA
iii)	CRAR - Tier II Capital (%)	0.24%	NA

d) Exposure to real estate sector

Sr.	Particulars	March 31, 2016	March 31, 2015
a)	Direct exposure		
i)	Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	227,124,263	-
ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	15,061,329	-
iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a	Residential	-	-
b	Commercial Real Estate	-	-
b)	Indirect exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

e) Asset liability maturity pattern of certain assets and liabilities

Particulars	Up to 30/31 days	Over 1 month upto 2 Months	Over 2 months upto 3 months	Over 3 months & up to 6 months
Advances*	222,232	390,205	394,491	1,196,523
	-	-	-	-
Investments**	252,567,405	-	-	-
	-	-	-	(225,000)
Borrowings	-	-	-	-
	-	-	-	-

Particulars	Over 6 Months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 years	Total
Advances*	2,514,004	11,880,477	15,450,923	20,019,982	24,961,935	165,154,818	242,185,592
	-	-	-	-	-	-	-
Investments**	86,500,000	-	-	-	-	-	339,067,405
	(102,650,000)	-	-	-	-	-	(102,875,000)
Borrowings	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

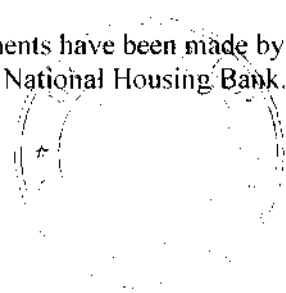
* Represents interest bearing loans

**Investments includes deposit with banks

Figures in bracket relate to previous year.

In computing the above information, certain estimates and adjustments have been made by the management which are consistent with the guidelines provided by National Housing Bank.

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FULLERTON INDIA HOME FINANCE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

31. The Company has reclassified/regrouped previous year figures to conform to current year's classification, where applicable.

For B S R & Co LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



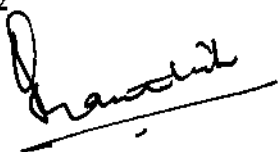
Manoj Kumar Vijai

Partner

Membership No: 046882

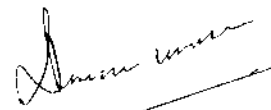
For and on behalf of the Board of Directors of

Fullerton India Home Finance Company Limited



Shantanu Mitra

Chairman



Rakesh Makkar

Managing Director

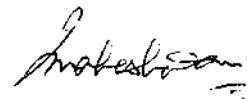


Pankaj Malik

Chief Financial Officer

Place : Mumbai

Date : May 18, 2016



Jitendra Maheshwari

Company Secretary

Place : Mumbai

Date : May 18, 2016