

INDEPENDENT AUDITOR'S REPORT**To the Members of Aavas Finserv Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of Aavas Finserv Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the period from November 30, 2017 to March 31, 2018 ("the period"), and a summary of 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 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 accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with 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 the design, implementation and maintenance of adequate internal financial control 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, issued by the Institute of Chartered Accountants of India, as 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.

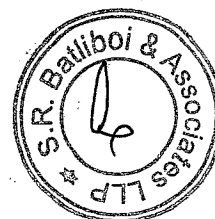
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its loss, and its cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants


Aavas Finserv Limited
Independent Auditor's Report for the period ended March 31, 2018

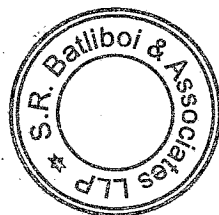
Page 2 of 6

2. As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, and 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 Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (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 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 S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants


per Amit Kabra
Partner
Membership No. 094533

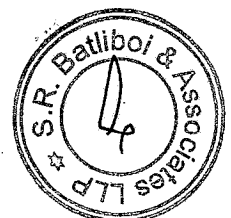


Jaipur
April 26, 2018

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Aavas Finserv Limited

- (i) The Company does not have any fixed assets, accordingly, the provisions of clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.
- (vii) The Company has not commenced its operation and does not have any employees as on March 31, 2018, accordingly, the provisions of clause 3(vii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the period.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of term loans hence, reporting under clause (ix) is not applicable to the Company.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.
- (xi) According to the information and explanations given by the management, since the Company does not have any employees the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) is not applicable.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and hence not commented upon.



S.R. BATLIBOI & ASSOCIATES LLP

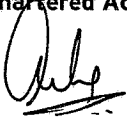
Chartered Accountants

Aavas Finserv Limited
Independent Auditor's Report for the period ended March 31, 2018

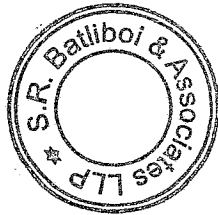
Page 4 of 6

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants



per Amit Kabra
Partner
Membership No. 094533



Jaipur
April 26, 2018

Annexure 2 referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of Aavas Finserv Limited (the "Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

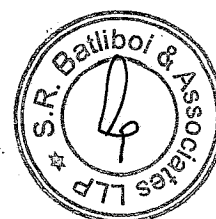
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Aavas Finserv Limited
Independent Auditor's Report for the period ended March 31, 2018

Page 6 of 6


Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

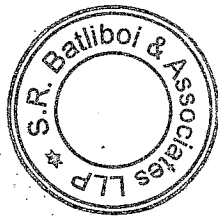
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants



per Amit Kabra
Partner
Membership No. 094533



Jaipur
April 26, 2018

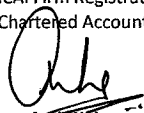
AAVAS FINSERV LIMITED
Balance Sheet as at March 31, 2018

(In Rs.)

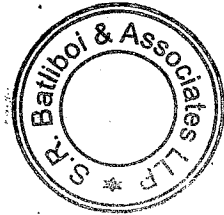
	Notes	As at March 31, 2018
I. Equity and liabilities		
1. Shareholders' funds		
a) Share capital	2.1	45,000,000
b) Reserves & surplus	2.2	(577,210)
		44,422,790
2. Non-current liabilities		
a) Long term borrowings		-
b) Other long term liabilities		-
3. Current liabilities		
a) Short term borrowings		-
b) Other current liabilities	2.3	843,210
		843,210
TOTAL		45,266,000
II. Assets		
1. Non-current assets		
a) Fixed assets		-
b) Long term loans and advances		-
2. Current assets		
a) Cash & bank balances	2.4	45,000,000
b) Short term loans and advances		-
c) Other current assets	2.5	266,000
		45,266,000
TOTAL		45,266,000
Summary of significant accounting policies	1	

The accompanying notes are an integral part of the financial statements

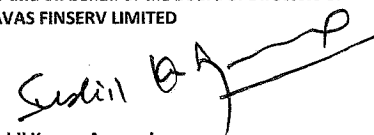
For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W/E300004
Chartered Accountants

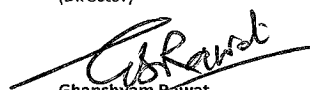

per **Amit Kabra**
Partner
Membership No. 094533

Place: Jaipur
Date: April 26, 2018



**For and on behalf of the Board of Directors of
AAVAS FINSERV LIMITED**


Sushil Kumar Agarwal
(Director)


Ghanshyam Rawat
(Director)



AAVAS FINSERV LIMITED


Statement of profit and loss for the period from November 30, 2017 to March 31, 2018 ("the period")

(In Rs.)

	Notes	Period from November 30, 2017 to March 31, 2018
Revenue		
Revenue from operations		266,000
Other income		-
Total Revenue (I)		266,000
Expenses		
Employee benefit expenses		-
Finance cost		-
Audit Fees		100,000
Preliminary Expenses		743,210
Total expenses (II)		843,210
Profit/(Loss) before tax (III)= (I)-(II)		(577,210)
Tax expenses:		
Current tax		-
Deferred tax		-
Total tax expenses (IV)		-
Profit/(Loss) after tax (III)-(IV)		(577,210)
Earnings per equity share	2.6	
Basic (Rs.)		(0.39)
Diluted (Rs.)		(0.39)
Nominal value per share (Rs.)		10.00
Summary of significant accounting policies	1	

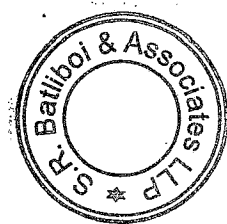
The accompanying notes are an integral part of the financial statements

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W/E300004
Chartered Accountants

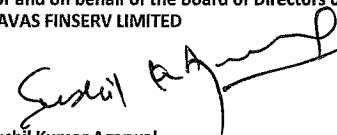


per Amit Kabra
Partner
Membership No. 094533

Place: Jaipur
Date: April 26, 2018



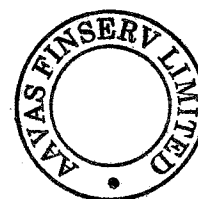
For and on behalf of the Board of Directors of
AAVAS FINSERV LIMITED



Sushil Kumar Agarwal
(Director)



Ghanshyam Rawat
(Director)



AAVAS FINSERV LIMITED
Cash flow statement for the period from November 30, 2017 to March 31, 2018 ("the period")

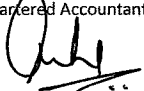
	(In Rs.) Period from November 30, 2017 to March 31, 2018
A Cash flow from operating activities:	
Net profit before tax as per statement of profit and loss	(577,210)
Adjustments for	
Interest on FD	-
Operating profit before working capital changes	(577,210)
Changes in working capital	
Decrease/(increase) in Other current assets	(266,000)
(Decrease)/increase in Other current liabilities	843,210
Net cash flow from / (used in) operating activities (A)	-
B Cash flow from investing activities:	
Inflow (outflow) on account of :	
Investment in fixed deposits	-
Net cash flow from / (used in) investing activities (B)	-
C Cash flow from financing activities:	
Issue of equity shares (including share premium)	45,000,000
Net Cash flow from / (used in) financing activities (C)	45,000,000
Net increase/(decrease) in cash and cash equivalents (A+B+C)	45,000,000
Cash and cash equivalents as at the beginning of the year	-
Cash and cash equivalents at the end of the year	45,000,000
Components of cash and cash equivalents	
Cash on hand	-
Balance with banks	
In current accounts	25,000,000
In deposit account	20,000,000
Total cash and cash equivalents (notes 2.4)	45,000,000
Summary of significant accounting policies	1

Note:-

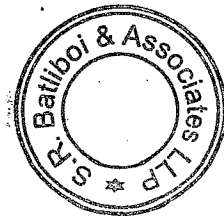
1. Cash flow statement has been prepared under indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statements".

As per our report of even date

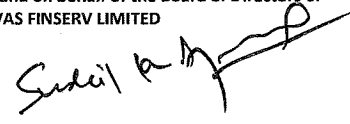
For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W/E300004
Chartered Accountants



per Amit Kabra
Partner
Membership No. 094533

Place: Jaipur
Date: April 26, 2018



For and on behalf of the Board of Directors of
AAVAS FINSERV LIMITED


Sushil Kumar Agarwal
(Director)


Ghanshyam Rawat
(Director)



AAVAS FINSERV LIMITED

Notes to the financial statements for the period from November 30, 2017 to March 31, 2018 ("the period")

A. Corporate information

AAVAS FINSERV LIMITED ("the company") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The company has been incorporated during the year on November 30, 2017 to carry on the business of financing by way of lending/hire-purchase and to provide on lease, sub-lease or on hire, including but not limited to, all type of vehicles, automobiles, industrial plant and machinery, office equipment, movable and immovable assets, building, real estate, household and domestic appliances and equipment, furniture, fixtures, finishing items and all type of machinery, etc. The company has neither obtained Certificate of Registration from Reserve Bank of India nor has commenced any business activity during the period ending March 31, 2018.

B. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The financial statements of the Company have been prepared to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ("the Act"), read together with paragraph 7 of the Companies (Accounts) Rule 2014; the Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis under the historical cost convention.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company has ascertained its operating cycle as 12 months for the above purpose.

1 Summary of significant accounting policies

1.1 Use of estimates

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

1.2 Cash and cash equivalent

Cash and cash equivalent comprise of cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and stamping/franking balance.

1.3 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.

Interest income from fixed deposit:

Revenue from interest on bank deposits and investments are recognised on accrual basis.

1.4 Property, plant and equipment and Depreciation

Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

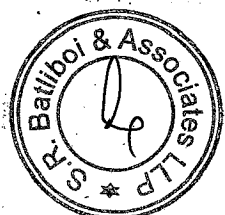
Depreciation on fixed assets is calculated on a written down value basis using the useful lives those prescribed under the Schedule II to the Act. The Company has used the following useful lives to provide depreciation on its fixed assets.

Fixed assets	Useful Life (WDV) (In Years)
Computers and printers	3
Furniture and fixtures	10
Office equipment	5

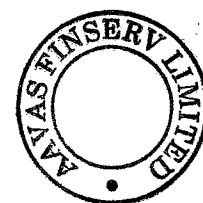
All fixed assets individually costing Rs. 5,000/- or less are fully depreciated in the year of installation/purchase.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/upto the date of acquisition/sale.

Gain or loss arising from sale of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets disposed, and are recognised in the statement of profit and loss in the period when the asset is sold.



Sunil A M
CS



AAVAS FINSERV LIMITED

Notes to the financial statements for the period from November 30, 2017 to March 31, 2018 ("the period")

1.5 Provision for Taxation

Tax expense comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.6 Provision and contingencies

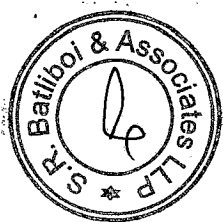
A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted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

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

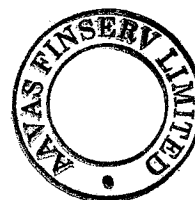
1.7 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

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



Sushil K. Singh
CS



AAVAS FINSERV LIMITED

Notes to the financial statements for the period from November 30, 2017 to March 31, 2018 ("the period")

2 Notes On Accounts For The Period From November 30, 2017 to March 31, 2018 ("the period")

2.1 Share Capital

Details of Authorized, Issued, Subscribed and Paid up Share Capital	(In Rs.)
	As at March 31, 2018
Authorized share Capital	
4,500,000 Equity Shares of Rs. 10/- each.	45,000,000
	45,000,000
Issued Subscribed & Paid up Capital	
Issued and Subscribed Capital	
4,500,000 Equity Shares of Rs. 10/- each	
Total Issued Share Capital	45,000,000
Called-Up and Paid Up Capital	
Fully Paid-Up	
4,500,000 Equity Shares of Rs 10/- each	45,000,000
Total	45,000,000

(i) The Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2018	
	Number of Shares	Amount
Equity Share at the beginning of year	-	-
Add: Shares issued during the year	4,500,000	45,000,000
Equity Share at the end of year	4,500,000	45,000,000

(ii) Shares held by holding Company

Name of the shareholder	As at March 31, 2018	
	No. of shares	% of holding
Aavas Financiers Limited (formerly known as "Au Housing Finance Limited")	4,500,000	100%
	4,500,000	100%

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.

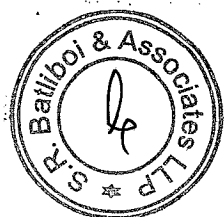
(iii) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2018	
	No. of shares	% of holding
Aavas Financiers Limited (formerly known as "Au Housing Finance Limited")	4,500,000	100%
	4,500,000	100%

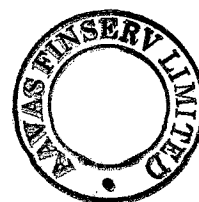
As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(iv) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



Sushil K. A. [Signature]
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AAVAS FINSERV LIMITED

Notes to the financial statements for the period from November 30, 2017 to March 31, 2018 ("the period")

2.2 Reserves & surplus

Particulars	(In Rs.) As at March 31, 2018
Surplus / (deficit) in the statement of Profit & Loss	
Balance as per last Financial Statement	-
Add: Net Profit after tax transferred from Statement of Profit and Loss	(577,210)
Total	(577,210)

2.3 Other current liabilities

Particulars	As at March 31, 2018
Creditors for Expenses & Services	843,210
Total	843,210

2.4 Cash and bank balances

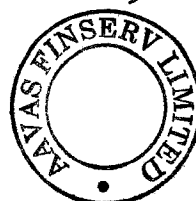
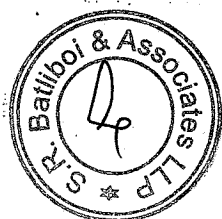
Particulars	As at March 31, 2018
Cash and cash equivalents	
Cash on hand	-
Balance with banks	-
In Current Accounts	25,000,000
In Deposits with original maturity of less than three months	20,000,000
	45,000,000
Other Bank Balances	
Deposit with original maturity of more than 12 months	-
Deposit with original maturity of more than 3 months less than 12 months	-
Total	45,000,000

2.5 Other Current Assets

Particulars	As at March 31, 2018
Interest accrued but not due on deposit with bank	239,400
TDS Receivable A.Y. 2018-19	26,600
Total	266,000

2.6 Earning per share

Particulars	Period from November 30 2017 to March 31 2018
Following reflects the profit and share data used in EPS computations:	
Basic	
Weighted average number of equity shares for computation of Basic EPS	1,491,781
Net profit for calculation of basic EPS	(577,210)
Basic earning per share (In Rs.)	(0.39)
Diluted	
Weighted average number of equity shares for computation of Diluted EPS	1,491,781
Net profit for calculation of Diluted EPS	(577,210)
Diluted earning per share (In Rs.)	(0.39)
Nominal value of equity shares (In Rs.)	10.00



Sureil K. Aggarwal
CS

AAVAS FINSERV LIMITED

Notes to the financial statements for the period from November 30, 2017 to March 31, 2018 ("the period")

2.7 Related party Transaction

(In Rs.)

a. Names of related parties identified in accordance with AS -18 "Related Party Disclosures" (with whom there were transactions during the period)

1. Holding Company

Aavas Financiers Limited (Formerly known as "Au HOUSING FINANCE LIMITED") (From November 30,2017)

2. Key management personnel

None

3. Enterprises under significant influence of the key management personnel

None

4. Relatives of key managerial personnel

None

b. The nature and volume of transactions carried out with the above related parties in the ordinary course of business are as follows :

Name of related party	Nature of transactions	Period from		As at
		November 30, 2017 to March 31, 2018	Amount received	Amount paid
				Outstanding balance
Aavas Financiers Limited	Issue of Equity Shares	45,000,000	-	-
Aavas Financiers Limited	Reimbursement of expenses	-	743,210	743,210

2.8 Dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

2.9 There is no contingent liability as on March 31, 2018.

2.10 These financial statements being the first year /period of activity since incorporation, requirement of furnishing previous year/ period figures is not applicable.

For and on behalf of the Board of Directors of
AAVAS FINSERV LIMITED

Sushil Kumar Agarwal
Sushil Kumar Agarwal
(Director)

Ghanshyam Rawat
Ghanshyam Rawat
(Director)

Place: Jaipur
Date: April 26, 2018

