

INDEPENDENT AUDITOR'S REPORT

To The Members of Spaisa P2P Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Spaisa P2P Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 of the standalone financial statements 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's



judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the financial position of the Company as at 31st March, 2018, and its financial performance and its cash flows for the year 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 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 standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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 in its financial statements – Refer Note No 7 of the financial statements;
 - 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.

Place: Mumbai

Date: 17th April, 2018



For V. Sankar Aiyar & Co.,
Chartered Accountants
(FRN 109208W)

G. Sankar

(G.SANKAR)
(M.No.46050)

Annexure A to Auditor's Report

Annexure referred to in our report of even date to the members of Spaisa P2P Limited on the accounts for the year ended 31st March 2018

- (i) The company does not have any fixed assets. Therefore paragraph 3(i) of the Order is not applicable to the Company.
- (ii) The company is not engaged in any trading or manufacturing activity and does not have any fixed assets. Therefore paragraph 3(ii) of the Order is not applicable to the Company.
- (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. Therefore, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the company has not granted any loans, investments, guarantees and security to which provisions of section 185 and 186 of the Act apply. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- (vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Therefore, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) According to the information and explanations given to us the Company did not have any statutory dues including provident fund, employees state insurance, income tax, service tax, sales tax, value added tax, goods and services tax, cess and other statutory dues as applicable to the Company. Therefore paragraph 3(vii)(a) and 3(vii)(b) are not applicable to the Company.



- (viii) According to the information and explanation given to us, the company did not have any borrowings from banks or financial institutions. The Company has not taken any loans or borrowings from Government and does not have any dues to debenture holders.
- (ix) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, and based on the audit procedures performed and the representations obtained from the management, we report that no fraud by the company or on the Company by its officers or employees, having a material misstatement on the financial statements has been noticed or reported during the period under audit.
- (xi) According to the information and explanations given to us and based on verification of records, the company has not paid or provided for managerial remuneration during the year. Therefore paragraph 3(xi) of the Order is not applicable to the Company
- (xii) The Company is not a Nidhi Company and hence clause 3(xii) of the order is not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on verification of the records and approvals of the Audit Committee, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (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. Therefore, paragraph 3(xv) of the Order is not applicable to the Company.



- (xvi) According to the information and explanations given to us, the company is has applied to the Reserve Bank of India for registration under Sec 45-IA of the Reserve Bank of India Act, 1934.

For V. Sankar Aiyar & Co,
Chartered Accountants
(Firm's Registration No. 109208W)

G Sankar

G Sankar
Partner
(Membership No. 46050)

Place: Mumbai
Date: 17th April, 2018



Annexure B to Auditor's Report

Annexure referred to in our report of even date to the members of Spaisa P2P Limited on the standalone accounts for the year ended 31st March 2018.

Report on the 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 Spaisa P2P Limited ("the Company") as of March 31st, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year 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 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 Companies Act, 2013.

Auditors' 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, 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 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 Company's 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.

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 V Sankar Aiyar & Co,
Chartered Accountants
(Firm's Registration No. 109208W)**



**G Sankar
Partner
(Membership No. 46050)**

Place: 17th April, 2018
Date: Mumbai



Spaisa P2P Limited
Balance Sheet as at March 31, 2018

(₹ in Millions)

Particulars	Note No.	As at Mar 31, 2018
I EQUITY AND LIABILITIES		
(1) Shareholder's funds		
(a) Share Capital	3	20.50
(b) Reserve and Surplus		-
Sub Total		20.50
(2) Non Current Liabilities		
		-
(3) Current liabilities		
		-
TOTAL		20.50
II ASSETS		
(1) Non-current assets		
(a) Fixed Assets		-
Sub Total		-
(b) Non-Current Investments		-
(c) Deferred Tax Assets (Net)		-
(d) Long-Term Loans & Advances		-
(e) Other Non-Current Assets		-
Sub Total		-
(2) Current assets		
(a) Cash and Bank Balances	4	20.50
Sub Total		20.50
TOTAL		20.50
See accompanying notes forming part of Financial Statements	1-8	

As per our attached report of even date

For V Sankar Aiyar & Co
Chartered Accountants
Firm's Registration No.109208W
By the hand of

G Sankar

G Sankar
Partner
Membership No. 046050
Place : Mumbai
Dated : 17th April 2018



For and on behalf of the Board of Directors

Prakash
Prakash Gagdani
Director
(DIN :- 07376258)

Santosh
Santosh Jayaram
Director
(DIN :- 07955607)



Note: 1. Corporate Information:

Spaisa P2P Ltd ("the Company") was incorporated on December 17, 2017 with the objective to provide an online marketplace to the participants involved in peer to peer lending and also to act as a distributor of financial products including distribution of insurance products. The company has applied to RBI for NBFC P2P License.

Note: 2. Significant Accounting Policies:

2.1 Basis of accounting and preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of companies Act 2013 (Act) read with Rule 7 of the Companies Accounts Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year by the Company.

2.2 Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles which requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual result and estimates are recognized in the period in which the results are known

2.3 Provisions, Contingent Liabilities and Contingent Assets:

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 neither recognized nor disclosed in the financial statements.

2.4 Preliminary Expenses

Preliminary Expenses is written off in same financial year in which they are incurred.



Note: 3. Issued, Subscribed and Paid-up share capital:

a) The Authorized, Issued, Subscribed and fully paid up share capital comprises equity shares as follows:
(₹ in Millions)

Particulars	As at March 31,2018
Authorized :	
2,500,000 Equity Shares of ₹10 each	25.00
Issued , Subscribed and Paid Up :	
2,050,000 Equity Shares of ₹10 each	20.50
Total	20.50

b) Reconciliation of the shares outstanding

Particulars	As at March 31,2018	
	No. of Shares	Amount in ₹
At the Beginning of the Year	-	-
Add:- Issued during the Year	2.05	20.50
Outstanding at the end of the year	2.05	20.50

c) Equity Shares held by Holding company / Ultimate holding company and their subsidiaries

Particulars	March 31, 2018	
	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid		
Spaisa Capital Limited	2.05	100%

d) Detail of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018	
	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid		
Spaisa Capital Limited	2.05	100%

Note: 4. Cash and Bank Balances:

(₹ in Millions)

Particulars	As at March 31,2018
Cash & Cash Equivalents:	
In Current Accounts	20.50
Total	20.50



Note: 5. Disclosures in respect of applicability of AS – 18 Related Party Disclosures:

Nature of relationship	Name of party
Holding Company	Spaisa Capital Limited w.e.f. 07.12.2017
Other Related parties*	<p>IIFL Holdings Limited IIFL Commodities Limited (formerly known as India Infoline Commodities Limited) India Infoline Media & Research Services Limited India Infoline Finance Limited IIFL Securities Limited (Formerly known as India Infoline Limited) IIFL Management Services Limited (formerly known as India Infoline Insurance Services Limited) IIFL Insurance Brokers Limited (Formerly Known as India Infoline Insurance Brokers Limited) IIFL Wealth Management Limited IIFL Facilities Services Limited (Formerly Known as IIFL Real Estate Limited) IIFL Wealth UK Limited IIFL Capital Inc India Infoline Foundation IIFL Assets Reconstruction Limited India Infoline Housing Finance Limited Samasta Microfinance Limited Ayusha Dairy Private Limited IIFL Capital Pte. Ltd IIFL Securities Pte. Limited IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited) IIFL Alternate Asset Advisors Limited IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited) IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited) IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited) IIFL Investment Advisers & Trustee Services Limited (Formerly IIFL Trustee Services Limited) IIFL Asia Pte Limited IIFL Private Wealth Hong Kong Limited IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Ltd. IIFL Private Wealth Management (Dubai) Limited IIFL Inc. IIFL Private Wealth (Suisse) SA. Clara Developers Private Limited IIFL Capital (Canada) Limited</p>
Key Managerial Personnel	Mr. Prakarsh Gagdani
Others	Mr. R Venkataraman
	Mr. Nirmal Jain
	Orpheus Trading Pvt. Limited
	Ardent Impex Pvt. Limited

*These are related parties as they are under common control with, the reporting enterprise and its holding Company.



Note: 6. Segment Reporting:

In the opinion of the management, there is only one reportable business segment as envisaged by AS 17 'Segment Reporting', issued by the Institute of Chartered Accountants of India. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

Note: 7. There is no pending litigation by and on the Company as on the balance sheet date.

Note: 8. This is the first year of Incorporation of the Company , hence previous year figures are not presented.

As per our attached report of even date

For V Sankar Aiyar & Co

Chartered Accountants

Firm's Registration No.109208W

By the hand of



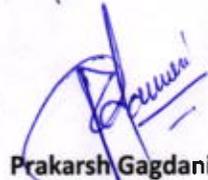
G Sankar

Partner

Membership No.: 046050



For and on behalf of the Board of Directors



Prakarsh Gagdani

Director

(DIN: - 07376258)



Santosh Jayaram

Director

(DIN: - 07955607)



Place: Mumbai

Dated: 17th April 2018