



**Independent Auditor's Report**

**To the Members of Grameen Development & Finance Pvt. Ltd.**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Grameen Development & Finance Pvt. Ltd.** ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards and other Accounting Principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019 and its profit and its cash flows for the year ended on that date.

**Basis For Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### **Responsibilities of Management and Those Charged with Governance 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for



our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 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-A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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 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 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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"; 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 did not have any pending litigations to 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 and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, D PATWARY & CO  
Chartered Accountants  
(Firm's Registration No.324523E)

  
DEEPAK PATWARY  
Partner, Membership No.060467



UDIN: 19060467 AAAACU 5234

Place: Chhaygaon  
Date: 02/07/2019

**Annexure-A to the Independent Auditors' Report of even date on the Financial Statements of Grameen Development & Finance Pvt. Ltd.,**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

(i) (a) The Company has maintained 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 fixed assets are verified in a phased manner over a period of one year. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.

(ii) The Company is a Non-Banking Financial company (NBFC), primarily giving micro-finance loans. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) (a) The Company has not granted any loans to the person covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Consequently, the provisions of iii (b) and iii (c) of the order are not applicable to the company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security made.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(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, sales tax, service tax, duty of customs, value added tax, cess and other



material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, where applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, no dues of income-tax, sales tax, service tax or value added tax were in dispute.

(viii) The Company have not defaulted in repayment of dues to financial institution, bank and debenture holder.

(ix) Term loans raised during the year were applied for the purpose for which those were taken. But at the year end the total amount of loan outstanding was Rs. 47.56 crore out of which Rs. 4.63 crore were lying as undisbursed, so net amount available for on-lending was Rs. 42.93 crore. Amount of on-lending with margin should be Rs. 43.72 Crore whereas outstanding balance of loan given to clients is Rs. 40.33 Crore thereby making a deficit of Rs. 3.39 Crore. Company claims that the fixed deposits lodged with lenders as security are much higher than such deficit.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 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 based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

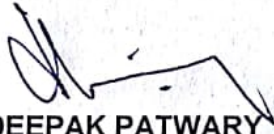


(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made allotment of 20,00,000 OCPS @ 10/- each and 7,75,000 CCPS @ 10/- each the allotment is as per the provision of act and the amount raised is used for the purpose for which fund were raised.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable

(xvi)The Company is registered under section 45-IA of the Reserve Bank of India Act 1934 as Non-Banking Financial Company. The status was changed to Non - Banking Financial Company-Micro Finance Institutions (NBFC-MFI) with effect from 12.12.2014.

**For, D PATWARY & CO**  
**Chartered Accountants**  
(Firm's Registration No.324523E)



**DEEPAK PATWARY**  
Partner  
Membership No.060467



Place: Chhaygaon  
Date :02/07/2019

UDIN : 19060467AAAACU5234

**Annexure-B to the Independent Auditors' Report of even date on the Financial Statements of Grameen Development & Finance Pvt. Ltd.**

**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 **Grameen Development & Finance Pvt. Ltd.** ("the Company") as of March 31, 2019 in conjunction with our audit of the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, 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, D PATWARY & CO**  
**Chartered Accountants**  
(Firm's Registration No.324523E)

  
**DEEPAK PATWARY**  
Partner  
Membership No.06046  
Place: Chhaygaon  
Date:02/07/2019



UDIN : 19060467AAAACU 5234

**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED**  
(Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)

BALANCE SHEET AS AT		Note	31ST MARCH, 2019	31ST MARCH, 2018
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDERS' FUNDS</b>				
Share Capital	3		67,606,480	37,731,480
Reserves & Surplus	4		15,914,888	11,674,234
			<b>83,521,368</b>	<b>49,405,714</b>
<b>NON-CURRENT LIABILITIES</b>				
Long term Borrowings	5		209,296,561	141,473,074
Long term Provisions	6		1,493,922	1,580,379
Deferred Tax Liability (Net)			-	-
			<b>210,790,483</b>	<b>143,053,453</b>
<b>CURRENT LIABILITIES</b>				
Short term Borrowings	5A		-	-
Trade Payables	7		1,661,174	717,852
Other current liabilities	8		268,510,657	201,374,377
Short term provisions	6		4,847,377	3,577,352
			<b>275,019,208</b>	<b>205,669,581</b>
<b>TOTAL</b>			<b>569,331,058</b>	<b>398,128,748</b>
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Fixed Assets	9			
- Land			394,100	394,100
-Tangible Assets			4,611,835	3,819,639
-Intangible Assets			734,361	339,039
Deferred Tax Assets			1,037,521	704,789
Other Non Current Assets	10		127,711,440	86,626,487
			<b>134,489,258</b>	<b>91,884,054</b>
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	11		130,589,307	72,186,330
Short term loans and advances	12		285,865,901	221,175,809
Other current assets	13		18,386,592	12,882,555
			<b>434,841,800</b>	<b>306,244,694</b>
<b>TOTAL</b>			<b>569,331,058</b>	<b>398,128,748</b>

Significant Accounting Policies and Notes

1 & 2

The accompanying notes are forming an integral part of these Financial Statements

**For D. Patwary & Co.**  
**Chartered Accountants**  
**Firm Registration No. 324523E**

For and on behalf of the Board of Directors

Deepak Patwary  
(Partner)  
M. No.060467



*[Signature]*  
Managing Director  
DIN: 02849186

*[Signature]*  
Director  
DIN: 06902163

Date: 02.07.2019  
Place: Guwahati

UDIN: 19060467 AAAACU5234

**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED**  
(Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED		₹	₹
		31ST MARCH, 2019	31ST MARCH, 2018
	Note		
Revenue from Operations	14	77,003,072	69,123,650
Other Income	15	10,827,086	4,791,593
<b>Total Revenue</b>		<b>87,830,158</b>	<b>73,915,243</b>
<b>EXPENSES</b>			
Employee Benefits Expenses	16	22,544,102	18,105,215
Depreciation		1,310,554	982,865
Finance Cost	17	47,406,876	41,060,934
Other Expenses	18	8,074,879	7,024,215
Provisions and Write-offs	19	1,189,064	(108,401)
<b>Total Expenses</b>		<b>80,525,475</b>	<b>67,064,828</b>
<b>Profit before Prior Period &amp; exceptional Items</b>		<b>7,304,683</b>	<b>6,850,415</b>
Prior Period Expenses		-	-
		<b>7,304,683</b>	<b>6,850,415</b>
<b>Tax Expenses:</b>			
(1) Current Tax		2,307,764	1,980,000
(2) Deferred Tax (Assets)/Liabilities		(332,732)	30,048
(3) Tax of Earlier Years		137,851	59,425
<b>Total Tax Expenses</b>		<b>2,112,883</b>	<b>2,069,473</b>
<b>Profit for the Year</b>		<b>5,191,800</b>	<b>4,780,942</b>
<b>Earning Per Equity Share</b>			
(1) Basic		1.30	1.63
(2) Diluted		0.96	1.28

Significant Accounting Policies and Notes 1 & 2  
The accompanying notes are forming an integral part of these Financial Statements

For **D. Patwary & Co.**  
Chartered Accountants  
Firm Registration No. 324523E


Deepak Patwary  
(Partner)  
M. No.060467

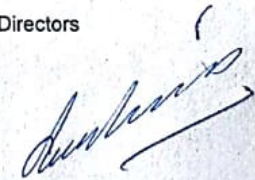
Date: 02.07.2019  
Place: Guwahati

UDIN: 19060467AAABCUS234



For and on behalf of the Board of Directors

  
Managing Director  
DIN: 02849186

  
Director  
DIN: 06902163

**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
(Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	2018-19	2017-18
	RUPEES (₹)	RUPEES (₹)
<b>Cash Flow From Operating Activities :</b>		
Profit Before Tax and extraordinary Items	7,304,683	6,850,415
Adjustments for :		
Loan Loss Provisions & write off	1,189,064	(108,401)
Depreciation	1,310,554	982,865
Provision for Gratuity	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>9,804,301</b>	<b>7,724,879</b>
(Increase)/Decrease in Micro Finance Loans	(99,777,525)	(59,346,535)
(Increase)/Decrease in Other Current Assets	(5,605,975)	(1,877,829)
(Increase)/Decrease in Non Current Assets	(5,233,710)	(989,115)
Increase/(Decrease) in Current Liabilities	1,747,805	(443,894)
Increase/(Decrease) in Trade Paybles	943,322	645,634
Payment of Advance Tax	(2,989,988)	(2,297,759)
<b>Net Cash Provided By/(Used In) Operating Activities (A)</b>	<b>(101,111,770)</b>	<b>(56,584,619)</b>
<b>Cash Flow From Investing Activities</b>		
Purchases of Fixed Assets	2,498,073	450,079
<b>Net Cash Provided By/(Used In) Investing Activities (B)</b>	<b>2,498,073</b>	<b>450,079</b>
<b>Cash Flow From Financing Activities :</b>		
Increase in Borrowings	133,088,966	47,366,024
Proceeds From Issuance of Share Capital	29,875,000	2,631,480
Dividend paid	(951,146)	251,331
Share Premium	-	1,118,520
<b>Net Cash Provided By/(Used In) Financing Activities (C)</b>	<b>162,012,820</b>	<b>51,367,355</b>
<b>Net Increase In Cash And Cash Equivalents (A+B+C)</b>	<b>58,402,977</b>	<b>(5,667,343)</b>
<b>Cash And Cash Equivalents At The Begining of The Year</b>	<b>72,186,330</b>	<b>51,386,290</b>
<b>Cash And Cash Equivalents At The End of The Year</b>	<b>130,589,307</b>	<b>72,186,330</b>
<b>Cash And Cash Equivalents Comprises of :</b>		
1. Cash In Hand	451,063	34,517
2. Balances With Scheduled Banks	130,138,244	72,151,813
	<b>130,589,307</b>	<b>72,186,330</b>

As per our report of even date annexed herewith

For D. Patwary & Co.  
Chartered Accountants  
Firm Registration No. 324523E

For and on behalf of the Board of Directors

Deepak Patwary  
(Partner)  
M. No.060467

Managing Director  
DIN: 02849186

Director  
DIN: 06902163

Place : Guwahati  
Date: 02.07.2019

UDIN: 19060467AAAACUS234



**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED**  
Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS**

**Note-1 NATURE OF OPERATION:**

Grameen Development & Finance Private Limited (here in after referred as "the company"), is engaged in Micro Finance lending activities for providing financial services to the poor women in the rural and urban areas of India. Company provides small value collateral free loans for income generating activities to poor women according to the guidelines of Reserve Bank of India vide Notification No. DNBS.CC.PD.No. 250/03.10.01/2011-12 dated 2nd December, 2011.

The Company has converted from NBFC to Non-Banking Financial Company-Micro Finance Institutions (NBFC-MFI) with effect from 12.12.2014 bearing certificate number B-08-00185.

All financial transactions are conducted in group meetings organised near the inhabitats or work place. The operations, in the initial stages of group formations, involves efforts on development training on financial discipline, and later constant monitoring through meetings and providing financial and support services at the doorstep of the borrowers to ensure high rate of recovery.

**1.01 Corporate Information**

Sharnarthi Leasing & Finance Private Limited was incorporated on 20 July 1989 in National Capital Territory of Delhi vide registration no. 55-037029 to carry on the business of Non-banking Finance Company.

The registered office of the company was shifted from NCT of Delhi to the State of Punjab in the year 1999 and subsequently from State of Punjab to the State of Assam during the financial year 2013-14. Consequent to shifting of registered office to the State of Assam, a new Certificate of Incorporation bearing no. U65921AS1999PTC011755 dated 16 January 2014 was issued by Registrar of Companies, Shillong.

The company was granted a Certificate of Registration (CoR) bearing no. B-06.00271 dated 10 May 2000 by Reserve Bank of India, Chandigarh to carry on the business of non-banking finance company under section 45(IA) of Reserve Bank of India Act, 1934. Consequent to shifting of registered office of the company to the State of Assam, a new Certificate of Registration (CoR) bearing no. B-08.00185 dated 14 March 2014 by Reserve Bank of India, Guwahati.

The company has changed its name to Grameen Development & Finance Private Limited and a fresh certificate of incorporation bearing CIN-U65921AS1999PTC011755 was issued by the Registrar of Companies, Shillong during the financial year 2014-15.

The company has also converted into a NBFC-MFI and a fresh Certificate of Registration was issued by RBI, Guwahati pursuant to change of name of the company.

**Note-2 SIGNIFICANT ACCOUNTING POLICIES:**

**2.01 Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principle in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rule 2014 and the provisions of the Reserve Bank of India (RBI) as applicable to a Non Banking Financial Company. The Financial Statements are prepared under historical cost convention, on accrual basis except interest/discount on a loan which have been classified as Non Performing Assets and is accounted for on cash basis. The accounting policies applied by the company are consistent with those applied in the previous year.

**2.02 Use of Estimates**

The preparation of Financial Statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statement and the result of the operations during the reporting year end. Although these assumptions are made as per the Management's best knowledge of current events and actions, actual result may differ from these estimates.

**2.03 Tangible Assets**

All Tangible Fixed Assets have been stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**Depreciation .**

Depreciation on Tangible Fixed Assets has been provided on the straight-line method over the useful lives of assets estimated by the Management, which is consistent with the useful lives prescribed under Part 'C' of Schedule II of Companies Act, 2013. Intangible assets are amortised over their estimated useful lives on a straight-line basis. The management estimates the useful lives of the Fixed assets as follows.

Classes of Assets	Useful Lives
Office Equipment	5 Years
Furniture and Fixtures	10 Years
Computer and Accessories	3 Years
Motor Vehicles	6 Years

**2.04 Intangible Assets** acquired separately are measured on initial recognition at cost. Following recognition, intangible assets are carried at cost less accumulated amortisation. Computer Software is recognised over 3 years on prorata basis.



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**2.05 Borrowing Cost**

Interest on borrowing is recognised on time proportion basis taking into account the amount outstanding and the rate applicable on the borrowing.

**2.06 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.

- (i) Interest income on Kano is recognised on accrual basis. Interest on Non-Performing Assets (NPA) is recognised only when realised.
- (ii) All other income is recognised on accrual basis.

**2.07 Retirement and other Employee Benefits**

(i) The monthly contribution towards Provident Fund is charged to Profit and Loss Account for the year when the contribution to the respective fund is due. There are no other obligations other than the contribution payable to the respective funds.

(ii) The company has provided towards Employees Gratuity based on 15 days salary for every completed year of service for the current and past years. The measurement of liability has been done in house by the company without using the services of an Actuary. Total Liability Estimated (i.e. P. V. of Past Service Benefit) is Rs. 1020176/- and total contributed to LIC for the year is Rs. 583314/-.

**2.08 Credit Rating**

The credit policy of the company requires all credit exposures to be measured, monitored and managed proactively. Exposure to credit risk is monitored on yearly basis by a leading external credit rating agency.

**2.09 Taxation**

(i) Tax Expenses comprise 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. Deferred Income Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

(ii) Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet Date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

(iii) The carrying amount of the Deferred Tax Assets is reviewed at each Balance Sheet Date. The company writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably certain or virtually certain as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written-down amount is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**2.10 Classification of Portfolio Loans**

Loans are classified as follows

Asset Classification	Period
Standard Assets	Current Loan and arrears upto 90 days
Sub Standard Assets	Arrears from 91 days upto 179 days
Doubtful Assets	Arrears from 180 days and more

**2.11 Provision for loan losses**

(i) At the end of each financial year, the Management reviews all the Micro Credit on overdue basis and written-down amounts are being made as per past experience and present condition of the borrowers.

(ii) The Provisioning Norms followed by the company are as follows:

Asset Classification	Arrear Period	As Per Reserve Bank of India Guidelines	Estimated Provision adopted by the Company for the Year 2018-19	Estimated Provision adopted by the Company for the Year 2017-18
Standard Assets	Upto 90 days	0.25%	0.40%	0.40%
Sub Standard Assets	From 91 to 179 days	50%	50%	50%
Doubtful Assets	More than 180 days	100%	100%	100%

The Company has followed Provisioning Norms for making provision for loan losses as mentioned in RBI Notification no. DNBS (PD)CC.No.293/03.10.38/2011-12 dated July 02, 2012. Provision for Loss on Micro Credit Advance has been made at the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

Till last year provision on Standard Assets at specified rate (0.40%) was additionally made upon standard assets. During the current year, the Company do not foresee requirement of higher provision over & above RBI provisions applicable to NFBC-MFI and therefore decided to provide at the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

Had the provision were made in line with past years, there would have been increase in provision to the extent of Rs.11,89,064



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**2.12 Loan write-off policy**

The Company as a policy matter has decided to write-off loans which are overdue and not recoverable for more than three years. Moreover, the management can take a decision of writing off loans as per the quality and expectation of realization of loans from borrowers. Further all loss assets identified as per the extant RBI guidelines are provided.

**2.13 Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share holders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends related to a fully paid equity share during the reporting period.

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

**2.14 Provisions and Write-offs**

A provision is recognized when an enterprise has a present obligation as a result of past event, its outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**2.15 Cash and Cash Equivalents**

Cash and Cash equivalents comprise of cash in hand and unrestricted Cash at Bank .

**2.16 Contingent Liability and Contingent Asset**

Contingent liability is disclosed for (i) possible obligations which will be confirmed only by future not wholly within the control of the company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent asset is not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**2.17 Dividend (Including dividend distribution tax)**

As per Accountanting standard 4 issued by Institute Of Chartered Accountants Of India Interim dividend declared to equity and / or preference shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final proposed dividend declared to equity and / or preference shareholders, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019:

Note-3:

Particulars	₹	
	31ST MARCH 2019	31ST MARCH, 2018
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
70,00,000 (70,00,000) Equity shares of ₹ 10/- each	70,000,000	70,000,000
70,00,000 (70,00,000) Preference shares of Rs. 10/- each	70,000,000	70,000,000
20,00,000 (20,00,000) Equity Share of Rs 10/- each with Differential Voting Right	20,000,000	-
	<b>160,000,000</b>	<b>140,000,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
34,85,648 (P.Y. 32,73,148) paid up Equity shares of ₹ 10/- each	34,856,480	32,731,480
25,00,000 (P. Y. 5,00,000) paid up & 2,00,00,000/- 9% Optionally Convertible Preference Shares (OCPS) of Rs. 10/- each & Nil (Rs.1,00,000) paid up 15% optionally convertible preference shares of Rs. 10/- each	25,000,000	5,000,000
7,75,000 (P. Y. NIL) paid up 9% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each	7,750,000	-
	<b>67,606,480</b>	<b>37,731,480</b>

**Terms/Rights attached to Equity & Preference Shares:**

**Equity Share:**The Company has only one Class of equity Shares having at par value of Rs.10/- per Share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity will be entitled to receive the remaining asset of the company after distribution of all preferential amounts.

**Preference Shares :**1. The Company has issued 5,00,000, 9% Optionally Convertible Preference Shares ("OCPS") of face value ₹ 10/- each on 03.12.2016, to Small Industrial Development Bank Of India (SIDBI). In case SIDBI decide not to convert OCPS into equity shares, or inverts only part of OCPS into equity then OCPS would be redeemed in a single bullet redemption at the end of 6 years from the date of first disbursement. Any dividend payable/unpaid will also be paid along with redemption of OCPS. Preference share will carry dividend @ 9% p.a. to be paid within 3 months from the close of financial year on pro-rata basis during currency of preference share [ Including at the time of redemption or part/ fully conversion of share]. Dividend if not paid will be cumulative in nature. Dividend distribution tax and other statutory surcharge and levies thereon would be borne by the company. The OCPS holders have a right to receive dividend, prior to the Equity Shareholders. The dividend proposed by the Board of Directors on the OCPS is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the Preference Shareholders are eligible to receive the remaining assets of the Company before distribution to the Equity Shareholders, in proportion to their shareholding.

At the Meeting of the Board of Directors held on 02.07.2019, the Board recommended the payment of the final dividend of 9% on 5,00,000 OCPS allotted on 3rd December,2016, for FY 2018-19, on a pro - rata basis up to March 31, 2019, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM"). The said Dividend, if approved by the Members, would involve a cash outflow of Rs. 5,42,521 (Including dividend distribution tax of Rs. 92,521).

2. The Company have Issued 20,00,000, 9% Optionally Convertible Preference Shares ("OCPS") of face value ₹ 10/- each on 14.08.2018, to NEDFI . In case NEDFI decide not to convert OCPS into equity shares, or inverts only part of OCPS into equity then OCPS would be redeemed 50% of OCPS at the end of 5 Years and remaining 50% OCPS at the end of sixth year . Any dividend payable/unpaid will also be paid along with redemption of OCPS. Preference share will carry dividend @ 9% p.a. to be paid within 3 months from the close of financial year on pro-rata basis during currency of preference share [ Including at the time of redemption or part/ fully conversion of share]. Dividend if not paid will be cumulative in nature. Dividend distribution tax and other statutory surcharge and levies thereon would be borne by the company. The OCPS holders have a right to receive dividend, prior to the Equity Shareholders. The dividend proposed by the Board of Directors on the OCPS is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the Preference Shareholders are eligible to receive the remaining assets of the Company before distribution to the Equity Shareholders, in proportion to their shareholding.

At the Meeting of the Board of Directors held on 02.07.2019, the Board recommended the payment of the final dividend of 9% on 20,00,000 OCPS allotted on 14th Aug,2018, for FY 2018-19, on a pro - rata basis up to March 31, 2019, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM"). The said Dividend, if approved by the Members, would involve a cash outflow of Rs. 9,98,831 (Including dividend distribution tax of Rs. 1,70,338).

2. The Company have Issued 775000, 9% Compulsory Convertible Preference Shares ("CCPS") of face value ₹ 10/- each on various dates . to 3 of its existing shareholders .

At the Meeting of the Board of Directors held on 02.07.2019, the Board recommended the payment of the final dividend of 9% on 775000 CCPS allotted on various dates, for FY 2018-19, on a pro - rata basis up to March 31, 2019, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM"). The said Dividend, if approved by the Members, would involve a cash outflow of Rs. 6,97,547 (Including dividend distribution tax of Rs. 1,18,958).

**Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares of the company:**

Name of the Shareholder	As on 31/03/2019		As on 31/03/2018	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Gautam Das Jointly with Prabin Chandra Das	318,000	9.12%	318,000	9.72%
Gyanesh Pandey	287,678	8.25%	287,678	8.79%
Panlal Bansal	402,905	11.56%	402,905	12.31%
North Eastern Development Finance Corporation Ltd.	500,000	14.34%	500,000	15.28%

**The reconciliation of number of Equity Shares is set out below**

Particulars	31ST MARCH, 2019	31ST MARCH, 2018
<b>EQUITY SHARE</b>		
Number of Shares at the beginning	3,273,148	2,910,000
Add: Issue of Equity Shares during the Year	212,500	-
Add: Preference Shares Converted to Equity Shares during the Year	-	363,148
Number of shares at the end	<b>3,485,648</b>	<b>3,273,148</b>
<b>PREFERENCE SHARE</b>		
Number of Shares at the beginning	500,000	600,000
Add: Issue of Preference Shares during the Year	2,775,000	375,000
Less: Converted to Equity Shares during the Year	-	475,000
Number of shares at the end	<b>3,275,000</b>	<b>500,000</b>



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Note-4

Particulars	₹	₹
	31ST MARCH, 2019	31ST MARCH 2018
<b>A. Securities Premium</b>		
Opening Balance	1,118,520	-
Add: Add During the year	-	1,118,520
	<b>1,118,520</b>	<b>1,118,520</b>
<b>B. Statutory Reserve</b>		
Opening Balance	2,293,121	1,336,933
Add: Transfer from Surplus	1,038,360	956,188
	<b>3,331,481</b>	<b>2,293,121</b>
According to Section 45-IC of the Reserve Bank of India Act, 1934 every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of the net profit of each year as disclosed in the Profit and Loss account.		
<b>C. General Reserve</b>		
Opening Balance	450,482	450,482
Add: Transfer from Surplus	-	-
	<b>450,482</b>	<b>450,482</b>
<b>D. Surplus in Profit and Loss Account.</b>		
Opening Balance	7,812,111	3,987,357
Add: Profit for the Year	5,191,800	4,780,942
<b>Amount available for appropriation</b>	<b>13,003,910</b>	<b>8,768,299</b>
<b>Appropriation :</b>		
Dividend on Preference Shares for the FY 2017-18	788,939	-
Dividend Distribution Tax on Dividend on Preference Share for the FY 2017-18	162,207	-
Transfer to Statutory Reserve	1,038,360	956,188
<b>Surplus - Closing Balance</b>	<b>11,014,404</b>	<b>7,812,111</b>
<b>TOTAL (A+B+C+D)</b>	<b>15,914,888</b>	<b>11,674,234</b>

Note-6

Particulars	Long Term		Short Term	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Provision for Portfolio Loan Assets:</b>				
Contingent Provision against Standrd Assets	-	-	2,539,612	1,474,356
Non Performing Loans	1,493,922	1,580,379	-	-
<b>Total</b>	<b>1,493,922</b>	<b>1,580,379</b>	<b>2,539,612</b>	<b>1,474,356</b>
<b>Others</b>				
Provision for Grauity	-	-	-	122,996
Provision for Taxation	-	-	2,307,764	1,980,000
<b>Total</b>	<b>1,493,922</b>	<b>1,580,379</b>	<b>4,847,377</b>	<b>3,577,352</b>

Note-7

Particulars	₹	₹
	31ST MARCH, 2019	31ST MARCH, 2018
Other than acceptances	1,661,174	717,852
<b>Total</b>	<b>1,661,174</b>	<b>717,852</b>
Trade payables include dues in respect of goods purchased or services received (including from employees, professionals and others under contract) in the normal course of business.		

Note-8

Particulars	₹	₹
	31ST MARCH, 2019	31ST MARCH, 2018
a) Current maturities of long term debt (Refer note-5)	266,320,240	201,054,761
b) Interest accrued but not due on borrowings	1,064,919	219,265
c) Excess Interest Refundable	278,099	-
d) Statutory Liabilities (Contributions to PF, Professional Taxes,GST and TDS)	730,237	40,534
e) Paybles to Others	117,162	59,817
	<b>268,510,657</b>	<b>201,374,377</b>
B.1: A liability is classified as current if, as on the Balance Sheet Date, the Company does not have an unconditional right to defer its settlement for twelve months after the reporting date.		



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Note-9: **FIXED ASSETS:** 1,870,801

Tangible:	Figures in				Total
	Equipments	Furniture & Fixtures	Motor Vehicles	Computers	
Cost or Valuation					₹
As at 1st April 2017	16,875	3,679,434	457,656	774,584	4,928,549
Additions	192,589	150,256	-	107,234	450,079
Disposals	-	-	-	-	-
<b>As at 31st March 2018</b>	<b>209,464</b>	<b>3,829,690</b>	<b>457,656</b>	<b>881,818</b>	<b>5,378,628</b>
Additions For the Period	170,436	137,119	980,649	335,626	1,623,830
Disposals	-	-	-	-	-
<b>As at 31st March 2019</b>	<b>379,900</b>	<b>3,966,809</b>	<b>1,438,305</b>	<b>1,217,444</b>	<b>7,002,458</b>
<b>Depreciation</b>					
As at 31st March 2018	30,635	848,664	129,676	550,014	1,558,989
Charge For the Year	54,089	369,588	152,900	255,056	831,633
Disposals	-	-	-	-	-
<b>As at 31st March 2019</b>	<b>84,724</b>	<b>1,218,252</b>	<b>282,576</b>	<b>805,070</b>	<b>2,390,622</b>
<b>Net Block as on 31st March 2019</b>	<b>295,176</b>	<b>2,748,557</b>	<b>1,155,729</b>	<b>412,374</b>	<b>4,611,835</b>
<b>Net Block as on 31st March 2018</b>	<b>178,829</b>	<b>2,981,026</b>	<b>327,980</b>	<b>331,804</b>	<b>3,819,639</b>

Intangible (Software):	₹	
	31ST MARCH, 2019	31ST MARCH, 2018
Cost or Valuation		
WDV as at 1st April	339,039	671,652
Additions	874,243	-
Amortisation for the Year	478,921	332,613
<b>As at 31st March</b>	<b>734,361</b>	<b>339,039</b>

Note-10: **Non Current Assets**

Particulars	31ST MARCH, 2019	31ST MARCH, 2018
	₹	₹
a) Deposit with EFL & MAS	4,250,000	750,000
b) Other Security Deposit	16,110	16,110
c) Long Term Loans & Advances Microfinance Loan & NSFDC	121,121,068	85,269,825
d) Staff Loan	2,324,262	590,552
<b>Total</b>	<b>127,711,440</b>	<b>86,626,487</b>

\*Term Deposits with Banks and NBFC are being held as collateral security against borrowings and have a maturity period of more than 12 Months.

Note-11: **Cash and cash equivalents.**

Particulars	31ST MARCH, 2019	31ST MARCH, 2018
	₹	₹
(a) Balances with banks in Current account	12,358,244	3,721,813
(b) Fixed Deposit With Bank	117,780,000	68,430,000
(c) Cash on hand	451,063	34,517
<b>Total</b>	<b>130,589,307</b>	<b>72,186,330</b>



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Note-12: Short Term Loans and Advances:

Particulars	31ST MARCH,	31ST MARCH,
	2019	2018
	₹	₹
<b>Micro Finance Loans</b>		
Opening Balance	302,603,065	239,787,072
Add: Loan Disbursed	490,389,000	371,996,000
Sub-Total	792,992,065	611,783,072
Less: Realised	389,450,046	308,908,999
Less: Bad Debts	210,255	271,008
	<b>403,331,754</b>	<b>302,603,065</b>
Less: Loag term Loan & advances	121,121,068	85,269,625
Microfinance Loan	<b>282,210,686</b>	<b>217,333,240</b>
<b>NSFDC Micro Finance Loans</b>		
Opening Balance	372,935	705,329
Add: Loan Disbursed	-	402,000
Sub-Total	372,935	1,107,329
Less: Realised	353,050	734,394
Less: Bad Debts	-	-
	<b>19,885</b>	<b>372,935</b>
Less: Loag term Loan & advances	-	-
NSFDC Microfinance Loan	<b>19,885</b>	<b>372,935</b>
<b>NBCFDC Micro Finance Loans</b>		
Opening Balance	810,125	4,218,197
Add: Loan Disbursed	-	-
Sub-Total	810,125	4,218,197
Less: Realised	808,379	3,408,072
Less: Bad Debts	-	-
	<b>1,746</b>	<b>810,125</b>
Less: Loag term Loan & advances	-	-
NBCFDC Microfinance Loan	<b>1,746</b>	<b>810,125</b>
(iv) Advance Income Tax	2,434,906	1,562,769
(v) Loan to Staff	1,196,678	1,096,740
<b>Total</b>	<b>285,865,901</b>	<b>221,175,809</b>

Note-13: Other current assets

Particulars	31ST MARCH,	31ST MARCH,
	2019	2018
	₹	₹
Interest accrued on Loan Portfolio but not due	2,055,343	1,284,129
Interest accrued but not due on Term Deposits	10,022,699	7,947,387
Short Interest Receivable Against Loan Portfolio	1,489,227	-
Staff Advance	419,790	226,943
Other Advance	224,458	173,222
Other Receivable	182,189	91,988
BC commission Receivable	198,354	-
Receivable From Insurance Company	803,132	235,686
Advance For Land	2,991,400	2,923,000
<b>Total</b>	<b>18,386,592</b>	<b>12,882,555</b>



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<b>Note-14 Revenue from operations</b>			
Particulars	31ST MARCH, 2019	31ST MARCH, 2018	
	₹	₹	
Interest on Loan. (Refer Note (i) below)	72,099,182	65,399,670	
Processing Charges.	4,903,890	3,723,980	
<b>Total</b>	<b>77,003,072</b>	<b>69,123,650</b>	
<b>Note-14 Revenue from operations</b>			
Particulars	31ST MARCH, 2019	31ST MARCH, 2018	
	₹	₹	
<b>i) Interest on Loan comprises:</b>			
a) Interest on Micro Finance Loan	72,093,093	65,333,835	
b) Interest on NSFDC Loan	6,089	20,371	
c) Interest on NBCFDC Loan	-	45,464	
<b>Total</b>	<b>72,099,182</b>	<b>65,399,670</b>	
Company offers small loan products to its borrowers for income generation, which are repayable in equal weekly/fortnightly/Monthly instalments.			
<b>Note-15: Other Income</b>			
Particulars	31ST MARCH, 2019	31ST MARCH, 2018	
	₹	₹	
Interest on Fixed Deposits	5,995,174	4,627,534	
Interest on Staff Loan	353,938	87,930	
Interest on Vehicle Loan	27,583	76,129	
BC Commission	4,381,253	-	
Miscellaneous Receipt	69,138	-	
<b>Total</b>	<b>10,827,086</b>	<b>4,791,593</b>	
<b>Note-16: Employee benefit expenses</b>			
Particulars	31ST MARCH, 2019	31ST MARCH, 2018	
	₹	₹	
Salaries, Wages & Bonus etc.	20,952,032	16,969,619	
Contribution towards Provident Fund and ESI	625,243	567,422	
Leave Encashment	100,282	50,601	
Gratuity	583,314	222,996	
Staff Welfare Expenses	283,231	294,577	
<b>Total</b>	<b>22,544,102</b>	<b>18,105,215</b>	
Salaries and wages include: Salaries, wages, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under a contract of service / employment.			
The company has not estimated its liability towards Employees Gratuity based on an actuarial valuation.			
<b>Note-17: Finance Cost</b>			
Particulars	31ST MARCH, 2019	31ST MARCH, 2018	
	₹	₹	
Interest on Borrowings	44,179,952	39,349,968	
Interest on NSFDC Loan	5,756	21,797	
Interest on NBCFDC Loan	-	5,876	
Processing Fees & Other Financial Expenses	3,221,168	1,683,293	
<b>Total</b>	<b>47,406,876</b>	<b>41,060,934</b>	



**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED**  
Formerly Known as SHARNATHI LEASING FINANCE PVT. LTD.)

Note-18:

Other expenses		31st MARCH, 2019	Year ended 31 March, 2018
Particulars			
Audit Fees		166,600	166,600
Certification Fee to Auditors		36,000	-
Travelling and Conveyance		2,917,839	1,511,953
Professional fees		684,262	364,750
Telephone, Mobile & Internet		124,509	359,492
Rent		1,268,510	1,011,022
Rates & Taxes		-	252,705
Printing & Stationery		876,404	668,418
Bank Charges		454,085	287,033
Miscellaneous Expenses		470,137	406,268
Electricity Charges		161,536	132,274
Repairs and maintenance		911,127	226,852
Postage & stamp		8,547	2,286
Meeting Expenses		81,468	155,287
Books and Periodicals		5,744	21,718
Insurance		41,036	178,180
Trade License Renewal Fees		77,717	37,500
Credit Information Fees		181,045	43,394
Grading & Rating Fees		202,500	114,682
Website Development Expenses		5,800	281,042
Consumables		38,220	13,552
Staff Training Expenses		65,200	117,273
Membership/participation Fee		-	62,971
RCC Fees		128,281	537,709
Admin Charge on PF		12,520	33,394
DSC Renewal Fees		5,200	-
Sitting Expenses		25,000	-
GST Ineligible		285,223	-
Scholarship		2,000	11,500
Registration & Insurance of Vehicle		35,246	18,520
Office Upkeep Expenses		45,914	-
Financial Inclusion and Literacy Expenses		-	34,925
Advertisement		1,445	-
Interest on GST Late Payment		6,010	-
<b>Total</b>		<b>8,074,879</b>	<b>7,024,215</b>

Note-19:

Provisions for Loan Loss	Particulars	As at 31st March, 2019		
		As at 31st March, 2018	Additions	Write off
	Provision for Loan Loss on Standard Asset	1,474,356	1,275,521	210,265
	Provision for Loan Loss on Doubtful and Loss Assets	1,580,379	(86,457)	-
	<b>Total</b>	<b>3,054,735</b>	<b>1,189,065</b>	<b>210,265</b>

Note-20:

Classification of Portfolio Loan on age basis		As at 31 March, 2019		As at 31 March, 2018	
Particulars	Estimated Provisions Adopted by the Company	Principal	Provision Amount (₹)	Principal	Provision Amount (₹)
		Current (0 to 90 Days)	0.40%	401,704,147	1,606,817
91 to 179 days	50%	310,833	155,317	226,728	113,354
180 days or more	100%	1,338,888	1,338,888	1,497,014	1,497,014
<b>Total</b>		<b>403,353,385</b>	<b>3,100,738</b>	<b>395,473,417</b>	<b>2,795,497</b>
<b>*Subject to 1% Whichever is Higher (additional 0.4% in Previous Year)</b>		<b>403,353,388</b>	<b>4,013,834</b>	<b>395,473,417</b>	<b>3,054,734</b>

According to RBI Notification no. DNBS (PD)CC No.293/03.16 38/2011-12 dated July 02, 2012, Provision for Loss on Micro Credit Advance has been made at the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.  
Till last year provision on Standard Assets at specified rate (0.40%) was additionally made upon standard assets.



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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**Note-21: Related Party Transactions**  
As per Accounting Standard 18 (AS-18) on related party disclosure issued by the Institute of Chartered Accountants of India related parties of the company are as follows.

**Names of Related Parties and Nature of Relationship.**

	Nature of Relationship	
<b>Key Management Personnel</b>		
SARAT CHANDRA DAS	Managing Director	
DANDI RAM KALITA	Director	

**Nature of Transactions**

Particulars	31ST MARCH, 2019		31ST MARCH, 2018	
	Transaction Value	Balance Outstanding	Transaction Value	Balance Outstanding
<b>With Key Management Personnel</b>				
<b>I. Sarat Chandra Das</b>				
Salary & Remuneration	842,448	-	761,808	-
<b>II Dandi Ram Kalita</b>				
Salary & Remuneration	420,000	-	420,000	-
<b>Total</b>	<b>1,262,448</b>	<b>-</b>	<b>1,181,808</b>	<b>-</b>

**Note-22: Earning Per Share**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	₹	₹
Net Profit after Tax	5,191,800	4,780,942
Dividend payable to preferential share	951,146	-
Net Profit after Preferential dividend	4,240,654	4,780,942
Number of Shares	3,485,648	3,273,148
Weighted Average Number of share	3,273,148	2,924,924
Earning Per Share (Basic)	1.30	1.63
Earning Per Share (Diluted)	0.96	1.28
Nominal Value Per Share	Rs.10/-	Rs.10/-

(Previous year figures is taken as certified by previous auditors)

**Note-23: Segment Reporting**  
The company operates in a single reportable segment i.e. lending in Microfinance Sector, which have similar risk and returns for the purpose of AS-17 on 'Segment Reporting' issued by ICAI). The company does not have any reportable Geographical Segment.

**Note-24: Disclosure of micro and small enterprises.**  
The Company has initiated the process of identification of suppliers registered under Micro, Small and Medium Enterprises Act 2006 (The MSMED) by obtaining confirmation from all the suppliers. Based on the information available with the company no amount is payable to micro, small and medium enterprises.



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-25: Disclosure details as required in terms of Paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank of India) Directions.		
LIABILITIES SIDE		
	Amount Outstanding	Amount Outstanding
<b>1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>		
a. Debentures:		
Secured	NII	NII
Unsecured	NII	NII
(other than falling within the meaning of public deposits)		
b. Deferred Credits	NII	NII
c. Term Loans	475,616,801	342527835
d. Inter-corporate loans and borrowing	NII	NII
e. Commercial paper	NII	NII
f. Public Deposits	NII	NII
g. Other Loans (Cash Credit facility)		0
<b>Total</b>	<b>NII</b>	<b>NII</b>
<b>2 Break-up of (1)(f) above (Outstanding public deposits Inclusive of Intrest accrued thereon but not paid) :</b>		
	Amount Outstanding	Amount Overdue
a. In the form of unsecured debentures	NII	NII
b. In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NII	NII
c. Other public deposits	NII	NII
<b>Total</b>	<b>NII</b>	<b>NII</b>
<b>3 ASSETS SIDE</b>		
<b>Break-up of Loans and advances Including bills receivables (other than those Included in (4) below) :</b>		Amount Outstanding
a. Secured		403,353,385
b. Unsecured (see schedule)		
<b>4 Break -up of Leased Assets and stock on hire and other assets counting towards AFC activities :</b>		
I Lease assets including lease rentals under Sundry Debtors		NII
a. Financial lease		NII
b. Operating lease		NII
II Stock on hire including hire charges under Sundry Debtors		NII
a. Assets on hire		NII
b. Repossessed Assets		NII
III Other Loans counting towards AFC activities		NII
a. Loans where assets have been repossessed		NII
b. Loans other than (a) above		NII
<b>Total</b>		<b>NII</b>



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)

<b>5 Break up of Investments :</b>			
<b>Current Investments</b>			
<b>1 Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>2 Un-Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>Long Term Investments :</b>			
<b>1 Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>2 Un-Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>6 Borrower group-wise classification of all assets financed as in (2) &amp; (3) above :</b>			
<b>Category</b>	<b>Amount</b>		
	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
1 Related Parties **			
a.Subsidiaries	Nil	Nil	Nil
b.Companies in the same group	Nil	Nil	Nil
c.Other related parties	Nil	Nil	Nil
2 Other than related parties	Nil	403,353,385	403,353,385
<b>7 Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and un quoted)</b>			
<b>Category</b>	<b>Market value/Break up or fair value or NAV</b>	<b>Book Value (Net of provisions)</b>	
1 Related Parties			
a.Subsidiaries	Nil	Nil	
b.Companies in the same group	Nil	Nil	
c.Other related parties	Nil	Nil	
2 Other than related parties	Nil	Nil	
<b>Total</b>	Nil	Nil	
**As per Accounting Standard of ICAI			
<b>8 Other Information:</b>			
Particulars			
I Gross Non-performing Assets			
a.Related parties		Nil	
b.Other than related parties		1,649,235	
II Net Non-performing Assets			
a.Related parties		Nil	
b.Other than related parties		155,317	
III Assets acquired in satisfaction of debt		Nil	





GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-26

A. Additional Disclosure pursuant to Reserve Bank of India Direction vide circular no-DNBS (PD).CC No.178/03.02.001/2010-11 dated 1st July 2010.		
Capital to Risk-Asset Ratio (CRAR)	For the year ended 31 March, 2019	For the year ended 31 March, 2018
CRAR	19.84%	15.96%
CRAR-Tier I Capital	11.54%	13.89%
CRAR-Tier II Capital	8.31%	2.07%
B. Additional Disclosure pursuant to Reserve Bank of India Direction vide Circular no. RBI/2014-15/299, DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10,2014		
PARTICULARS	REMARKS	
1.Capital to risk (Weighted) Assets Ratio	Refer Note No. 26.(A)	
2.Investment	Nil	
3.Derivatives i) Forward Rate Agreement/ Interest Rate Swap ii) Exchange Traded Interest Rate (IR) Derivatives iii) Discloser ob Risk Exposure in Derivatives iv) Forward rate agreement / Interest rate swap	The company has not entered into any derivative transactions in the current and previous years.	
4. Discloser relating to Scuritisation i) Information duly certified by the SPV'S Auditors obtained by the originating NBFC from the SPV. ii) Details of financial assets sold to scuritisation/Reconstruction company for asset reconstruction. iii) Details of Assignment transections undertakenby NBFCs	The Company has not sold financial assets to securitisation or reconstruction company for the assets reconstruction for the year	
5.Details of non performing financial assets purchased /Sold i) Details of non performing financial assets purchased : ii) Details of non performing financial assets sold:	The Company has not purchased/sold any non performing financial assets.	
6.Assets Liability Managements Maturity pattern of certain items of assets and liabilities	As per Annexure	
7.Exposure i) Exposure to Real estate sector ii) Exposure to Capital Market.	The Company has no exposure to real estate and Capital Market directly or indirectly.	
8. Details of Financing of parent company products: i) Details of single borrower limit (SGL) / Group Borrower limit (GBL) exceeded by NBFC ii) Unsecured Advances	Single borrower limit (SGL)/ Group Borrower Limit (GBL) has not exceeded by the Company. Portfolio Loan of Rs.403,331,754/-	
9.Miscellaneous i) Registration obtained from other financial sector regulators ii) Disclosure of Penalties imposed by RBI and other regulators  iii) Related Party Transaction iv) Rating assigned by credit rating agencies and migration of ratings during the year v) Remuneration of Directors vi) Net profit or loss for the period, prior period items and changes in accounting policies vii) Revenue Recognition	Ministry of Corporate affairs  NIL  Refer Note No-21. <b>M3C3 (COCA ANG GRADING BY SMERA)</b> Refer Note No-21.  Nil Refer Note No-2.06.	
10. Additional Disclosures i) Provisions and contingencies ii) Draw Down from Reserves iii) Concentration of Deposits,Advances,Exposures and NPAs a) Concentration of deposit (for Deposit taking NBFCs) b) Concentration of Advances c) Concentration of Exposure d) Concentration of NPAs  iv) Overseas Assets (for those Joint Ventures and Subsidiaries abroad) as per accounting norms)	Refer Note No-26A Nil  Not applicable as the Company is NBFC-ND Refer Note No-26B. Refer Note No-26C Refer Note No-26D  The NBFC does not have any overseas Assets  Not applicable as the Company does not have any SPVs.	
11. Disclosure of Complaints	The company has not received any complaint during the Year.	



Audited Financial Statements as on March 31, 2019

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)

Note. 26A Breakup of Provisions and contingencies shown under the head Expenditure in Profit and Loss Statement.		
Particulars	31ST MARCH, 2019	31ST MARCH, 2018
	₹	₹
Provision for Income Tax	2,112,883	2,069,473
Provision for Gratuity	583,314	222,996
Provision towards NPA	1,493,923	1,580,379
Provision for Standard Assets	2,539,612	1,474,356
Note. 26B Concentration of Advances		
Particulars	31ST MARCH, 2019	31ST MARCH, 2018
	₹	₹
Total Advances to twenty Largest borrowers	1,670,739	1,471,868
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.41%	0.48%
Note. 26C Concentration of Exposures		
Particulars	31ST MARCH, 2019	31ST MARCH, 2018
	₹	₹
Total Advances to twenty Largest borrowers	1,670,739	1,471,868
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.41%	0.48%
Note. 26D Concentration of NPA'S		
Particulars	31ST MARCH, 2019	31ST MARCH, 2018
	₹	₹
Total Exposure to top four NPA accounts	129,430	142,130
Note-27 Previous Year Figures		
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.		

For D. Patwary & Co.  
Chartered Accountants  
Firm Registration No. 324523E

Deepak Patwary  
(Partner)  
M. No.060467

Date: 02.07.2019  
Place: Guwahati



For and on behalf of the Board of Directors

Managing Director  
DIN: 02849186

Director  
DIN: 06902163

UDIN: 19060467AAAACU5234

**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED**  
(Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)  
NOTES FORMING PART OF THE BALANCE SHEET

**NOTE - 5 : LONG TERM BORROWINGS**  
Terms of Repayment of Term Loan as on 31ST MARCH 2019

Sl. No.	Banks / Financial Institutions	Balance as on 31.03.2018	Received during the year	Repaid during the year	Balance as on 31.03.2019	Rate of Interest (%)	Nature of Security		Terms of Repayment
							Hypothecation of Book Debts	Fixed Deposit/ Collateral	
<b>SECURED TERM LOANS</b>									
<b>A- FROM BANKS AND FINANCIAL INSTITUTIONS</b>									
1	IDBI Bank Ltd	2,500,007	40,000,000	2,500,007	40,000,000	13.30%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 40 Lac)	Monthly
2	North Eastern Development Finance Corporation Limited	245,757,598	125,000,000	149,090,863	221,666,735	12.25%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 415 Lac)	Monthly
3	North Eastern Development Finance Corporation Limited	30,454,570	50,000,000	21,060,606	59,393,964	8.00%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 55 Lac)	Monthly
4	Maanaveeya Development & Finance Private Limited	-	40,000,000	16,380,000	23,620,000	14.00%	Yes (105% of Book debts created out of loan)	-	Monthly
5	Assam Financial Corporaion	38,013,337	20,000,000	27,384,714	30,628,623	13.50%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 61.90 Lac)	Monthly
6	Electronica Finance Limited	7,500,000	15,000,000	8,310,531	14,189,469	14.25%	Yes (100% of Book debts created out of loan)	Yes (Rs. 22.50 Lac security deposit)	Monthly
7	Assam Gramin Vikash Bank	3,421,446	30,000,000	9,102,361	24,319,085	14.25%	Yes (110% of Book debts created out of loan)	Yes (FDR as Rs. 40 Lac)	Monthly
8	Small Industries Development Bank of India	6,666,670	-	3,999,998	2,666,674	13.70%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 2.5 Lac)	Monthly
9	National Scheduled Castes Finance and Development Corporation	297,000	-	297,000	-	4.00%	-	Yes (FDR of Rs. 9.90 Lac)	Quarterly
10	Reliance Commercial Finance	7,917,207	-	7,917,207	-	14.75%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 30 Lac)	Monthly
11	Jain Sons Finlease Ltd	-	20,000,000	867,749	19,132,251	17.00%	Yes (110% of Book debts created out of loan)	-	Monthly
12	MAS Financial Services Ltd	-	20,000,000	-	20,000,000	15.75%	Yes (100% of Book debts created out of loan)	Yes (Rs. 20 Lac security deposit)	Monthly
13	North East Small Finance Bank	-	20,000,000	-	20,000,000	14.00%	Yes (110% of Book debts created out of loan)	Yes (FDR of Rs. 20 Lac)	Monthly
<b>Total A</b>		<b>342,527,835</b>	<b>380,000,000</b>	<b>246,911,034</b>	<b>475,616,801</b>				
<b>B- FROM DIRECTORS AND BODY CORPORATES</b>									
1	Directors	-	-	-	-	0.00%	-	-	-
2	Body Corporates	-	-	-	-	0.00%	-	-	-
<b>Total B</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>				
<b>Gross Total (A+B)</b>		<b>342,527,835</b>	<b>380,000,000</b>	<b>246,911,034</b>	<b>475,616,801</b>				
Less: Current Maturity Shown under Other Current Liabilities. (Refer Note-8)							268,320,240		
Long Term Loan as on 31st March, 2019							<b>209,296,561</b>		

**NOTE - 5A : SHORT TERM BORROWINGS.**

<b>TERM LOANS</b>									
<b>A- FROM BANKS</b>									
1									
2									
<b>Total A</b>									



**Form NBS 7**

**Statement of capital funds, risk assets/exposures and risk asset ratio etc., as at the year end of 31st March, 2019**

Name and Address of the Non-Banking Financial Company

**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED**  
(Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)

Company Code Number (as given by RBI)

NBFC-ND

Registration Number (as given by RBI)

B-08.00185 Dt:18.08.2014

Classification of the company (as given by RBI)

NON BANKING FINANCIAL (NON DEPOSIT ACCEPTING OR HOLDING) COMPANY

(Rupees in Lakhs)

PART - A		
Item Name	Item Code	Amount
<b>Capital Funds - Tier - I</b>		
(i) Paid-up Equity Capital	111	348.56
(ii) Preference Shares to be compulsorily convertible into equity	112	-
(iii) Perpetual Debt Instrument (Not to exceed 15% of Aggregate Tier I Capital as on March 31 of the previous year)	112A	-
(iv) Free reserves (please note below)		4.50
(a) General Reserves	113	33.31
(b) Statutory / Spl. Reserve U/S 45 IC of RBI Act, 1934	113A	11.19
(c) Share Premium	114	-
(d) Capital Reserves (representing surplus on sale of assets held in separate account)	115	-
(e) Debenture Redemption Reserve	116	-
(f) Capital Redemption Reserve	117	-
(g) Credit Balance in P & L Account	118	110.14
(h) Other free reserves	119	-
<b>Total (111 to 118)</b>	<b>110</b>	<b>507.71</b>
(v) Accumulated balance of loss	121	-
(vi) Deferred Revenue Expenditure	122	-
(vii) Deferred Tax Assets (Net)	122A	10.38
(viii) Other Intangible Assets	123	7.34
<b>Total (121 to 123)</b>	<b>120</b>	<b>17.72</b>
(ix) Owned Funds	130	489.99
(x) Investment in shares of (please see Note (1))		-
(a) Subsidiaries	141	-
(b) Companies in the same Group	142	-
(c) Wholly Owned Subsidiaries	142A	-
(d) Other non-banking financial companies	143	-
(xi) The book value of debenture, bonds, outstanding loan and advances (including hire-purchase and lease finance) made to, and deposits with (please see note (2) below)		-
(a) Subsidiaries	144	-
(b) Companies in the same Group	145	-
(c) Wholly Owned Shares / Joint Ventures abroad	145A	-
<b>Total (141 to 145)</b>	<b>140</b>	-
(xii) Amount of Item 140 in excess of 10% of Item 130 above	150	-
(xiv) Tier I Capital	151	489.99
<b>Net Owned Funds (130 - 150)</b>		

PART - B		
Item Name	Item Code	Amount
<b>Capital Funds - Tier - II</b>		
(Para 2(i)(xx)(b) of Directions)		
(i) Preference Share Capital other than those compulsorily convertible into equity	161	250.00
(ii) Cumulative Convertible Preference Shares	161A	77.50
(iii) Revaluation reserves (At Discount rate of 55%)	162	-
(iv) General provisions and loss reserves including Provision for Standard Assets (to the extent not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of 1.25% of RWA)	163	25.40
(v) Hybrid debt capital instruments	164	-
(vi) Subordinated debt (Subjected to prescribed Discount Rates & Not exceeding 50% of Tier I)	165	-
<b>Aggregate Tier II Capital (161 to 165)</b>	<b>160</b>	<b>352.90</b>
<b>Total Capital Funds (151 + 160)</b>	<b>170</b>	<b>842.89</b>

PART - C		
Item Name	Item Code	Amount
<b>Risk Assets and Off-Balance Sheet Items</b>		
(i) Adjusted value of funded risk assets i.e. on-balance sheet items (To tally with Part D)	181	4,247.77
(ii) Adjusted value of non-funded and off-balance sheet items (To tally with Part E)	182	-
<b>Total risk weighted assets/exposures (181 + 182)</b>	<b>180</b>	<b>4,247.77</b>
(iv) Percentage of capital funds to risk weighted assets/exposures		
(a) Tier I Capital (Percentage of Item 151 to Item 180)	191	11.54%
(b) Tier II Capital (Percentage of Item 160 to Item 180)	192	8.31%
(c) Total (Percentage of Item 170 to Item 180)	193	19.84%



PART - D				
Item Name	Item Code	Book Value	Risk Weight	Adjusted Value
<b>Weighted Assets, i.e. On-Balance Sheet Items</b>				
<b>I Cash</b>	210	4.51	0%	-
<b>II Bank balances including Fixed Deposits &amp; Certificates of Deposits</b>	210A	1,451.61	0%	-
<b>III The Deposits/Collaterals kept with CCIL in connection with C&amp;LO</b>	210B	-	0%	-
<b>IV Investments</b>				
(a) Approved securities as defined under Section 45(1B) of I.T. Act, 1934	221	-	0%	-
(b) Bonds of public sector banks				
(i) Amount deducted in Part A (Item (xiii)) Item code 150	222A	-	0%	-
(ii) Amount not deducted in Part A (Item (xiii)) Item code 150	223A	-	100%	-
(c) FDs/CDs/bonds of public financial institutions				
(i) Amounts deducted in part A (Item (xiii)) (Item code 150)	224A	-	0%	-
(ii) Amount not deducted in part A (Item (xiii)) (Item code 150)	225A	-	100%	-
<b>Sub-total(222A+223A+224A+225A)</b>	<b>ST 225A</b>	-	-	-
(d) Shares of all companies and debentures/bonds/ commercial papers of companies and units of all mutual funds				
(i) Amounts deducted in Part A (Item (xiii)) (Item code 150)	226	-	0%	-
(ii) Amounts not deducted in Part A	227	-	100%	-
<b>Sub-total(226+227)</b>	<b>ST227</b>	-	-	-
<b>V Current Assets</b>				
(a) Stock on hire (Please see Note 2 below)				
(i) Amount deducted in Part A (Item (xiii))	231	-	0%	-
(ii) Amounts not deducted in Part A	232	-	100%	-
<b>Sub-total(231+232)</b>	<b>ST 232</b>	-	-	-
(b) Interperate loans/deposits				
(i) Amount deducted in Part A (Item (xiii))	233	-	0%	-
(ii) Amounts not deducted in Part A	234	42.50	100%	42.50
<b>Sub-total(233+234)</b>	<b>ST 234</b>	42.50	-	-
(c) Loans to staff	236	39.43	0%	-
(d) Other secured loans and advances considered good				
(i) Amount deducted in Part A (Item (xiii)) (Item code 150)	241	-	0%	-
(ii) Amounts not deducted in Part A	242	-	100%	-
<b>Sub-total(235+236+241+242)</b>	<b>ST 242</b>	39.43	-	-
(e) Bills purchased/discounted				
(i) Amount deducted in Part A (Item (xiii)) (Item code 150)	243	-	0%	-
(ii) Amounts not deducted in Part A	244	-	100%	-
<b>Sub-total (243+244)</b>	<b>ST 244</b>	-	-	-
(f) Others (Unsecured Micro credit portfolio, Stock, other loans & Advances)	245	4,033.53	100%	4,033.53
<b>VI Fixed Assets (net of depreciation)</b>				
(a) Assets leased out				
(i) Amount deducted in Part A (Item (xiii)) (Item code 150)	251	-	0%	-
(ii) Amounts not deducted in Part A	252	-	100%	-
<b>Sub-total (251+252)</b>	<b>ST 252</b>	-	-	-
<b>Total credit exposure (ST232+ST234+ST242+ST244+245+ST252)</b>	<b>CT 200</b>	<b>4,115.46</b>		
(b) Premises	253	-	100%	-
(c) Furniture & Fixtures	254	27.49	100%	27.49
<b>VII Other Assets</b>				
(a) Income-tax deducted at source (net of provisions)	255	-	0%	-
(b) Advance tax paid (net of provision)	256	-	0%	-
(c) Interest due on Government Securities	257	-	0%	-
(d) Others (to be specified)	258	144.25	100%	144.25
<b>Total weighted assets (Items 210 to 258)</b>	<b>200</b>	<b>5,693.31</b>	<b>0%</b>	<b>4,247.77</b>

0.00

PART - E					
Sl. No.	Item Name	Item Code	Book Value	Conversion factor	Equivalent value
1	Financial & Other guarantees	310	-	100%	-
2	Share/debenture underwriting obligations	320	-	50%	-
3	Partly paid shares/debentures	330	-	100%	-
4	Bills rediscounted	340	-	100%	-
5	Lease contracts entered into but yet to be executed	350	-	100%	-
6	Undrawn Committed Credit Lines	350A	-	100%	-
7	Derivatives				
	a) Less than 1 year	350B	-	-	-
	b) 1 year < 2 years	350C	-	0.50%	-
	c) 2 years & above	350D	-	1%	-
8	Assigned Portfolio-Micro-finance Inst.	350E	-	1%-1% per year	-
9	Other contingent liabilities (to be specified)	360	-	100%	-
	<b>Total non-funded exposures (Items 310 to 360)</b>	<b>300</b>	-	50%	-

Note: Cash margin/deposits shall be deducted before applying the conversion factors

Q Derivatives of 2 years and above with appropriate conversion factor should be worked out and posted against item code EV3500

PART - F			
Asset Classification			
I	Aggregate of credit exposures categorised into:	Item code	Amount
(i)	Standard assets	411	4,017.04
	Sub-standard assets:		
(a)	(a) Lease and hire purchase assets	412	-
	(b) Other credit facilities	413	15.49
(ii)	Doubtful assets	414	-
(iv)	Loss assets	415	-
	<b>Gross Credit Exposure (411 to 415)</b>	<b>410</b>	<b>4,033.53</b>
	<b>Total NPAs</b>	<b>416</b>	<b>15.49</b>
	<b>Gr. NPA (%)</b>	<b>417</b>	<b>0.41%</b>
	<b>Provision for NPA</b>		<b>14.94</b>
	<b>Net NPA</b>	<b>418</b>	<b>1.55</b>
	<b>Net Credit Exposure</b>	<b>419</b>	<b>4,018.59</b>
	<b>Net NPA (%)</b>	<b>420</b>	<b>0.04%</b>



PART - G		
Particulars regarding investments in and advances to companies/firms in the same group and other non-banking financial companies		
Item Name	Item Code	Amount
(i) Book value of bonds and debentures and outstanding loans and advances to and deposits with subsidiaries and companies in the same group (Details to be enclosed in Appendix No.)	510	-
(ii) Investments in shares of subsidiaries and companies in the same group and all non-banking financial companies (Details to be enclosed in Appendix No.)	520	-
(iii) Investments by way of shares, debentures, loans and advances, leasing, hire purchase finance, deposits etc. in other companies, firms and proprietary concerns where directors of the company hold substantial interest (Details to be enclosed in Appendix No.)	530	-

PART - H		
Particulars regarding concentration of advances including off balance sheet exposure and investments to parties including those in Part G above		
Item Name	Item Code	Amount
(i) Loans and advances including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the non-banking financial company (Details to be enclosed in Appendix No.)	610	-
(ii) Loans and advances including off-balance sheet exposures to a single group of parties in excess of 25 per cent of owned fund of the non-banking financial company (Details to be enclosed in Appendix No.)	620	-
(iii) Investments in a single company in excess of 15 per cent of the owned fund of the non-banking financial company (Details to be enclosed in Appendix No.)	630	-
(iv) Investments in the shares issued by a single group of companies in excess of 25 per cent of the owned fund of the non-banking financial company	640	-
(v) Loans, advances to (including debentures/bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the non-	650	-
(vi) Loans, advances to (including debentures/bonds and off-balance sheet exposures) and investment in the shares of single group of parties in excess of 40 per cent of the owned fund of the non-banking financial company	660	-

PART - I		
Particulars regarding Investments in premises and unquoted shares		
Description	Item Code	Amount
(i) Investments in Premises ( Land and Buildings ) except for own use, (out of item code 253 in the return) held by the company in excess of 10 percent of the owned fund		
(a) Acquired by the company independently	710	-
(b) Acquired in satisfaction of its debts	720	-
(ii) Investments in unquoted shares except those held in the subsidiaries and companies in the same group ( vide item code 141 and 142 ) in excess of		
(a) 10 percent of the owned fund in case of Asset Finance Company	730	-
(b) 20 percent of the owned fund in case of loan and investment companies	740	-

**CERTIFICATE**

**Certified that**

- the data/information furnished in this statement are in accordance with the Directions issued by the Reserve Bank of India relating to income recognition, accounting standards, asset classification, provisioning for bad and doubtful debts, capital adequacy and concentration of credit and investments. The statement has been compiled from the books of account and other records of the company and to the best of my knowledge and belief they are correct;
- Reserve Bank's classification of the company as a NBFC MFI on the basis of its principal business as evidenced from its asset and income pattern continues to hold good;
- the capital adequacy as disclosed in part C of the return after taking into account the particulars contained in part D, E and F has been correctly worked out;
- The aggregate of amount outstanding in respect of loans, held together with other assets of the company during the year ended **MARCH 31, 2019** is taken into account to ensure that the minimum stipulated capital adequacy ratio as applicable to the company has been maintained throughout the relevant period on an on-going basis;
- classification of assets as disclosed in part F of the return has been verified and found to be correct. The sub-standard or doubtful or loss asset, if up-graded, has been done so, in conformity with the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007;
- investments in group companies as disclosed in part G of the return, exposures to individuals/firms/other companies exceeding the credit/investment concentration norms as disclosed in part H of the return and particulars on suit filed and decreed debts by the company and against it as disclosed in part I of the return and classification of such assets in correct.

For **D. Patwary & Co.**  
Chartered Accountants  
Firm Registration No. 324523E

**Deepak Patwary**  
(Partner)  
M. No.061971

Date: 02.07.2019  
Place: Guwahati

UDIN : 19060467AAAA005234

