



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

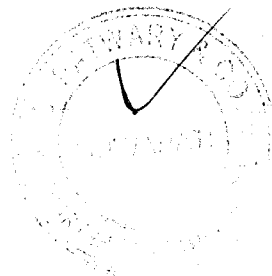
Opinion

We have audited the accompanying financial statements of **Grameen Development & Finance Pvt. Ltd.** ('the Company'), which comprise the Balance Sheet as at 31 March 2021, 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 2021 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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)



AMIT PATWARI

Partner, Membership No.061971

UDIN- 21061971AAAAJV9695



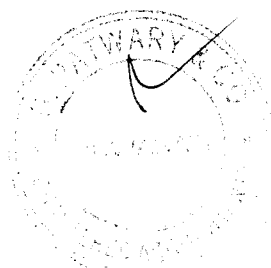
Place: Chhaygaon

Date: 17/09/2021

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 2021, 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 2021 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.

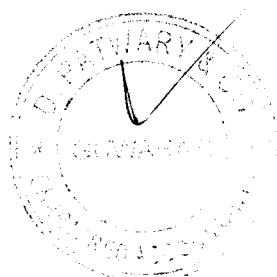
(ix) Term loans raised during the year were applied for the purpose for which those were taken. But at the year end the total amount of loan outstanding was Rs. 35.57 crore out of which Rs. 2.83 crore were lying as undisbursed, so net amount available for on-lending was Rs. 32.74 crore. Amount of on-lending with margin should be Rs. 33.06 Crore whereas outstanding balance of loan given to clients is Rs. 29.03 Crore thereby making a deficit of Rs. 4.03 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 not made allotment any preferential allotment during the year.

(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)



AMIT PATWARI
Partner
Membership No.061971
UDIN:- **21061971AAAAJV9695**
Place: Chhaygaon
Date :17/09/2021



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")

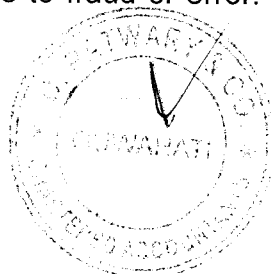
We have audited the internal financial controls over financial reporting of **Grameen Development & Finance Pvt. Ltd.** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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.

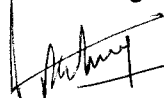
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 2021, 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)



AMIT PATWARI
Partner
Membership No.061971
UDIN:- **21061971AAAAJV9695**
Place: **Chhaygaon**
Date:17/09/2021



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

BALANCE SHEET AS AT	Note	₹	₹
		31ST MARCH, 2021	31ST MARCH, 2020
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	67,606,480	67,606,480
Reserves & Surplus	4	16,453,572	19,299,516
		84,060,052	86,905,996
NON-CURRENT LIABILITIES			
Long term Borrowings	5	129,209,275	196,383,395
Long term Provisions	6	3,614,865	3,628,156
Deferred Tax Liability (Net)		-	-
		132,824,140	200,011,551
CURRENT LIABILITIES			
Short term Borrowings	5A	-	-
Trade Payables	7	1,611,475	642,254
Other current liabilities	8	232,460,475	230,952,903
Short term provisions	6	12,527,990	5,493,475
		246,599,940	237,088,632
TOTAL		463,484,132	524,006,179
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	9		
- Land		3,856,480	3,856,480
-Tangible Assets		3,608,189	4,245,501
-Intangible Assets		653,171	509,505
Deferred Tax Assets		3,427,805	1,837,735
Other Non Current Assets	10	206,448,983	151,099,632
		217,994,628	161,548,853
CURRENT ASSETS			
Cash and Cash Equivalents	11	121,770,348	157,362,934
Short term loans and advances	12	94,535,240	178,386,638
Other current assets	13	29,183,916	26,707,754
		245,489,504	362,457,326
TOTAL		463,484,132	524,006,179


Significant Accounting Policies and Notes

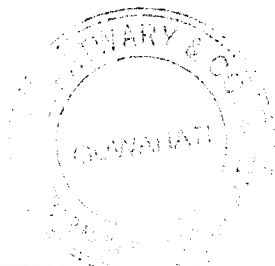
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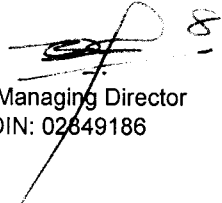
The accompanying notes are forming an integral part of these Financial Statements

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

For and on behalf of the Board of Directors


Amit Patwari
(Partner)
M. No.061971




Managing Director
DIN: 02849186


Director
DIN: 06902163

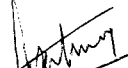
Date: 17.09.2021
Place: Guwahati

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

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED		₹ 31ST MARCH, 2021	₹ 31ST MARCH, 2020
	Note		
I.	Revenue from Operations	72,794,788	92,099,926
	Other Income	20,913,242	29,152,132
III.	Total Revenue	93,708,030	121,252,058
IV.	EXPENSES		
	Employee Benefits Expenses	26,262,903	35,780,984
	Depreciation	1,323,295	1,223,087
	Finance Cost	49,764,618	60,353,892
	Other Expenses	7,834,483	12,396,931
	Provisions and Write-offs	7,877,392	1,475,885
	Provision for Managing Portfolio	-	1,333,116
	Provision for Covid 19	-	976,044
	Total Expenses	93,062,691	113,539,939
IX.	Profit before Proir Period & exceptional Items	645,339	7,712,119
	Prior Period Expenses	-	-
X.	Tax Expenses:	645,339	7,712,119
	(1) Current Tax	2,133,853	2,807,862
	(2) Deferred Tax (Assets)/Liabilities	(1,590,070)	(800,213)
	(3) Tax of Earlier Years	-	80,945
	Total Tax Expenses	543,783	2,088,594
XI.	Profit for the Year	101,556	5,623,525
XVI.	Earning Per Equity Share		
	(1) Basic	(0.82)	0.97
	(2) Diluted	0.02	0.83

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



Amit Patwari
(Partner)
M. No.061971

Date: 17.09.2021
Place: Guwahati



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.)**

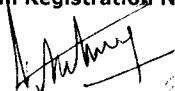
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

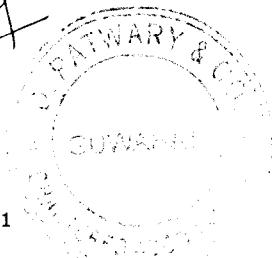
Particulars	2020-21	2019-20
	RUPEES (₹)	RUPEES (₹)
Cash Flow From Operating Activities :		
Profit Before Tax and extraordinary items	645,339	7,712,119
Adjustments for :		
Loan Loss Provisions & write off	7,877,392	3,785,045
Depreciation	1,323,295	1,223,087
Provision for Gratuity/(Payment of Gratuity)	(182,159)	182,159
Operating Profit Before Working Capital Changes	9,663,867	12,902,410
(Increase)/Decrease in Micro Finance Loans	24,842,488	87,833,264
(Increase)/Decrease in Other Current Assets	(2,783,560)	(8,305,709)
(Increase)/Decrease in Non Current Assets	2,625,000	(3,205,789)
Increase/(Decrease) in Current Liabilities	1,507,572	975,950
Increase/(Decrease) in Trade Payables	969,221	(1,018,920)
Payment of Advance Tax	(1,465,905)	(3,294,419)
Net Cash Provided By/(Used In) Operating Activities (A)	35,358,683	85,886,787
Cash Flow From Investing Activities		
Purchases of Fixed Assets	829,649	4,094,276
Net Cash Provided By/(Used In) Investing Activities (B)	829,649	4,094,276
Cash Flow From Financing Activities :		
Increase in Borrowings	(67,174,120)	(52,779,986)
Proceeds From Issuance of Share Capital	-	-
Dividend paid	(2,947,500)	(2,238,898)
Share Premium	-	-
Net Cash Provided By/(Used In) Financing Activities (C)	(70,121,620)	(55,018,884)
Net Increase In Cash And Cash Equivalents (A+B+C)	(35,592,586)	26,773,627
Cash And Cash Equivalents At The Beginning of The Year	157,362,934	130,589,307
Cash And Cash Equivalents At The End of The Year	121,770,348	157,362,934
Cash And Cash Equivalents Comprises of :		
1. Cash In Hand	683,153	4,153,480
2. Balances With Scheduled Banks	121,087,195	153,209,454
	121,770,348	157,362,934

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


Amit Patwari
(Partner)
M. No.061971




Managing Director
DIN: 02849186


Director
DIN: 06902163

Place : Guwahati
Date: 17.09.2021

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 inhabitants 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:

2.1 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.

2.2 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.

2.3 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

2.4 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.

2.5 Borrowing Cost

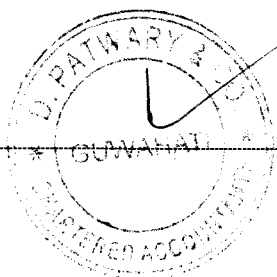
Interest on borrowing is recognised on time proportion basis taking into account the amount outstanding and the rate applicable on the borrowing.

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 loans is recognised on accrual basis. Interest on Non-Performing Assets (NPA) is recognised only when realized.

(ii) All other income is recognised on accrual basis.



2.7 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. 1705816/- and total contributed to LIC for the year is Rs. 344208/-

2.8 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.

2.9 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 2020-21	Estimated Provision adopted by the Company for the Year 2019-20
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%

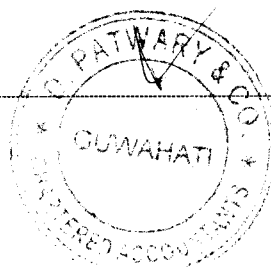
DNBS.(PD)CC.No.293/03.10.38/2011-12 dated July 02, 2012. Provision for Loss on Micro Credit Advance has been made at the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

(iii) COVID-19 a global pandemic has affected the world economy including India, leading to significant decline and volatility in financial markets and decline in economic activities. The Company's business is expected to be impacted by lower lending opportunities and decline in collection efficiencies. The impact of COVID-19 on Company's result remain uncertain and dependent on extent of spread of COVID-19, steps taken by the Government and central bank to mitigate the economic impact, steps taken by the Company and the time it takes for economic activities to resume at normal levels as a result of which actual results may differ. The Company's capital and liquidity position remains strong and would continue to be the focus area for the Company.

In accordance with the Reserve Bank of India ("the RBI") guidelines relating to COVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Company has granted moratorium upto six months on payment of all instalments and/or interest as applicable falling due between 01 March 2020 and 31st August 2020 to all eligible borrowers as per the Company's Policy. For all such loans where moratorium is granted, the Company has kept ageing of such loans and their asset classification standstill during the moratorium period.

The Company has recognized provisions as on 31 March 2020 towards its loan assets which is 10% of the standard assets in default as per the RBI guideline, based on the information available at this point of time. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial results. However the impact of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

(iv) During the year, Company has restructured loan amounting to Rs. 101017102 /- as per RBI Circular No. RBI/2020-21/16. DOR No. BP. BC/3/21.04.048/2020-21 dated August 6, 2020 on Resolution Framework for COVID-19 Related Stress. Only those borrower accounts were eligible for resolution under this framework which were classified as standard, but not in default for more than 30 days with the lending institution as on March 1, 2020. Resolution under this framework has been invoked not later than 31st Dec 2020 and has been implemented before the cut-off date and necessary documentation has been executed. Since the resolution has been implemented in adherence to the provisions of this facility, the asset classification of borrowers accounts classified as Standard has been retained as such upon implementation whereas the borrowers accounts which have slipped into NPA between invocation and implementation have been upgraded as Standard as on the date of implementation of the plan. A provision of 10 per cent was created on restructured loans under this framework being higher than provisions held as per IRAC norms (0.40%) which has been reversed to give effect. The additional provisions maintained by the Company in terms of the circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 in respect of such borrowers to the extent not already reversed, have been utilised for meeting the provision requirements in all cases under this facility. Further in terms of para 44 and 45 of Resolution framework, half of the provisions created has been written back for eligible borrowers upon repayment of 20% of the debt and the other half has been reversed upon repayment of another 10% of the debt.



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 extent 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.

Company have provided 100% of default amount for BC/other loan against managing portfolio for payment to company as per agreement.

2.15 Cash and Cash Equivalents

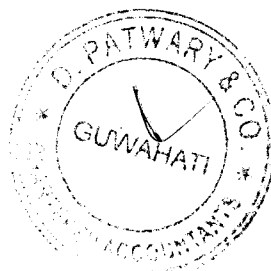
Cash and Cash equivalents comprise of cash in hand and unrestricted Cash at Bank .

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, 2021:

Note-3: SHARE CAPITAL

Particulars	₹	₹
	31ST March 2021	'31ST March 2020
AUTHORISED		
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	20,000,000
	160,000,000	160,000,000
ISSUED, SUBSCRIBED AND PAID UP		
34,85,648 (P.Y. 34,85,648) paid up Equity shares of ₹ 10/- each	34,856,480	34,856,480
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	25,000,000
7,75,000 (P. Y. 7,75,000) paid up 9% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each	7,750,000	7,750,000
	67,606,480	67,606,480

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 17.09.2021, the Board recommended the payment of the final dividend of 9% on 5,00,000 OCPS allotted on 3rd December, 2016, for FY 2020-21, on a pro - rata basis up to March 31, 2021, 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. 4,50,0000 (Dividend distribution tax will be born by the recipient as per provision of Income Tax Act).

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

At the Meeting of the Board of Directors held on 17.09.2021, the Board recommended the payment of the final dividend of 9% on 20,00,000 OCPS allotted on 14th Aug, 2018, for FY 2020-21, on a pro - rata basis up to March 31, 2021, 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. 18,00,000 (Dividend distribution tax will be born by the recipient as per the provision of Income Tax Act).

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 .

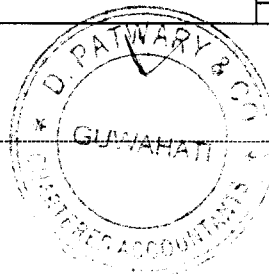
At the Meeting of the Board of Directors held on 17.09.2021, the Board recommended the payment of the final dividend of 9% on 775000 CCPS allotted on various dates, for FY 2020-21, on a pro - rata basis up to March 31, 2021, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM"). The said Dividend, if approved by the Members, would involve a cash outflow of Rs. 6,97,000 (Dividend distribution tax will be born by the recipient as per the provision of Income Tax Act).

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

Name of the Shareholder	As on 31/03/2021		As on 31/03/2020	
	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	9.12%
Gyanesh Pandey	287,678	8.25%	287,678	8.25%
Panalal Bansali	402,905	11.56%	402,905	11.56%
North Eastern Development Finance Corporation Ltd.	500,000	14.34%	500,000	14.34%

The reconciliation of number of Equity Shares is set out below

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
EQUITY SHARE		
Number of Shares at the beginning	3,485,648	3,273,148
Add: Issue of Equity Shares during the Year	-	212,500
Add: Preference Shares Converted to Equity Shares during the Year	-	-
Number of shares at the end	3,485,648	3,485,648
PREFERENCE SHARE		
Number of Shares at the beginning	3,275,000	500,000
Add: Issue of Preference Shares during the Year	-	2,775,000
Less: Converted to Equity Shares during the Year	-	-
Number of shares at the end	3,275,000	3,275,000



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Note-4 RESERVES & SURPLUS

Particulars	₹	₹
	31ST MARCH, 2021	31ST MARCH, 2020
A. Securities Premium		
Opening Balance	1,118,520	1,118,520
Add: Add During the year	-	-
	1,118,520	1,118,520
B. Statutory Reserve		
Opening Balance	4,456,186	3,331,481
Add: Transfer from Surplus	20,311	1,124,705
	4,476,498	4,456,186
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.		
C. General Reserve		
Opening Balance	450,482	450,482
Add: Transfer from Surplus	-	-
	450,482	450,482
D. Surplus in Profit and Loss Account.		
Opening Balance	13,274,927	11,014,405
Add: Profit for the Year	101,556	5,623,525
Amount available for appropriation	13,375,883	16,637,930
<i>Appropriation :</i>		
Dividend on Preference Shares for the FY 2019-20	2,947,500	1,857,082
Dividend Distribution Tax on Dividend on Preference Share for the FY 2019-20	-	381,816
Transfer to Statutory Reserve	20,311	1,124,705
Surplus - Closing Balance	10,408,072	13,274,327
TOTAL (A+B+C+D)	16,453,572	19,299,516

Note-6 Provisions

Particulars	Long Term		Short Term	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Provision for Portfolio Loan Assets:				
Contingent Provision against Standrd Assets	-	-	1,146,379	1,527,410
Non Performing Loans	3,614,865	3,628,156	-	-
Provision for Regulatory Framework Portfolio	-	-	9,164,084	-
Covid 19 Provision	-	-	83,674	976,044
Total	3,614,865	3,628,156	10,394,137	2,503,454
Others				
Provision for Grauity	-	-	-	182,159
Provision for Taxation	-	-	2,133,853	2,807,862
Total	3,614,865	3,628,156	12,527,990	5,493,475

Note-7 Trade payables

Particulars	₹	₹
	31ST MARCH, 2021	31ST MARCH, 2020
Other than acceptances	1,611,475	642,254
Total	1,611,475	642,254

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 Other current liabilities

Particulars	₹	₹
	31ST MARCH, 2021	31ST MARCH, 2020
a) Current maturities of long term debt (Refer note-5)	226,453,420	226,453,420
b) Interest accrued but not due on borrowings	519,166	923,217
c) Excess Interest Refundable	-	-
d) Statutory Liabilities (Contributions to PF, Professional Taxes,GST and TDS)	995,440	2,078,476
e) Paybles to Others	3,159,333	164,674
f) Provision for Managing Portfolio	1,333,116	1,333,116
	232,460,475	230,952,903

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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NOTES FORMING PART OF THE BALANCE SHEET

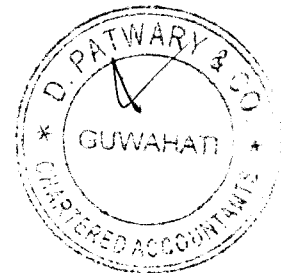
NOTE - 5 : LONG TERM BORROWINGS

Terms of Repayment of Term Loan as on 31ST MARCH 2021

Sl. No.	Banks / Financial Institutions	Balance as on 31.03.2020	Received during the year	Repaid during the year	Balance as on 31.03.2021	Rate of Interest (%)	Nature of Security		Terms of Repayment
							Hypothecation of Book Debts	Fixed Deposit/ Collateral	
SECURED TERM LOANS									
A- FROM BANKS AND FINANCIAL INSTITUTIONS									
1	IDBI Bank Ltd	21,666,663	-	16,530,977	5,135,686	13.30%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 60 Lac)	Monthly
2	North Eastern Development Finance Corporation Limited	242,631,095	125,000,000	94,600,805	273,030,290	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	32,139,221	-	12,745,293	19,393,928	8.00%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 55 Lac)	Monthly
4	Maanaveeya Development & Finance Private Limited	1,780,000	-	1,780,000	-	14.00%	Yes (105% of Book debts created out of loan)	-	Monthly
5	Assam Financial Corportation	30,353,506	-	11,582,044	18,771,462	13.50%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 61.90 Lac)	Monthly
6	Electronica Finance Limited	10,453,633	-	10,453,633	-	14.25%	Yes (100% of Book debts created out of loan)	Yes (Rs. 22.50 Lac security deposit)	Monthly
7	Assam Gramin Vikash Bank	33,536,095	-	13,313,630	20,222,465	14.25%	Yes (110% of Book debts created out of loan)	Yes (FDR as Rs. 40 Lac)	Monthly
8	Profectus	3,544,847	-	3,544,847	-	15.00%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 10 Lac)	#BEZUGI
9	Eclear	11,076,716	-	6,109,026	4,967,690	15.00%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 30 Lac)	Monthly
10	Jain Sons Finlease Ltd	9,825,717	-	8,737,600	1,088,117	17.00%	Yes (110% of Book debts created out of loan)	Yes (FDR of Rs. 11.50Lac)	Monthly
11	MAS Financial Services Ltd	10,000,004	-	8,362,030	1,637,974	15.75%	Yes (100% of Book debts created out of loan)	Yes (Rs. 20 Lac security deposit)	Monthly
12	North East Small Finance Bank	15,829,318	-	4,414,235	11,415,083	14.00%	Yes (110% of Book debts created out of loan)	Yes (FDR of Rs. 20 Lac)	Monthly
	Total A	422,836,815	125,000,000	192,174,120	355,662,695				
B- FROM DIRECTORS AND BODY CORPORATES									
1	Directors	-	-	-	-	0.00%	-	-	-
2	Body Corporates	-	-	-	-	0.00%	-	-	-
	Total B	-	-	-	-	0.00%	-	-	-
	Gross Total (A+B)	422,836,815	125,000,000	192,174,120	355,662,695				
	Less: Current Maturity Shown under Other Current Liabilities. (Refer Note-8)							226,453,420	
	Long Term Loan as on 31st March, 2021							129,209,275	

NOTE - 5A : SHORT TERM BORROWINGS.

TERM LOANS									
A- FROM BANKS									
1									
2									
	Total A								



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Note-9:

FIXED ASSETS:					
Tangible:					
Cost or Valuation	Figures in				Total
	Equipments	Furniture & Fixtures	Motor Vehicles	Computers	
As at 1st April 2019	379,900	3,966,809	1,438,305	1,217,444	7,002,458
Additions	25,606	286,921	-	228,559	541,086
Disposals	-	-	-	-	-
As at 31st March 2020	405,506	4,253,730	1,438,305	1,446,003	7,543,544
Additions For the Period	134,481	18,600	-	156,568	309,649
Disposals	-	-	-	-	-
As at 31st March 2021	539,987	4,272,330	1,438,305	1,602,571	7,853,193
Depreciation					
As at 31st March 2020	160,367	1,612,198	510,970	1,014,509	3,298,043
Charge For the Year	90,720	404,471	227,770	224,001	946,961
Disposals	-	-	-	-	-
As at 31st March 2021	251,087	2,016,668	738,740	1,238,509	4,245,004
Net Block as on 31st March 2021	288,900	2,255,662	699,565	364,062	3,608,189
Net Block as on 31st March 2020	245,139	2,641,532	927,335	431,494	4,245,501

Intangible (Software):		
Cost or Valuation	₹	₹
	31ST MARCH, 2021	31ST MARCH, 2020
WDV as at 1st April		
Additions	509,505	734,361
Amortisation for the Year	520,000	90,810
As at 31st March	376,334	315,666
	653,171	509,505

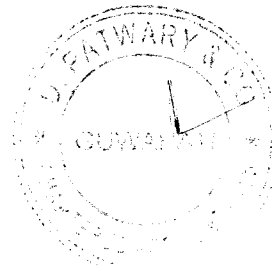
Note-10: Non Current Assets

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
a) Deposit with EFL & MAS	5,958,633	8,583,633
b) Other Security Deposit	16,110	16,110
c) Long Term Loans & Advances Microfinance Loan & NSFDC	199,277,822	141,303,471
d) Staff Loan	1,196,418	1,196,418
Total	206,448,983	151,099,632

*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, 2021	31ST MARCH, 2020
	₹	₹
(a) Balances with banks in Current account	17,337,195	11,459,454
(b) Fixed Deposit With Bank	103,750,000	141,750,000
(c) Cash on hand	683,153	4,153,480
Total	121,770,348	157,362,934



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Note-12: Short Term Loans and Advances:

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Micro Finance Loans		
Opening Balance		
Add: Loan Disbursed	315,166,267	403,331,754
Sub-Total	246,015,000	369,780,000
Less: Realised	561,181,267	773,111,754
Less: Bad Debts	270,857,488	457,591,633
	-	353,854
Less: Long term Loan & advances	290,323,779	315,166,267
Microfinance Loan	199,277,822	141,303,471
	91,045,957	173,862,796
NSFDC Micro Finance Loans		
Opening Balance		
Add: Loan Disbursed	-	19,885
Sub-Total	-	-
Less: Realised	-	19,885
Less: Bad Debts	-	19,885
	-	-
Less: Long term Loan & advances	-	-
NSFDC Microfinance Loan	-	-
	-	-
NBCFDC Micro Finance Loans		
Opening Balance		
Add: Loan Disbursed	-	1,746
Sub-Total	-	-
Less: Realised	-	1,746
Less: Bad Debts	-	1,746
	-	-
Less: Long term Loan & advances	-	-
NBCFDC Microfinance Loan	-	-
	-	-
Advance Income Tax	1,998,660	3,340,617
Loan to Staff	1,490,623	1,183,225
Total	94,535,240	178,386,638

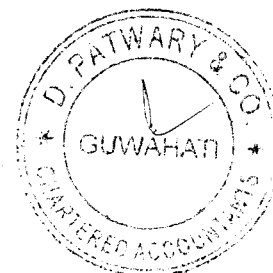
Note-13: Other current assets

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Interest accrued on Loan Portfolio but not due	4,132,888	2,991,799
Interest accrued but not due on Term Deposits	13,040,452	12,117,101
Short Interest Receivable Against Loan Portfolio	1,354,658	1,356,468
Staff Advance	4,705,857	546,072
Other Advance	3,152,790	140,500
Other Receivable	184,420	658,073
BC commission Receivable	1,494,736	6,431,468
Receivable From Insurance Company	1,118,115	2,466,273
Advance For Land	-	-
Total	29,183,916	26,707,754



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Note-14: Revenue from operations			
Particulars	31ST MARCH, 2021	31ST MARCH, 2020	
	₹	₹	
Interest on Loan: (Refer Note (i) below)	70,334,638	88,402,126	
Processing Charges	2,460,150	3,697,800	
Total	72,794,788	92,099,926	
Particulars	31ST MARCH, 2021	31ST MARCH, 2020	
	₹	₹	
i) Interest on Loan comprises:			
a) Interest on Micro Finance Loan	70,334,638	88,402,126	
b) Interest on NSFDC Loan	-	-	
c) Interest on NBCFDC Loan	-	-	
Total	70,334,638	88,402,126	
Company offers small loan products to its borrowers for income generation, which are repayable in equal weekly/fortnightly/Monthly instalments.			
Note-15: Other Income			
Particulars	31ST MARCH, 2021	31ST MARCH, 2020	
	₹	₹	
Interest on Fixed Deposits	8,658,321	7,299,378	
Interest on Staff Loan	238,951	357,362	
Interest on Vehicle Loan	3,200	13,965	
BC Commission	12,001,488	20,977,159	
Miscellaneous Receipt	11,282	504,268	
Total	20,913,242	29,152,132	
Note-16: Employee benefit expenses			
Particulars	31ST MARCH, 2021	31ST MARCH, 2020	
	₹	₹	
Salaries, Wages & Bonus etc.	24,100,402	33,211,357	
Contribution towards Provident Fund and ESI	1,229,058	1,674,851	
Leave Encashment	26,100	31,100	
Gratuity	344,208	182,159	
Bonus and Exgratia	-	-	
Employee Health and Insurance Premium	172,495	-	
Staff Welfare Expenses	390,640	681,517	
Total	26,262,903	35,780,984	
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.			
Note-17: Finance Cost			
Particulars	31ST MARCH, 2021	31ST MARCH, 2020	
	₹	₹	
Interest on Borrowings	49,264,618	58,188,112	
Interest on NSFDC Loan	-	-	
Interest on NBCFDC Loan	-	-	
Processing Fees & Other Financial Expenses	500,000	2,165,780	
Total	49,764,618	60,353,892	



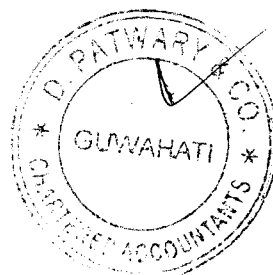
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Note-18: Other expenses					
Particulars	31ST MARCH, 2021		31ST MARCH, 2020		
	₹		₹		
Audit Fees	110,000		120,000		
Certification Fee to Auditors	25,500		72,500		
Travelling and Conveyance	1,181,487		3,035,223		
Professional fees	180,000		1,120,695		
Telephone, Mobile & Internet	207,419		135,303		
Rent	3,604,634		2,731,046		
Rates & Taxes	-		-		
Printing & Stationery	430,041		906,806		
Bank Charges	424,791		756,301		
Miscellaneous Expenses	159,304		403,036		
Electricity Charges	177,535		162,099		
Repairs and maintainance	208,143		725,246		
Postage & stamp	29,074		37,265		
Meeting Expenses	-		93,512		
Books and Periodicals	1,322		16,595		
Insurance	35,346		70,250		
Trade Licence Renewal Fees	58,025		112,548		
Credit Information Fees	116,256		117,170		
Grading & Rating Fees	245,000		242,500		
Staff Training Expenses	76,550		-		
Consumable	-		2,000		
NSDL Registration fee	-		19,667		
Membership/participation Fee	108,500		50,430		
ROC Fees	10,300		6,100		
Admin Charge on PF	-		44,159		
DSC Renewal Fees	2,017		3,000		
Sitting Expenses	40,000		40,000		
GST Ineligible	265,501		422,261		
Scholarship	4,000		-		
Registration & insurance of Vehicle	18,070		21,315		
Office Upkeep Expenses	2,600		4,700		
MIS software Maintainance	7,200		643,600		
Advertisement	11,204		5,720		
Interest on GST Late Payment, TDS etc	74,664		20,637		
Financial Literacy Training Program	-		255,247		
Monitoring Fees	20,000		-		
Total	7,834,483		12,396,931		

Note-19: Provisions for Loan Loss				
Particulars	As at 31st March, 2020	Additions	Wirte off/ Reversal	As at 31st March, 2021
	₹	₹	₹	₹
Provision for Loan Loss on Standard Asset	1,527,410	(381,031)	-	1,146,379
*Provision for Loan Loss on sub-standard, Doubtful and Loss Assets	3,628,156	(13,291)	-	3,614,865
Provision for Regulatory Framework Portfolio	-	10,101,710	937,626	9,164,084
General Provision on Standard Asset but overdue on 29.02.2020. (Covid 19)	976,044	-	892,370	83,674
Total	6,131,610	9,707,388	1,829,996	14,009,002

Note-20: Classification of Portfolio Loan on age basis					
Particulars	Estimated Provisions Adopted by the Company	As at 31 March, 2021		As at 31 March, 2020	
		Principal	Provision Amount (₹)	Principal	Provision Amount (₹)
Current (0 to 90 Days)	0.40%	286,594,726	1,146,379	309,258,680	1,237,035
91 to 179 days	50%	228,376	114,188	3,978,112	1,989,056
180 days or more	100%	3,600,677	3,500,677	1,929,475	1,929,475
Total		290,323,779	4,761,244	315,166,267	5,155,566
*Subject to 1% Whichever is Higher		290,323,779	2,903,238	315,166,267	3,151,663

According to 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.



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Note-20A Provision for Regulatory Package of Covid 19

Particulars	Opening Provisioning	Provision at the end of 1st Qtr Amount (₹)	Provision Reversed (₹)	Total Provision
Principal outstanding of all standard but overdue accounts (DPD 1 to 89 days)	976,044	-	892,370	83,674
Total	976,044	-	892,370	83,674

According to RBI Circular No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 on COVID19 Regulatory Package - Asset Classification and Provisioning, a general provisions of 10 per cent shall be computed for all standard but overdue accounts on February 29, 2020 for which moratorium has been granted. This amount has been provided in a phased manner i.e. 5 per

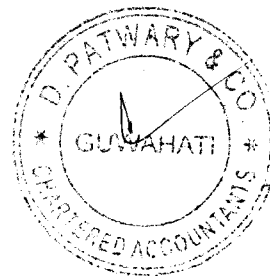
Note-20B Provision for Regulatory Package of Covid 19

Particulars	Principal (₹)	Provision Created Amount (₹)	Provision Reversed Amount (₹)	Net Provision as at 31.03.2021
Principal outstanding of all standard but		10,101,710	937,626	9,164,084
TOTAL		10,101,710	937,626	9,164,084

According to RBI Circular No. RBI/2020-21/16. DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 on Resolution Framework for COVID-19 Related Stress: Classification and Provisioning, a general provisions of 10 per cent has been created and reversal made as per framework for all standard but overdue not more than 30 days accounts on 01.03.2020 for eligible borrowers

Additional Disclosure

Type of Borrower	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate Persons of which MSMEs	-	-	-	-	-
Others	4,292	101,017,102	-	-	10,101,710
Total	4,292	101,017,102	-	-	10,101,710



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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
Key Management Personnel	
SARAT CHANDRA DAS	Managing Director
DANDI RAM KALITA	Director

Nature of Transactions

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Transaction Value	Balance Outstanding	Transaction Value	Balance Outstanding
With Key Management Personnel				
I. Sarat Chandra Das				
Salary & Remuneration	1,108,800	-	1,065,632	-
II Dandi Ram Kalita				
Salary & Remuneration	396,000	-	460,000	-
Total	1,504,800	-	1,525,632	-

Note-22: Earning Per Share

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	₹	₹
Net Profit after Tax	101,556	5,623,525
Dividend payable to preferential share	2,947,500	2,238,898
Net Profit after Preferential dividend	(2,845,944)	3,384,627
Number of Shares	3,485,648	3,485,648
Weighted Average Number of share	3,485,648	3,485,648
Earning Per Share (Basic)	0.82	0.97
Earning Per Share (Diluted)	0.02	0.83
Nominal Value Per Share	Rs.10/-	Rs.10/-

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.



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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
1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :				
a. Debentures:	Secured		Nil	Nil
	Unsecured		Nil	Nil
(other than falling within the meaning of public deposits)				
b. Deferred Credits			Nil	Nil
c. Term Loans			355,662,695	422836815
d. Inter-corporate loans and borrowing			Nil	Nil
e. Commercial paper			Nil	Nil
f. Public Deposits			Nil	0
g. Other Loans (Cash Credit facility)			Nil	0
Total			Nil	Nil
2 Break-up of (1)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :				
a. In the form of unsecured debentures			Nil	Nil
b. In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security			Nil	Nil
c. Other public deposits			Nil	Nil
Total			Nil	Nil
3 ASSETS SIDE				
Break-up of Loans and advances including bills receivables (other than those included in (4) below) :				
a. Secured				Amount Outstanding
b. Unsecured (see schedule)				290,323,779
4 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :				
I. Lease assets including lease rentals under Sundry Debtors				
a. Financial lease				Nil
b. Operating lease				Nil
II. Stock on hire including hire charges under Sundry Debtors				Nil
a. Assets on hire				Nil
b. Repossessed Assets				Nil
III. Other Loans counting towards AFC activities				Nil
a. Loans where assets have been repossessed				Nil
b. Loans other than (a) above				Nil
Total				Nil
5 Break up of Investments :				
Current Investments				
1 Quoted				
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
2 Un-Quoted				
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
1 Long Term Investments :				
1 Quoted				
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
2 Un-Quoted				
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
6				
Borrower group-wise classification of all assets financed as in (2) & (3) above :				
1. Category		Amount		
		Secured	Unsecured	Total
a. Related Parties **				
b. Subsidiaries		Nil	Nil	Nil
c. Companies in the same group		Nil	Nil	Nil
d. Other related parties		Nil	Nil	Nil
e. Other than related parties		Nil	290,323,779	290,323,779
Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and un quoted)				
1. Category		Market value/Break up or fair value or NAV	Book Value (Net of provisions)	
a. Related Parties				
b. Subsidiaries		Nil	Nil	
c. Companies in the same group		Nil	Nil	
d. Other related parties		Nil	Nil	
e. Other than related parties		Nil	Nil	
Total			Nil	Nil
**As per Accounting Standard of ICAI				
I. Other Information:				
Particulars				
Gross Non-performing Assets				
II. a. Related parties				Nil
b. Other than related parties				3,729,053
Net Non-performing Assets				
III. a. Related parties				Nil
b. Other than related parties				114,188
Assets acquired in satisfaction of debt				Nil



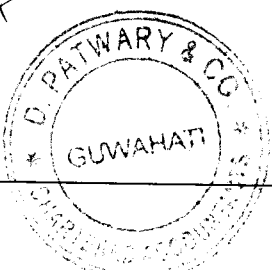

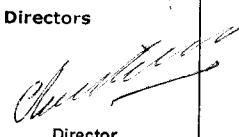
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Note-26

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, 2021	For the year ended 31 March, 2020
CRAR	26.30%	24.76%
CRAR-Tier I Capital	17.22%	14.74%
CRAR-Tier II Capital	9.08%	10.03%
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 transeactions 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.290323779/-	
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) Remumeration 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. M4C3 (COCA ANG GRADING BY SMERA) 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.	



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Note. 26A Breakup of Provisions and contingencies shown under the head Expenditure in Profit and Loss Statement.		
Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Provision for Income Tax	543,783	2,088,594
Provision for Gratuity	344,208	182,159
Provision towards NPA	(13,291)	3,628,156
Provision for Standard Assets	8,783,053	1,527,410
Provision on Manage Portfolio	-	1,333,116
Covid 19 Provision	892,370	976,044
Note. 26B Concentration of Advances		
Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Total Advances to twenty Largest borrowers	1,519,674	1,270,496
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.52%	0.40%
Note. 26C Concentration of Exposures		
Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Total Advances to twenty Largest borrowers	1,519,674	1,270,496
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.52%	0.40%
Note. 26D Concentration of NPA'S		
Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Total Exposure to top four NPA accounts	191,430	103,733
Note-27 Previous Year Figures		
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.		
<p>For D. Patwary & Co. Chartered Accountants Firm Registration No. 324523E</p> <p>Amit Patwari (Partner) M. No.061971</p> <p>Date: 17.09.2021 Place: Guwahati</p> 		
<p>For and on behalf of the Board of Directors</p> <p> Managing Director DIN: 02849186</p> <p> Director DIN: 06902163</p>		