

TABLE CONTENTS

 Why Grameen Development Finance Private Limited **Exists**

OBJECTIVES

Content

| | |
|---|----|
| Why we Exist..... | 1 |
| Mission ,Vision..... | 2 |
| Objective | 3 |
| Synergy with the foundation organization..... | 4 |
| Message from the Managing Director..... | 5 |
| Board of Directors..... | 6 |
| Committees | 8 |
| Background of the company | 9 |
| Approach | 10 |
| Directors Report | 12 |
| Operational Methodology..... | 20 |
| Management discussion and analysis | 21 |
| Operational Performance | 22 |
| Financial Performance | 23 |
| Fund Mobilization | 24 |
| Risk | 26 |
| Internal Audit and Control..... | 27 |
| Vigilance | 28 |
| Operational Risk Management | 30 |
| Service Quality | 31 |
| Management Information System | 32 |
| Human Resource Management | 33 |
| Corporate Governance | 34 |
| Social Performance Management | 35 |
| Client Protection principles | 36 |
| Grievance and Feedback | 37 |
| Responsible Staff | 38 |
| Customer Interaction | 39 |
| Employee Friendly Organization | 40 |
| Efficient and Stable Management | 41 |
| Product Details | 43 |
| Geographical Coverage | 45 |
| Audit Report | 46 |



Why We Exist

THERE IS A JUST
CAUSE FOR
EXISTENCE OF GDFPL

GDFPL exists to bridge or fill the gap between the formal financial system and the families not reached by them. GDFPL reaches them by way of playing intermediation role for microfinancial services with the purpose to transform and improve their quality of lives.



MISSION

Mission is to provide quality, Customer responsive financial Services and to facilitate technical services to poor and under-served families to support their livelihoods in a manner, while serving these families GDFPL robust financial instruction.

VISION

To emerge as the most preferred MFI in the NER serving 200 thousand families by 2025



VALUES

GDF works with highest transparency and accountability. We as a company and as a team are committed on professional delivery of services. Respect, care and ethical practices are integrated with our business practices, We have strong desire to serve people with honesty in every action adhering to rules, systems and processes of the organization.



Objectives

Objectives

To Improve the pace and quality of life of the rural and urban poor especially the village and decentralized sector.

To Focus attention on the women, children, scheduled castes, scheduled tribes, minorities and other backward communities for economic self-sustenance.

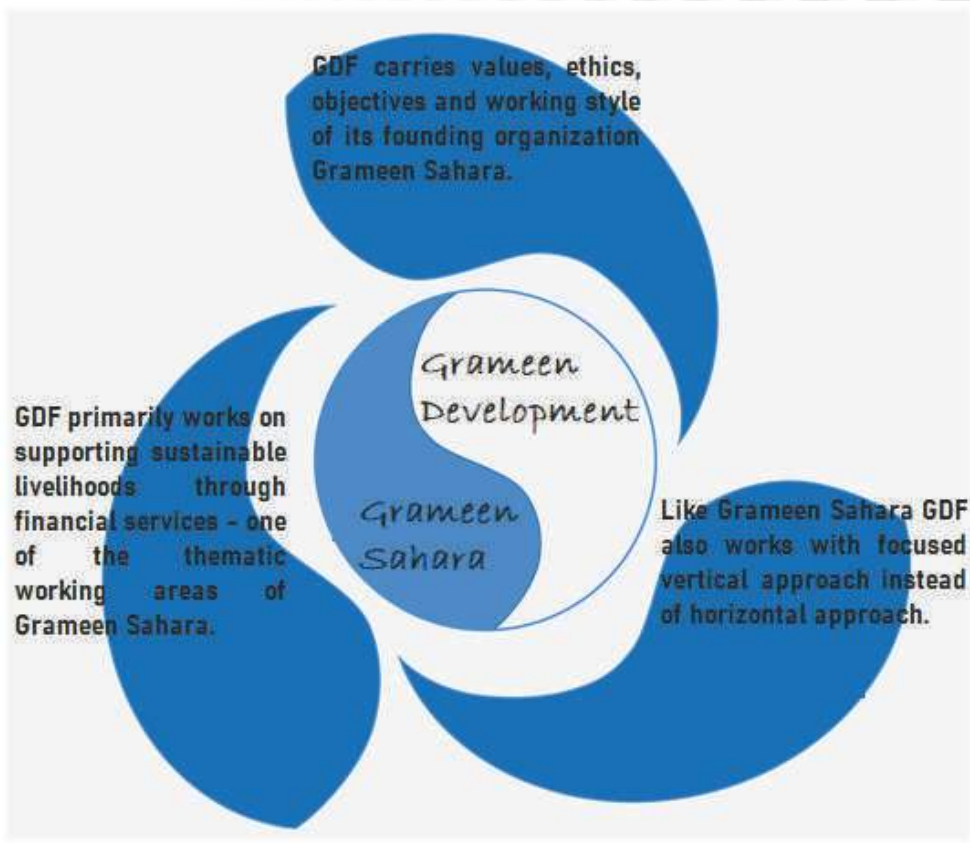
To Create, develop and support self employment avenues for the educated unemployed rural and urban youth.

To Build social capital that will be used by the community and for the community.

GRAMEEN DEVELOPMENT Team endeavours and dedicates its efforts and Energy towards fulfilment of its objectives through its hard works, honesty, Teamwork, transparency, motivation and integrity. The team is well-versed with the local ground situation.



SYNERGY WITH THE FOUNDING ORGANIZATION - GRAMEEN SAHARA



Message from the Managing Director



Dear Shareholders,

The impact of unprecedented health crisis in the history was still there in 2021-22 although major restrictions were lifted by the government. I am sharing the achievements and the challenges faced during the year. As a going concern GDF had to accept the challenges and the whole team had to work harder than ever. We had to explore ways to get going.

We started fresh disbursement in the third quarter only after getting some funding support from NEDFi, SBI, AGVB and AFC. Some additional recoveries also came when the government paid incentives to the category-1 borrowers. The economy still needs some time to fully recover and to fully get the livelihoods of the impacted families restored. We must thank the government and its policies for the sector with liquidity support. Being small company, we could leverage a small fund. But as a whole the sector got benefitted. I on behalf of the company thank all those who have fought to save lives of people in the whole country.

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I thankful to our funders, technological partners, borrowers, staff members, rating agencies and the regulators for cooperation, support, guidance and partnership. Finally, I am very grateful to the board members for their guidance, support and cooperation.

Board of Directors



Mr Mrinal Baishya, Independent Director

An ex-banker, Mr Baishya, MA, LLB, served as the Chief Public Information Officer and General Manager of Planning and Development of United Bank of India. He was also the second Chairman of Pragjyotish Gaonlia Bank the major constituent of Assam Grameen Vikash Bank. He retired as the General Manager of United Bank of India, with over 40 years of experience in co-ordinating, supervising and implementing the bankable projects through the network of rural and semi urban branches in the Micro-finance Sector.



Mr Tilak Das, Independent Director

Retired as a Deputy General Manager, SBI, heading Agri Business, N.E. Region. Mr Das is a B.Sc. Agricultural Economics and brings with him more than 35 years of banking experience in the areas of rural development, financial inclusion, agricultural projects, training in behavioural science & management skill, retail banking, business process re-engineering, SHG bank linkage, designing of organizational development, interventions etc. Currently he is engaged with various consultancy, advisory and mentoring positions government and world bank funded projects.



Mr Srijib Kumar Baruah, Nominee Director

Mr. Baruah, Executive Director of NEDFi is a nominee director from NEDFi. He is an Associate Member of the Institute of Company Secretaries of India and a Law Graduate (LLB), he also has a management degree. Mr Baruah brings in years of experience in development finance and has extensive exposure in the region and is an expert strategist in the micro-finance sector. His area of experience includes Civil Administration, Corporate Governance, Human Resource Development, Secretarial matters, Legal & Recovery, Consultancy & Advisory and Business Development, governance, and ethics.



Mr Sarat Chandra Das, Managing Director and CEO

Mr Das brings with him more than 25 years of experience as a social entrepreneur. He worked with RGVN, Sa-Dhan, HDFC Bank etc and founded a not-for profit social enterprise namely Grameen Sahara in 2002. He has got extensive experience in the development sector – community development, enterprise building, natural resource management, education, etc and also has got experience in banking and microfinance. He has been profiled by VikasAnvesh Foundation, a Tata Trusts initiative –in their book “Gems of Purest Ray, Serene” among 22 outstanding social entrepreneurs in India. He is a graduate from Assam Agricultural University, has a Post Graduate Diploma in Rural Development, an Executive MBA, a Certified Expert in Micro-Finance from Frankfurt School of Finance and Management. He also attended Middle Management Program in IIM, Ahmadabad, and a Programme on Organized Farmers a Partner in Agri Business in CDI, Wageningen University. He also has an Executive Certificate in Strategy and Leadership from JWM Institute. In addition, he also holds a PG Diploma in Environmental Law and Policy from NLU, Post Graduate Diploma in Agriculture Extension Management (PGDAEM) from MANAGE, and a Master Degree in International Cooperation and Humanitarian Aid (MDICHA) from K.A.L.U



Mr Dandi Ram Kalita, Director

An ex-banker and a whole-time director of the Company and actively participates in the day-to-day affairs of the Company. Mr Kalita brings with him immense experience in the banking sector as he is a retired officer from Allahabad Bank. Mr Kalita is a BA (Economics) and he heads the integral Audit System teams of the company. He is also a member of PRAYAS, a reputed Trust for Socio-Economic Development and carries out Financial Literacy Camps on behalf of the Company. He joined the Company as a Director in 2014, and with his experience as a banker has been an integral part of the Micro-Finance operations. He also has actively taken part in all the CSR initiatives of the Company and is also a constant member of Various Committees of the Company and maintains a strict vigil on the internal control systems on behalf of the Company.

Committees

Management Committee

Mr. Sarat Chandra Das, MD & CEO
 Mr. S.S. Mohan, AGM & Head –Operations
 Mr. Sujit Banik, Head –Accounts & Finance
 Ms. Mira Das, Head, MIS
 Mr. Sanjib Kalita, Manager-IT
 Ms. Nirmali Nath, Head, HR & Admin

Committee for prevention of sexual harassment of women at workplace:

Mr. Sarat Chandra Das, MD & CEO
 Mr. Dandi Ram Kalita, Director
 Ms. Mira Das, Head, MIS
 Ms. Nirmali Nath, Head, HR & Admin
 Mr. Rumi Thakuria, Sr. Executive, MIS

Internal Audit Committee

Mr. Mrinal Baishya, Independent Director
 Mr. Tilak Das, Independent Director
 Mr. Dandi Ram Kalita, Director

AUDITORS: D Patowary & Co
 Firm's Registration No.: 324523E
 Christian Basti, Udayachal Path, Assam 05
 REGISTERED OFFICE:

GDFPL, Dubjeni, Kuls Road, Chhaygaon,
 Kamrup, Assam 781124,
grameendevfpl@gmail.com
www.gdfpl.com

Whether listed: Not listed

AUDITORS: D Patowary & Co
 Firm's Registration No.: 324523E
 Christian Basti, Udayachal Path, Assam 05



BACKGROUND OF THE COMPANY

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Originally, the company was registered by the name of Sharnartha Leasing & Finance Pvt Ltd on 20th July 1989, in the Capital Territory of Delhi vide registration no. 55-037029 under Company Act, 1956. It was then shifted to the state of Punjab from NCT of Delhi. The Company was also granted with a Certificate of Registration (COR) bearing registration no- B-06.00271 dated 10th May 2000, by the 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.

Its registered office was again shifted to the state of Assam from the state of Punjab in the year 2013-14. Subsequently, upon shifting of the registered office to the state of Assam, a fresh Certificate of incorporation was issued by RoC, Shillong, bearing no. U65921 AS1999PTCo11 dated 16th January, 2014. Similarly, a fresh Certificate of Registration bearing no. B-08.00135 dated 14th March 2014 by the RBI, Guwahati and the company got classified as NBFC-MFI. The name of the company was, then, changed to Grameen Development & Finance Pvt Ltd (GDFPL) and a fresh Certificate of Registration was issued bearing Corporate Identification no. U65921AS1999PTCo11755.

The *microfinance program for financial inclusion of Grameen Sahara* NGO with financial support of various funding agencies such as SIDBI, NEDFi, AFC, AGVB, IDBI bank etc was later transformed to an RBI regulated non-banking finance company by name Grameen Development & Finance Pvt Ltd. The company was taken over by the new management based in Assam from the old management based in Abohar, Punjab. The company was taken over by a new management primarily based in Assam. As stated in the synergy above the company continues to focus in the promotion of sustainable livelihood through provision of financial services and also linking its beneficiaries with various line agencies, departments, institutions, development support organizations etc so that they get all necessary supports from different domain players.

It works very closely with the founding organization Grameen Sahara on various soft and hard supports in a collaborative manner. The technical and advisory services for the farmers are mobilized by Grameen Sahara and the financial requirements are taken care of by the company with the provision of micro-financial services as and when required.



Promotion of sustainable livelihood is what GDFPL endeavours to. Our target areas are the entire NER of India. It Provides credit directly whereas for insurance coverage we work with insurance companies. GDF does not mobilize deposits as we are not permitted to do that. Credit is also exclusive for income generating activities. On a regular basis GDFPL takes up development activities for the poor families and environment in collaboration with Grameen Sahara NGO.

We have always been very careful to do everything ethically in terms of collection of loan instalments, in communication, and all dealings, The team members are always courteous in their behaviour, and empathetic to the clients at the time of any crisis, under no circumstance GDF confiscate physical assets of any borrower.



Financial literature programs are very closely knitted with the microfinance activities and that that is on a regular basis. Credit bureau check is done twice at the time of processing of loan application and at the time of loan disbursement. Till date the company has adopted only group lending mode of finance

GDF has continued with JLG model as that has been proved to be the most viable and economic model given the loan size of microfinance. Thorough checking of total indebtedness is training at the time of group training, group recognition test and also profiling of livelihood activities of the families is done critically

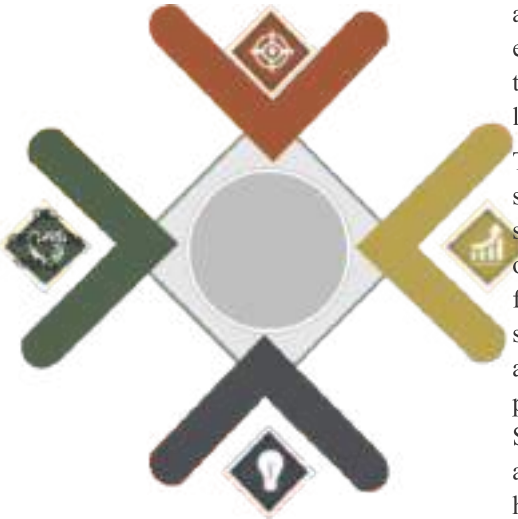
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The company is very serious with the code of conduct and strictly implement the same. We adhere to the code of conducts set by RBI, MFIN, Sa-Dhan. For better implementation and adherence, we conduct staff training frequently. Internal audit and control system checks compliances regularly. We also provide phone helpline to the customers for direct reach with any complains or grievances. Grievances are resolved on a time bound process. Both written and verbal client feed-back is collected regularly.

The company has been keeping client data secured and with complete privacy. We have strict data privacy policy and staff are provided regular training on the data privacy. We have adequate system of data safeguarding. GDF serves those families who are having little or no access to credit and other financial services in rural, semi-urban and urban areas in the NER. While doing so the effort is on to support those who have potential to engage in productive works. Collaboration is done with other agencies for other support or assistance to strengthen livelihoods. Grameen Sahara NGO is one of the allies.

commensurate the same. The Company honours the customer's needs. Appropriate Process is put in place to ensure convenient delivery to customers, not to over-burden the customer with higher repayments, customer affordability to take the product and their ability to repay without stress. Increasing customers to meet life cycle needs and emergencies is a high priority for the company. We also ensure customers are safe by facilitating them with health life insurance products.

Our client base includes mostly economically and socially disadvantaged section of the society or under-served by the formal financial institutions. They are economically active and either not served or lack opportunity. We support improvement in the quality of life by creating awareness on savings and pension, awareness and empowerment levels through access to health care services, education, sanitation and safe-drinking water.



In future the company will plan to get into activity-based lending on cluster approach and has been trying to collaborate with other agencies. The company effectively caters to the needs of this segment to support sustainable livelihoods.

The micro-entrepreneurs in the service sector, manufacturing sector, low-income group of organized sectors, labourers in the farm and non-farm activities, and small farmers engaged in agriculture and allied sector, people engaged in petty trading in Supari and Stationery, garments and groceries, handlooms and handicrafts, weaving and stitching and animal husbandry etc. form the customer segment of the company.

How GDF is resilient

GDF has a well-defined grievance redressal policy mechanism for capturing clients' suggestions, grievances and complaints.

Promotion of Enterprise has been at very core of the company.

International Finance Corporation (IFC) has selected the company to sponsor its Risk Management framework exercise. Deloitte Consulting did the whole exercise and framed the policies. The Framework is being used effectively that has helped the company in projecting the risk and also in taking steps well in ahead.

The Company has Strong Board of Directors with Banking and financial backgrounds armed with strong professional team consist of professionals commerce, science, social work, etc.

The company has strong presence on the ground through its parent organization Grameen Sahara

Directors Report- 2020-2021

To,
The Members
Grameen Development and Finance Private Limited

Your Directors have pleasure in presenting this Annual Report together with the Audited Statement of Accounts of your Company for the year ended 31st March, 2022.

1.FINANCIAL RESULTS

The Financial Results of the Company during the Financial Year ended on 31st March, 2022 are as under:(In Rs. Lakhs)

| Particulars | Current Year 2021-22 | Previous Year 2020-21 |
|------------------------------|----------------------|-----------------------|
| Revenue from operations | 630.75 | 727.95 |
| Other Income | 169.22 | 209.13 |
| Total Revenue (TR) | 799.97 | 937.08 |
| Financial Cost | 393.59 | 497.65 |
| Operational Cost | 404.83 | 432.98 |
| Total Cost (TC) | 798.42 | 930.63 |
| Profit before tax (TR-TC) | 1.55 | 6.45 |
| Less Tax | 0.39 | 5.43 |
| Profit (Loss) for the period | 1.16 | 1.02 |

Long lasting adverse impact of lockdown necessitated by the spread of COVID-19 pandemic in year 2020 and 2021 can be seen in FY 2021-22. Business and cashflow of our clients were directly or indirectly got hampered without any sign of immediate salvage from the position. Ultimately our repayment percentage declined and we had to increase the provisioning expenses. Non-availability of funds had compelled us to do less numbers of disbursement and that also reduced the possibility of income. These two principal factors viz., reduction of income and increased provisioning expenses has led to degradation of the financial figures from previous years.

1. STATE OF THE COMPANY'S AFFAIRS

The Company is engaged in the regular business without any deviation from previous years. The Company has continued with its direct retail microfinance services and also been worked as business partner under Business Correspondent (BC) model for NEDFi, ESAF SFB, Arohan Finance and Mas Financial Services. There has been no change in the business of the Company during the financial year ended 31st March, 2022.

The highlights of the Company's performance are as under: -

Revenue from operations decreased by 13.35% from Rs. 727.95 lacs to Rs.630.75 lacs.

Net Profit for the year increased by 13.72% from Rs. 1.16 lacs to Rs. 1.02 lacs.

Earnings per share have increased by 0.41% from 0.23% to (0.82) %.

The increase in revenue, net profit and EPS as mentioned above is accredited to increase in turnover in comparison to the last financial year.

The Company as a BC of NEDFi for the first time has started lending higher ticket size to the limit of maximum Rs. 2 lakhs individual loans with a competitive interest rate of 15%. These loans comes with a higher loan tenure of maximum 3 years in

comparison of normal microfinance loans i.e., 2 years. All these loans are total digital loans and recovery is done primarily through NACH mandates.

The Company has been able to increase its recovery through digital mode by 25.33% in comparison to previous FY. In FY 2021-22 we collected Rs 328.81 Lakhs digitally out of total collection of Rs. 1297.85 lakhs.

In FY 2021-22 we adhere to a very conservative approach providing loans to clients. From October 2021 onward we started disbursement and it was made mandatory do 360 degree retail Credit Bureau Check for both applicant and co-applicant. Credit score below 650 and instances of defaults are not been considered for disbursement. Again we insisted that the applicant must have a permanent source of income and aligned indebtedness so that they have the potential to pay the instalment even in case of lean period. This overall strategy for conservative disbursement has helped us maintaining 100% recovery rate for the newly disbursed clients in FY 2021-22 (3419 Numbers of clients and loan amount disbursed was Rs 1158.25 lakhs only.)

1.DIVIDEND

The Board of Directors does not recommend any Dividend for the Financial Year 2021-22. However, preference dividend at the rate of 9.00% per annum for Rs. 29.47 lakhs were declared to preference share holders/investors. Details of the preference dividend calculation is as follows: (Figures are in Rs. Lakhs)

| Sl | Name of the shareholder | Shareholding Amt | Date of investment | Total No of days payable | Total Days | Amt Payable @9% | TDS Rate (%) | Less TDS | Net Payable Amt |
|----|-------------------------|------------------|--------------------|--------------------------|------------|-----------------|--------------|----------|-----------------|
| 1 | SIDBI | 50.00 | 01/04/2018 | 365 | 365 | 4.50 | 10 | 0.50 | 4.05 |
| 2 | Gyanesh Pandey | 12.50 | 23/05/2028 | 365 | 365 | 1.13 | 10 | 0.11 | 1.01 |
| 3 | Vandana Pandey | 10.00 | 25/05/2018 | 365 | 365 | 0.90 | 10 | 0.09 | 0.81 |
| 4 | Pannalal Bansali | 55.00 | 06/06/2018 | 365 | 365 | 4.95 | 10 | 0.50 | 4.46 |
| 5 | NEDFi | 200.00 | 14/08/2018 | 365 | 365 | 18.00 | 10 | 1.80 | 16.20 |
| | Total | 327.50 | | | | 29.48 | | 2.95 | 26.53 |

1.DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION(12) OF SECTION 143 OTHER THAN THOSE REPORTABLE TO THE CENTRAL GOVERNMENT

No material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of audit.

1.TRANSFER TO RESERVES

During the year under review, the Company has profit Rs. 0.23 Lakhs. The amount has been transferred to Reserves and Surplus

1.SHARE CAPITAL

The Paid-up Equity Share Capital as on 31st March, 2022 was Rs. 348.57 Lakhs

1.FINANCE

Cash and cash equivalents as at 31st March, 2022 was 1262.77 Lakhs. The Company continues to focus on judicious management of its working capital.

1.DEPOSITS

No Deposit has been accepted by the company during the Financial year under scrutiny. No Amount remained unpaid or unclaimed as at the end of the year. There has been no default in repayment of deposit or payment of interest thereon during the year.

1.WEB LINK OF ANNUAL RETURN, IF ANY

The Company is having website and annual return of Company has been published on such website. Link of the same is given below: www.gdfpl.com

1.MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

1.PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not made any Investment, given guarantee and securities during the year under review. There for no need to comply provisions of section 186 of Companies Act, 2013.

12. DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company is duly constituted. None of the Directors is disqualified from being appointed as such under the provision of Section 164 of the Companies Act, 2013. Present Board Consist of below mentioned Directors:

| Sl No. | Name | Designation | Date of Appointment |
|--------|---------------------|-------------------|---------------------|
| 1 | Sarat Chandra Das | Managing Director | 27/07/2010 |
| 2 | Dandiram Kalita | Director | 30/06/2014 |
| 3 | Srijib Kumar Baruah | Nominee Director | 10/12/2014 |
| 4 | Mrinal Baishya | Director | 28/09/2015 |
| 5 | Tilak Das | Director | 28/09/2015 |

There is no change in Board of Directors of the Company during the Financial Year 2021-22.

13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

5 (five) Board Meetings were held during the Financial Year ended March 31, 2022 i.e. (Dates of Board Meetings are 03.04.2021,21.06.2021,17.09.2021,27.10.2021,31.12.2021).

The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

The names of members of the Board, their attendance at the Board Meetings are as under:

| Name of Director | Number of Meetings attended/ Total Meetings held during the F.Y. 21-22 |
|-------------------|--|
| Sarat Chandra Das | 5/5 |
| Dandiram Kalita) | 5/5 |

| | |
|---------------------|-----|
| Srijib Kumar Baruah | 5/5 |
| Mrinal Baishya | 5/5 |
| Tilak Das | 5/5 |

14. INDEPENDENT DIRECTORS

Since the Company is a Private Limited Company Appointment of Independent Director under section 149 of the Companies Act 2013 does not applicable to it. However, two Directors viz., Mrinal Baishya and Tilak Das act independently and they do not have any investment or pecuniary interest in the Company.

15. BUSINESS RISK MANAGEMENT

The Company does have a Risk Management Policy where key risks are identified and deliberated by management with the support of the risk management function, and reported regularly to the Management Committee and the Board. Reports are prepared and analysed periodically to identify and manage the inherent risks in our business and strategy, and to monitor the Company's exposure to key risks that could impact the overall strategy and sustainability of the business.

Periodic risk reports have been developed to document identification, analysis and management of risks. The framework is supported by various supporting policies and procedures like Risk Management Policy, Code of Conduct, Business Continuity Plan, Crisis Management Framework etc., that provides detailed guidelines for management of the major risks. Adherence to policies is regularly monitored and any breach is timely notified to the higher management for taking appropriate measures.

16. SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no Subsidiary/Joint Ventures/Associate Companies as on 31st March, 2022. As such the company is not required to consolidate its account with any other company.

17. STATUTORY AUDITORS

D. Patwary & Co., Chartered Accountants (FRN: 324523E), 1st Floor, Master Enclave, Christian Basti, Udayachal Path, Behind Petrol Pump, Guwahati-5, be and are hereby appointed as the Statutory Auditors of the Company to hold office till the conclusion of term in year 2027. The Company has received a Certificate from them to the effect that their appointment, if made, would be as per the requirements specified under Section 141 of the Act and the Rules framed there under for reappointment as Auditors of the Company. The Notes on Accounts read with the Auditors' Reports are self-explanatory and therefore, do not call for any further comments or explanations. The Statutory Auditor's Report does not contain any qualification, reservation or adverse remark.

18. BOARD'S COMMENT ON THE AUDITORS' REPORT

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of Energy: The Company is using Electricity from the Electricity board. Till date no alternate source of energy is in use.

B) Technology absorption:

The Company is using its own knowledge & Technology & There is no Technology absorption from outside.

C) Foreign Exchange Earnings and Outgo:

There was no foreign inflow or outflow during the year under review.

20. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting Financial Statements.

21. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of Section 135 of the Act, with regard to Corporate Social Responsibility (CSR) are at present not applicable on the Company.

22. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year ended 31st March, 2021 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Note no 24 to the Balance Sheet as on 31st March, 2022.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

There has been no change in the constitution of Board during the year under review i.e. the structure of the Board remains the same.

In view of the applicable provisions of the Companies Act, 2013, the Company is not mandatorily required to appoint any whole time KMPs.

(to disclose information pertaining to appointment and resignation of Director(s)/KMP(s), if any during the year under review)

(to disclose resignation of the director(s), if any occurred between the end of the financial year to which this report relates and the date of this report)

24. COST RECORD

The provision of Cost audit as per section 148 doesn't applicable on the Company. OR The provision of Cost audit as per section 148 applicable on the Company and company has maintained proper records and account of the same as required under the act.

1. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees

1. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant and material order has been passed by the courts, tribunals impacting the going concern status and Company's operations in future.

RBI has come up with new master directions on 14th March 2022 with RBI Circular No: RBI/DOR/2021-22/89 DoR.FIN.REC.95/03.10.038/2021-22 to be effective from 1st April 2022. This direction has given a common definition for Microfinance Loans. Major changes were made in following areas:

- a. Household income cap from all earlier directions are removed. Now across geographies Rs. 3 lakhs will be household income cap. A well-documented board approved income assessment tool is to be used for calculation of household income.
- b. Indebtedness cap from all earlier directions are removed. Now there will be limit on outflow on account of repayment of monthly loan obligations. It is for a household is 50% of the monthly household income.

- c. Loan pricing cap from all earlier directions are removed. A well-documented board approved policy is to be used for arriving the pricing of loans.
- d. Other charges and penalty for delayed payment if any need to be communicated to the clients in advance and in a transparent manner.
- e. Earlier qualifying asset criteria and PSL criteria has been changed. Under new rule NBFC-MFI will require to maintain 75% of total assets as qualifying assets.
- f. Forced third party product bundling is not allowed.
- g. All NBFC-MFIs will adopt and implement a board approved Fair Practice Code(FPC).

27. PARTICULARS OF EMPLOYEES

The Company has no employee in respect of whom the statement under Section 197 of the Act is required to be furnished.

28. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

29. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act, that:

- (a) In the preparation of the Annual Accounts for the Financial Year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2021-22 and of the Profit and Loss of the Company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. ACKNOWLEDGEMENT

The Directors acknowledge with appreciation, the co-operation and assistance received from the Government of Assam, NEDFi, Banks, Authorities and other Business Constituents and arcade during the year.

The Directors wish to place on record their appreciation of the contribution made by employees and customers for their continuous support given by them to the Company at all levels during the period under report.

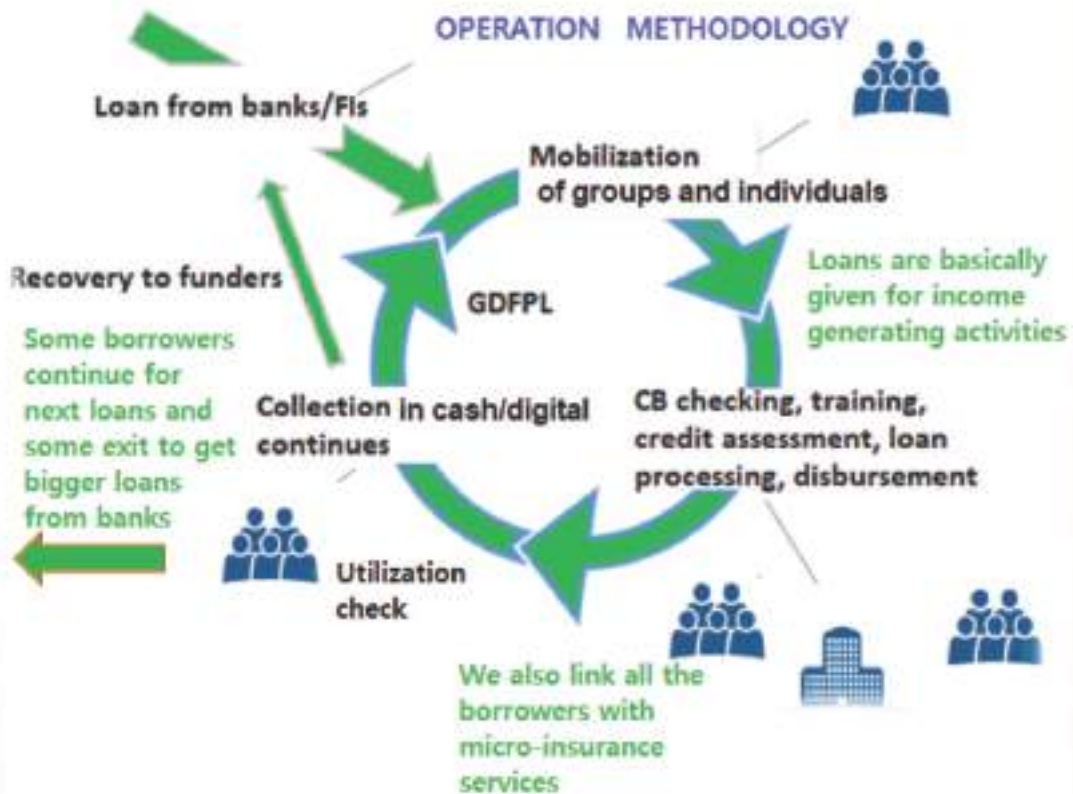
Your Board of Directors also takes this opportunity to convey their gratitude and sincere thanks for the co-operation & assistance received from the shareholders. The Board acknowledges your confidence and continued support and looks forward for the same in future as well.

By the order of the Board of Directors
For Grameen Development and Finance Private Limited

(Sarat Chandra Das)
Managing Director
DIN: 02849186
DATE: 12.08.2022
PLACE: GUWAHATI



Operation methodology:



Right at its inception GDF adopted group lending methodology, i.e., modified Grameen methodology of Grameen Bank, Bangladesh. Group lending methodology is actually individual lending only but a group liability- we call them Joint Liability Group (JLG) - is created among the group members. The JLGs consist of 5-20 homogeneous women members from the same locality. Two or more such groups again come together and form a centre. Our recovery cycle is biweekly. But slowly moving to monthly cycle considering the group dynamics and other important elements such as convenience in service delivery and so on. We have a system in place that includes a process of mobilization, formation of groups, training, assessment, credit bureau checking, loan sanctioning and collection.

We have compulsory group training, group recognition test, and compulsory credit bureau check. There is also system of KYC authentication system placed in the HO where we do compulsorily check the KYC in the election commission website. Based on the RBI regulation and based on credit absorption capability the loan application is processed. Majority of the Loans are provided through joint liability group. But as mentioned above we have started individual lending and hopefully we will be able to move completely to monthly cycle. No security or collateral is asked for. From one household only one member is provided loan. We also cover life through LIC, Bajaj and Kotak.

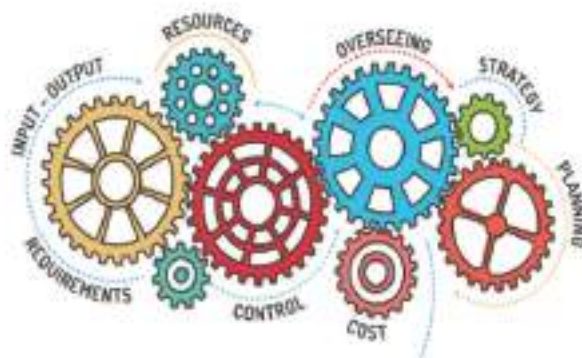
Management Discussion and Analysis

Microfinance industry loan portfolio grew by 5 per cent year-on year to Rs 2,62,598 crore in the fiscal ended March 2022. In the year-ago period, the same stood at Rs 2,50,826 crore. The impact of Covid-19, however, is not over. The situation in Assam is little more critical in comparison to other states as the sector in the state has passed through additional stress full events. Though it is a long and arduous journey for the sector to bounce back to its old glory, timely intervention by the government and the RBI in matters pertaining to policy and financial packages have helped the industry to a great extent, the sector acknowledged unified way. NBFC-MFIs loan portfolio grew by 19 per cent to Rs 94,096 crore as of end March. The report said that while funds flow to the sector has improved, small MFIs are struggling in accessing funds from banks. In Assam, banks have almost stopped lending to homegrown (those having headquarters in Assam) MFIs. Overall, collection efficiency has improved to 95-99 per cent but the recovery is not uniform across the states/UTs. Collection efficiency in Assam is lowest at 60-65 per cent, the report added. As of 31 March 2022, Portfolio at Risk (PAR) 30+ improved to 5.27 per cent from 8.77 per cent in third quarter. PAR 60+ improved to 3.55 per cent in Q4 FY22 from 5.64 per cent in Q3 FY22. PAR 180+ improved to 9.40 per cent from 9.60 per cent in Q3 FY22.

The impact of Covid-19 is not yet over and in Assam that has been aggravated by multiple events one after another. GDFPL also has gone through the same pain and the challenge is not yet over. Funding has remained a challenge throughout the year. We could receive funding from NEDFI, AGVB and SBI only. No other lenders found the situation congenial for lending and they remain absent from lending. The benefits primarily accrued to the bigger MFIs. Like other MFIs GDF used the windows provided by RBI in terms of restructuring of loans to face the challenge posed by Covid-19. The year was challenging but bearable. We could cross the year with a minimum profit. The portfolio size reduced drastically. It reduced almost by 40% since last year's closing portfolio. This portfolio decreasing trend is not good. Next year the company must grow with consistently good portfolio outstanding. We are hopeful for the next year. Certainly, the situation will improve. Covid-19 has already subsided, livelihood activities and business activities have slowly got

back into near normal and funding agencies have shown interest to start lending to the MFIs.

OPERATIONAL PERFORMANCES



| Particulars | 2019-20 | 2020-21 | 2021-22 |
|-------------------------------|----------------|----------------|--------------|
| <i>Outstanding (In lakhs)</i> | | | |
| <i>Own</i> | 3697.80 | 2460.15 | 27.64 |
| <i>Managed</i> | 2309.05 | 2271.65 | 18.41 |
| <i>Total</i> | 5460.71 | 5174.89 | 46.05 |

The overall portfolios have reduced marginally in the last two financial years. When at the peak we reached 70 Cr in October 2019 it reduced because of multiple events that happened in Assam and in the whole country. However, in comparison to the serial crisis we could be near consist in terms of portfolio size instead of drastic reduction.

The first event in Assam was the protest against microfinance by civil society organization in September 2019, followed by CAB/CAA related bandhs and curfews, followed by Covid-19 related lockdown. It was finally aggravated by the government's announcement on microfinance loan waiver which has created recovery problem. It has continued. It became challenging also in raising funds. ESAF, AROHAN and MAS also stopped lending. The field situation also remained sensitive and as a company also we had reduced confidence. But even after that we could mobilize limited funds from SBI, NEDFi and Assam Gramin Vikas Bank. We continue disbursement from October 2021. For some times ESAF also permitted disbursement during that time. We could build portfolio with high quality as we did the disbursement with utmost care. In terms of geography the company continued in the existing states, districts and branches and has not expanded. In 12 branches we have operation for ESAF. The PAR has increased substantially. In case of GDF we have been able to maintain a reasonable and comfortable PAR level taking the benefits of the windows provided by RBI on restructuring the loans based on customer need. The PAR in case of AROHAN and MAS is high. The portfolio is, in fact very small. In case of NEDFi BC the PAR is zero whereas in case of ESAF there is a high level of PAR. It has primarily be caused by non-restructuring of loans although RBI opened the window for all type of financial institutes.

The year 2021-22 was challenging like the previous year. Funding was a problem, repayment collection was challenging, staff motivation and retention was a big task, getting credible client was a challenge, rebuilding confidence of staff on fresh lending was less and so many other challenges came together in the operation management. We could however call back some of the staff we were compelled to lay off previous year. The good move was that the Government of Assam started payment incentive to the good borrowers which built confidence in the part of the borrowers. They could realize the benefits of timely payment. It also encouraged the staff to go to the borrowers with confidence. Although there was apprehension slowly, we could see the positive act of the government. Sector started recovering at a slow pace. The senior team was giving more and more times in the field to encourage the field force and also to build their confidence. It worked well. But still we have not been able to activate around three thousand accounts in spite of all possible effort and hard works.

GDF has put more effective field operation monitoring system in place, customer services, redress of grievances, settlement of insurance claims, use of online operation in terms of monitoring, assessment, branch audit, etc. Considering the ground situation, the company has adopted different digital mode payment systems.

Now also the efficiency level is low in terms of number of accounts per field executive. It is because of difficult accounts to be handled by each executive. Although our bench mark is to handle 500 accounts by each executive, the number is far below. Similarly, the portfolio handled is also small.

Financial Performance

Financials for the FY 2021-22 is not encouraging. The company could very marginally make profit during the year. But still at this difficult time remaining in breakeven is also a challenge and the company could do that which is also remarkable. Full cost recovery itself was a challenge. The profit after tax is only Rs.3.00 lakhs which is very marginal and negligible. One reason for this is that over 40% of our income generating assets is off the balance sheet i.e., BC portfolio which not in our books, and therefore we can not have any income accrued such as interest income. This has caused practical problem. In addition, we have also direct cost of capital. We had to pay the dividend on OCPS @9% pa. Had this been a pure equity we could have saved at least 35-40 lakhs. It could have been added to the company revenue surplus. Return on equity and assets are therefore is near nil. Portfolio per staff is also minimal. As because the field executives need to handle difficult accounts/borrowers they cannot handle more accounts. Rather

they need to put lot of efforts in a limited number of accounts. The other reason is that the provisioning cost has exceedingly increased.

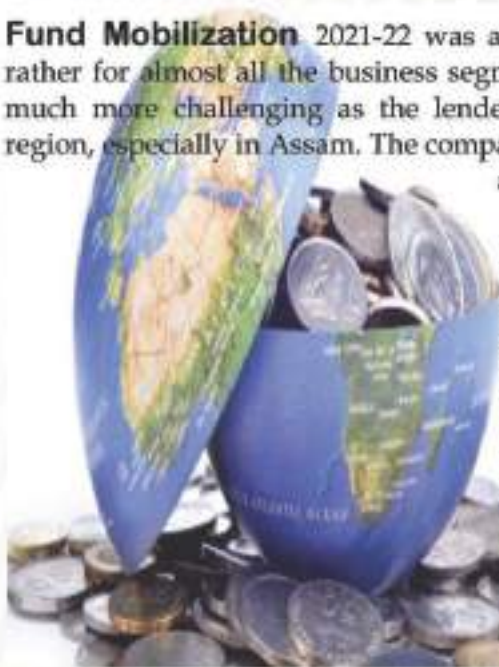


This has been caused by restructuring of the loans. As per RBI guidelines we had to make 10% provisions against the portfolio which was restructured.

Fund Mobilization 2021-22 was a difficult year for the microfinance sector, rather for almost all the business segments except a few. Fund mobilization was much more challenging as the lenders were very sceptical for lending in the region, especially in Assam. The company applied to various funding agencies

and banks, but very few of them responded

Negative view about the sector continued. We could however mobilize funds from North-eastern Development Finance Corporation, SBI, Assam Financial Corporation and Assam Gramin Vikas Bank to the tune of 21.50 Cr which helped the organization continuing disbursement in a limited manner.



In terms of raising capital was very difficult. The company put its effort to mobilize capital from institutions and private investors. Unfortunately, we could not mobilize and had to remain satisfy with the existing capital base.

Fortunately, the government's overall impression on microfinance has remained high although there was a negative view when protest against microfinance by civil society organizations was at the pick. As committed the government also started paying the incentives to the first category of borrowers. It encouraged the good borrowers and also some of the defaulters. Some of the irregular borrowers also started paying regularly with the hope of becoming good borrowers. The company has not been aggressive in terms of collection from the clients as the borrowers have also been through the Covid-19 crisis. Majority of the borrowers have gone through same shocks. Their livelihoods and business have been affected very badly. There were also advisories from the government, RBI and the Self-regulatory bodies not to pressurise the borrowers on repayment. Already government has, in a way, taken the responsibility to clear the dues against the distress borrowers. Hopefully, both category second and third

will be cleared by March 2023 and the MFIs will get the dues from the government.

Grading & COC Assessment



SMERA
Comprehensive
Grading

M4C3

Since the rating view has remained negative about the microfinance business for the external factors, the grading was lower than the previous score. It came to M4C3 from M3C3 in the previous grading. It was done by SMERA. There was not much down grading on the broad parameters. But as because of the sectoral view was challenging the rating agency adhere to the market view and has not retain the previous grade.

We are confident that the company can certainly score much better grade, at least equivalent to previous grade in the next grading with the improvement in the sectoral view. Company has not grown was a major observation of grading. It was obvious that there was no growth in terms of portfolio, geography and client base. The overall market itself is like that. Grading is anyway a current view keeping in view the market situation. Given its size and reach GDF has scored to its expectation. SMERA after rigorous assessment assigned the score of M4C3.

SMERA Comprehensive Grading

Grameen Development & Finance Pvt Ltd

M4C3

August 2020
to
July 2021

C4 in COCA rating defines that it has "average Level of Adherence" to GDFPL on all six-point scale given to the MFI industry. GDFPL's adherence to the code of conduct guidelines as laid down by MFPI, Se-Dhan, and fair practices guidelines by multilateral agencies and Reserve Bank of India, was evaluated by SME Rating Agency (SMERA) on broad parameters.



**C3
COCA
Grade**

Since there were news and protest against microfinance institutions' recovery mechanism and also violation of code of conduct as a whole by some of the sector players, rating agency put GDF also in the similar line although there was not even a single instance of any violation of code of conduct.

Grading however has remained pending since August 2021.

Risk Management



Risk management is a strategic function for financial institution. The risk management framework that was prepared once for Grameen Sahara (NGO-MFI) is being used by GDF. It was framed with the help of Deloitte with funding support of International Finance Corporation way back in 2008. It has been revised several time keepings in mind the dynamics of the risk associated at institutional level. The risk framework is well defined and well structured.

It has worked well so far and hope with improvement in the tool GDF will be able to manage the risk on its journey. At a particular interval the cashflow analysis, compliance, etc are properly analysed and warning is given in case there is any deviation.



Till date the challenges in terms of risk mitigation in MFIs have been met and to a greater extent all the products, processes, procedures, existing or proposed, have been made to conform to the Risk Management framework. IA&C department keeps on flagging up the risks that may arise in due course of operations through the regular audit process.

There is a management committee that also works as Risk Management Committee. The committee strictly monitors the development in the market and also internal operational aspects. There is a well - defined internal audit and control system in place. Our Internal Audit plan is approved by the Board Audit Committee. The Internal Audit Department is responsible for monitoring and evaluating the internal controls of the organization and also its adherence to various statutory compliances.

These audits are diligently carried out at the branches and the head office. The internal audit committee is headed by an independent director and one director. We have also a team consisting four retired bank managers who audit the branches as well as the head office as and when they are assigned. We have an understanding with that team and have been continuously helping the company with their rich experiences. The plan includes comprehensive audit of documents, registers, and branch processes on a quarterly basis. These apart, emphasis is given to field processes like client sourcing, centre meetings, loan utilization checks, and extensive visit to the clients. The execution time for each audit is over a period of 16 to 20 days depending on the volume of business of the branches. But unfortunately, it has not worked well in a covid situation and it could not be projected that such a situation would arise and the entire sector will be facing a huge challenge. The management did its best to keep the company going. Several measures such as cost cutting, restriction in loan disbursement, putting maximum effort in collection, keeping regular touch with the clients etc were done as primary measures. The company in spite of covid crisis could go on and has been able to sustain.

Internal Audit & Control

Internal Audit

compliance
risk
independent
add value
effective
improve
efficient
assurance
objective

does the regular internal audit of the branches and the head office. A board representative heads the committee. With a predefined schedule the team does the audit visiting the branches and field. In general, each branch is audited three times a year whereas the branches not being classified as standard branches are audited four times a year. Audit practices are very comprehensive covering These audits are very comprehensive - covering- Documentation audit, Branch Process audit and Field audit which also includes extensive independent Customer visits.

We have also a branch grading system. Internal audit of branch and head office covers the following -

- After-audit meeting in branches.
- Comprehensive audit of all the departments at Head Office.Social audit in terms of behaviour of the staff towards clients.
- Adherence of appropriate collection mechanism.
- Grievance from the field offices is also recorded by the audit team.
- Adherence to fair practice code and code of conduct adopted by the Company

There were pending in accomplishment of internal audit as during covid-19 lock down we could not complete timely audit. However, we could complete some of our audit functions online. There were less scoring by some branches as the repayment suffered and it is linked to scoring of branch audit grading. The grading system - A+ to D - has helped both management and the branches for taking steps to enhance the scoring. The branches are communicated with the current scoring immediately after the audit is completed and they come to know on which parameters the branch has scored less. Grading is a measure of overall performance of a branch on a broad range of parameters viz., Financial and Reporting Books, Member Information, Compliance, Management Information System, General Audit, Processes, Human Resource, Micro Insurance, Social performance management, Field. There is scope of improvement. The internal audit and control help immensely to the operation team.



Vigilance

Because of the disruption in the market the vigilance each MFI needs to have a strong and robust vigilance mechanism as there are huge possibility of corruption, manipulation and fraud. The company has tried to improve its systems and processes so that fraud cannot happen. Technology has been used in terms of checking receipts, collection, pass book verification, phone calls to the borrowers, cask and bank verification etc. The system keeps it alert, watchful and in circumspection. There is a preventive vigilance on the part of the top management of GDF. So far because of this alertness the company has been able to have no loss in terms of financial loss. We have successfully minimized major cash handling risks in co-ordination with cash management team with increased cashless disbursements. ECS repayment processes were started last year. The volume has not grown but it is expected that it will substantially reduce the cash handling risk in future. As a first line of defence, we assisted the Human Resources Department by independently assessing the integrity of the proposed candidates as part of the on boarding process. We conduct employee background verifications through a BGV (Background Verification) process. We believe that these preventive measures that we explored have resulted in the lowest fraud count since inception.

CREDIT MANAGEMENT



GDF has a well-defined credit management policy and system. Use of technology has increased in last two years. Application for loans once uploaded there is a process of application verification through OTP to authenticate the borrower. The KYC and CB Check done centrally. Over the years of experience, we have been successful in putting strong risk culture amongst our people and meticulous execution. Turbulent external environment also has taught the company as to how to make the systems robust. Central loan processing and also central involvement in loan credibility cum capacity assessment has helped the company having a strong credit management system. The structured credit policies aligned to occupation and income levels of clients along with the credit bureau reports have helped attract quality clients, thereby containing the overall very low risk. Even during the Covid lock down also the company could continue to collect some instalments digitally. While restructuring the loans we could maintain repayments better than many peers. We could maintain reasonably good portfolio quality. We started fresh disbursement from October 2021. It is a pleasure to write here that we could maintain 100% of all loans that we disbursed since October 2021. Earlier stable industry and regulatory environment enabled us to focus on a number of initiatives driven towards optimizing resources for increased efficiencies, reduced loan turnaround time, strengthened compliance and portfolio management. The fluctuating and turbulent market environment and political interference have affected the mF sector which has led to several challenges for the sector and also to GDF.



OPERATIONAL RISK MANAGEMENT



remained party digital. Of course this has been in upward trend. All collections against disbursements since October 2021 have been made digitale and there is no any likage or so.

Overall plan to completely transform to digital transaction is to the end of the current financial year. HR management is important in mFI operation and the company has taken this very carefully. They are provided with competitive remuneration, proper leave and other benefits, PF & ESI facilities, paid maternity leave for six months and so on. The area managers while developing business, they also play a critical role in case of keeping an eye on the staff behaviour. The staff are also provided regular training on various aspects - interpersonal communication, behavioural aspects, technical aspects, market dynamics, etc.

SERVICE QUALITY

Turn around time: GDF has always maintained good turn around time from processing of application to loan disbursement. In case of BC disbursement we go by TAT as per the bank/FL.

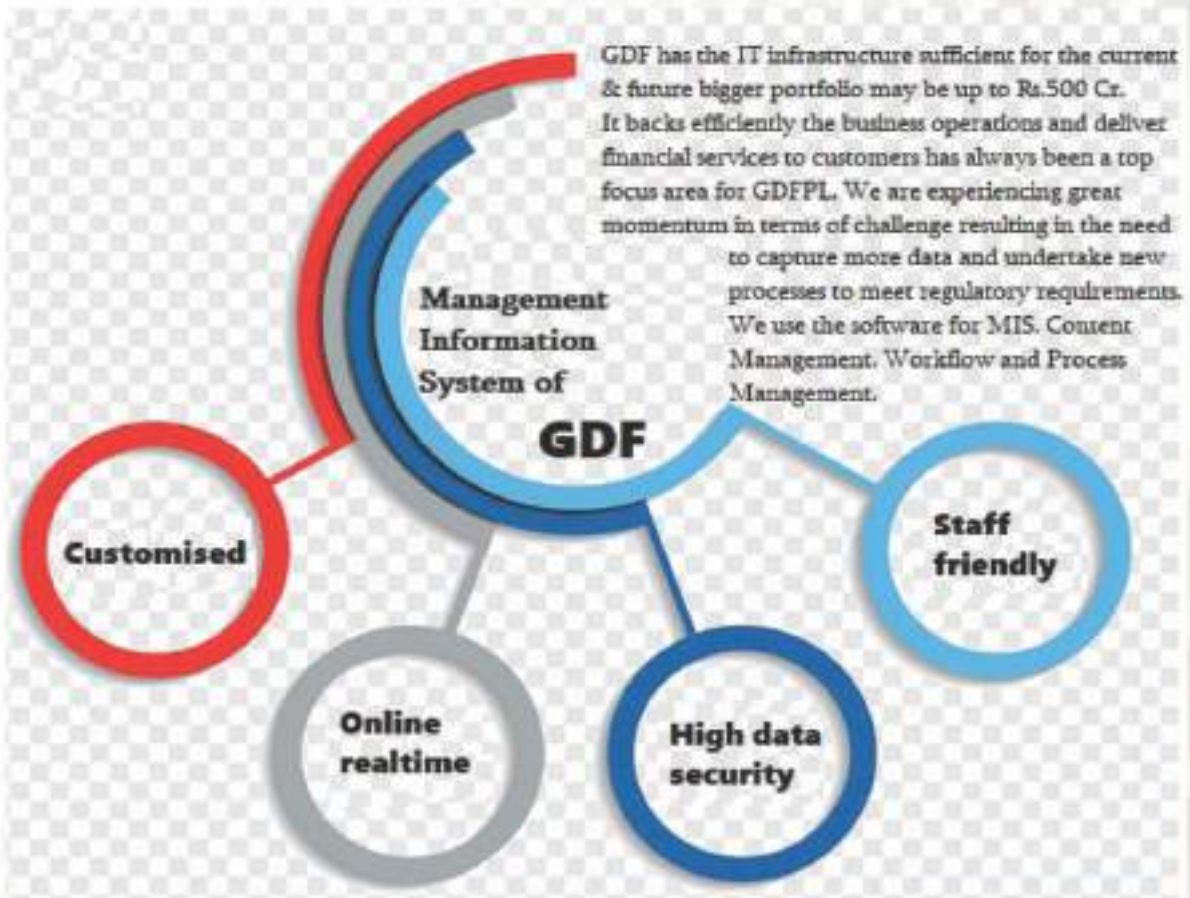
Strong customer connect: Staff members are always humble and compassionate, at the same time they work very professionally. The customer connects have always remained high.

Service integration: GDF works with Grameen Sahara hand in hand in promotion of livelihoods. Focus of GDF is to, while supporting their livelihood, graduate the borrowers from livelihood to micro-enterprise.

Grievance redressal: GDF has a dedicated phone line for suggestion and grievances. In addition to that we have a regular circulation of self-stamped envelop that are used by the borrowers writing letters directly to the HO. The grievances are addressed within 48 hours and the same is communicated to the customers.



Management Information System (MIS)



This technology helps in eliminating movement of customer documents between departments for loan processing. We have also introduced the system of online loan sanction. Unlike before now the applications do not move from branch to the approver, rather they can accord their approval from anywhere. We are using the MIS software developed by Force Ten Technologies Pvt Ltd. The system is with core banking principle and branches are connected by internet, mostly vide data card, although we have broad band connection at the Head Office. The MIS software is now completely online. We do not have our own server and the data base is on cloud. However, we get regular back up which is stored in our local computer. GDFPL has got real time data uploaded on the software and instant MIS reports are available for management decision. In addition, there is a daily reporting system in place which helps us getting updated regularly on various aspects like number of defaults and the reason of default etc. These reports play very important for management on taking various decisions on real time data available.

After the MIS software has been made online the company has really got a boost in terms of efficiency of the staff and also in terms of manual work load for the

staff members. The software has the ability to support a portfolio of about Rs.1000 Cr as has been tested elsewhere.

Human resource management of GDFPL



For female staff we have complete maternity benefits such as free medical facilities, six months paid leave, lunch and child care break etc. All staff are provided subsidised lunch at the office which help them having timely, nutritious and hiegenic food at the canteen. The company also provides time bound promotion opportunity to all its staff. They are provided continuous personal development training so that they can get nourished themselves as complete and healthy persons to contribute to happiness to self, contribute to the family, society and the nation.

We as a company been very careful in management of HR of the company. Staff members are our strengths. They are committed, reliable, empathetic, accomodative, transparent and efficient. The HR department continuously work for the employees' welfare benefits both in terms of cash and kind including birthday celebration, wedding gifts, insruance coverage, PF, Gratuity, etc. The company has wel defined POSH against women, and has a proper information and support system. We have a very structured recruitment, training, and staff development development policy that help them developing themselves to contribute to the company.



Corporate governance of GDFPL



Corporate governance of a company is very important for the investors, regulators, rating agencies, financiers, lenders, and all other stakeholders. Grameen Development has put its formal corporate governance system in place in terms of responsible lending, ethics in business, risk management, monitoring and control of its operation, board supervisory committees, transparency, clear mission, vision and values. The company does not look the corporate governance only as a set of binding obligation or an objective framework. Rather we follow them as our company and collective spirit.

The company has a development oriented genesis from its founding NGO Grameen Sahara. We as a company take care of ESG and SDGs so that while sustaining the company it also contribute towards overall sustainability



SOCIAL PERFORMANCE MANAGEMENT REPORT Fair Practices Code and Client Protection measures:



Microfinance industry has got some codes of conduct specified by RBI as well as MFIN/Sa-Dhan. They are basically to protect the clients' interest -such as responsible lending, no harassment to the clients, no exorbitant interest charge, proper credit need assessment, good staff behaviour, etc. GDF has always endeavoured to score high in all the parameters.

In the harmonized COCA assessment by rating agency GDF has been able to consistently score **C3** which is a good SPM score while comparing to its size. In terms of addressing the grievances, number of grievances, staff behaviour, use of language, communication, dealing with the poor clients etc GDF has always been able to score high. Since there were issues in terms of timely credit disbursal due to funding crisis, we could not meet the turnaround time from date of application to the date of disbursement which actually impacted the score. In terms of penetration in the rural customers, covering more poor families, women customers etc we have always been able to score relatively high. However, there is a lapse in the validity of the grading. Because of the Covid -19 we could not get the things arranged on time to go for the next grading exercise and as a result we could not complete the same within stipulated time.

CLIENT PROTECTION PRINCIPLES

Grameen Development & Finance Pvt Ltd



After CB checks the income assessment is thoroughly done to assess the credit absorption capacity of the borrower. There are compulsory training for the borrowers to make them financially literate so that they can take informed decision.

The borrowers are made informed about the terms of the loans such as pricing, duration, volume, recovery frequency, purpose of loans, in the loan cards in a very transparent manner. KYC checking is very done very prudently.



GRIEVANCE AND FEEDBACK SYSTEM OF GRAMEEN DEVELOPMENT & FINANCE PVT LTD

In every branch there are complaint/suggestion box for dropping suggestions/complaints. In HO also such box is there

Dedicated telephone no is there, printed in the passbook. Client may call directly to complain/give suggestion

Additionally the contact details of the nodal officer for grievance/complaints also displayed in pass book and displayed in the branch/HO



1. Stamped envelope with blank paper circulated to clients for feedback / complaints / suggestion. They can directly write to the HO.

3. There is a dedicated e-mail ID and also the communication address where clients can directly write. Privacy is maintained whoever writes.

5. An annual client survey is carried out to assess the clients' needs and expectation.

Higher Client Retention

Acquisition Servicing Retention Recovery



High level of quality acquisition, grooming, servicing, etc have helped GDF having higher client retention. During Covid-19 we lost many clients because of the market situation, otherwise we have always been able to retain over 80% clients.

In fact there are some dropouts for obvious reasons such as already loan availed and we were not in a position to provide loan as per RBI guidelines. There are also some borrowers who have graduated to higher loan capacity and they have been linked to banks.

The other reason is that many of our borrowers have been migrated to our BC portfolio.

But overall the borrower retention is higher than the industry average which clearly shows that our social performance is better.

RESPONSIBLE STAFF

Trustworthiness

We have been able to have a culture of trustworthiness among the staff and management. Pre-hire and post hire training and HR support system has helped retaining the good staff always.

Patience

While working in the field GDF staff have shown highest standard of patience by way of their manner, empathy, and compassion while being professional

Dedication

Employees of GDF is highly dedicated. They are clear with the Mission and Vision and its core values.

Even during protest against mF in Assam they worked with full dedication.

Staff are creative and motivated. Whenever there are challenges and issues in operation management, the staff have exhibited resilience and continued with the same effort and rigor.

Creativity

Sweat equity given by GDF to the staff has a strong motivating effect on the staff. It has helped the company retaining the good staff with full commitment.

Competitive Strengths and Strategies of GDFPL

Among the local NBFC-mFIs GDFPL holds third position in terms of portfolio size. Given its support available from Grameen Sahara GDF is positioned better in certain pockets in Assam and Meghalaya. Strategically, the company has expanded to various locations based on the support received from Grameen Sahara by way working with already mobilized beneficiaries in those locations for other development projects that have been implemented by Grameen Sahara. We focus on women, farmers and small traders who lack access to credit and who need credit. Enterprising poor are always among the focused. Micro-enterprise support efforts have been a continuous task in the part of both the GDF and Grameen Sahara. The group also has got other enterprise entities that primarily take care of marketing support.



Penetration in the rural areas reflects our focus that we are mostly on rural livelihood promotion. And rural and semi-urban areas will remain our focus. 67% of the clients are from rural areas, 24% from

semi-urban areas and only 9% from the urban areas. As part of its growth, the company has opened branches which are mainly in rural areas. In fact, there is a decrease in terms of rural coverage. Earlier it was around 78%, but because of lower disbursement this year it has come down to 66%.

This has been due to current development in various geographies. Many places are being now categorized as semi urban areas rather than considering them as rural areas.



There is a system of biweekly meeting interaction with the clients. every two weeks the field executives get an opportunity to interact with the which is helpful in having a good relationship with the clients. We also have interaction and awareness programs like regular camps, financial literacy program and so on which have helped the company to understand the needs of customers on time-to-time basis.

As explained above feedback is taken from customers and adopted at all levels of the service delivery. The senior team when visit the branches we have a system to visit clients and interact with them.

The internal auditors also visit and interact with the clients on a regular basis. Interaction action is also kept live through other development support initiatives either directly by the company or through the NGO wing. We have moving to monthly repayment. The interaction frequency will reduce to monthly but that will not affect as we will continue our interaction digitally at a more frequency.

Although the company offers limited number of products, they are customer centric and suit the customer needs. We offer mostly flexible repayment schedule from weekly, biweekly to monthly. In fact, keeping in mind the demands from the customer we are shifting to mostly monthly schedule. There are evidences that many customers who earlier used to take loans from other mFIs now have become our customers. We as a company have limitations in meeting all the demands of customers but effort has always been to meet those demands and we are heading in that direction. Due to regulatory restrictions, we cannot provide savings service. We have however, been trying to work for bank where we will be able to provide those services too. The restriction on individual lending has been lifted and during the year at any time a member can take loan as per her needs.

Employee-Friendly Organisation



Employee friendliness is a characteristic of GDF. The company has 5-days a week field work policy. The company's senior management is easily accessible. They are welcomed even for their private problems too which is generally not found in other companies. The MD and other senior management people are very friendly and participates various programs organized for the field and office forces. The staff attrition rate is as low as 4.5% lower in comparison to the industry standard. Although the company is small in size the remuneration level is at per market given the educational qualifications and experience and employee welfare schemes have been implemented which have resulted in low attrition. GDFPL provides medical and accidental insurance, staff loan facilities, salary advance, leave encashment facilities and so on. Women employees are given 6 months paid maternity leave.

Efficient & stable management



GDF has got a stable and strong management since its establishment. There is no change in management of the company since 2014. A complete professional management have been brought to the company post transformation from NGO microfinance to a regulated NBFC MFI operation. As a result, the company has been stable and very fast in decision making. Decision making is fast, and they are effectively implemented fast. It has already been explained that the management is friendly and open to the employees. The CEO has about 25 years of experience in in microfinance and the senior team members also have 10-15 years of experience in finance and management.

GDFPL offers loans at DRI - Differential Rate of Interest

Offering differential rate of interest is a challenge in the field situation as the same set of people are served with different interest rates. We have offered loans at lower rate of interest to the people belonging to certain class who are very poor and belonging to scheduled and Backward classes. GDF has offered loan at 4% and 12% to the scheduled caste and people living in hilly areas. In other plain areas GDF change interest



Ratio of remuneration to each director

All the non-executive directors are paid a nominal sitting fees as per approval of the Board. There are two executive whole-time directors one of whom is the managing director & CEO. The disclosure pertaining to Ratio of Remuneration to Director/s to the median employee's remuneration is in the table below -

| 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. | | | | |
| Key Management Personnel | Nature of Relationship | | | |
| SARAT CHANDRA DAS | Managing Director | | | |
| DANDI RAM KALITA | Director | | | |
| Nature of Transactions | | | | |
| Particulars | 31ST MARCH, 2022 | | 31ST MARCH, 2021 | |
| With Key Management Personnel | Transaction Value | Balance Outstanding | Transaction Value | Balance Outstanding |
| i. Sarat Chandra Das | 12,09,600.00 | | 8,42,448.00 | |
| Salary & Remuneration | | | | |
| ii Dandi Ram Kalita | 4,32,000.00 | | 4,20,000.00 | |
| Salary & Remuneration | | | | |
| Total | | | | |

NON-FINANCIAL SERVICES



GDF came into existence primarily to support sustainable livelihoods and micro-enterprise promotion. It needs a complete ecosystem of services and support. Therefore, the need of non-financial services come into play. GDFPL carries the legacy of Grameen Sahara of providing different services/supports – such as training and skill enhancement, enterprise promotion support, linkage with resource agencies, relief in need, financial literacy program, etc. The company also organize community health programs in the villages. In fact, the company partners with players from the respective sector.



Product details

The company provides three types of loans – individual microfinance loans, Individual loans through Joint Liability Groups and Micro-enterprise loans. Loans are given only to the women borrowers from rural, semi-urban and urban areas. The interest rates range from 15% to 22% pa on reducing balance which is at the moment at par with market competitiveness.

The Company's loan product is exclusively offered for income generating activities and thereby 100% of its loan portfolio is exclusive for income generating activities.

The Company offers following values with its services:

- Easy and simple process of accessing its services
- Door step delivery and collection of loans
- Less time-consuming procedures
- Different repayment schedules for different segments in accordance to RBI norms.
- Facilitate need based technical services
- Facilitate insurance services



This is an added service provided to the clients of the company. We primarily serve people with one or the other vulnerability to shock, death, natural calamity etc. We as a development finance company take care of their life risks linking them with insurance company for coverage in the event of something happens to their lives. We have partnered with LIC and Kotak Mahindra Insurance company to cover our clients. As on 31st March number of lives covered has been close to 60,000 across the microfinance client base along with the one more member of the family. This is slightly a lower number in comparison to the last financial year. The number has come down as because the terms of many of the members has been over and we have not renewed them with new policy as we could not provide them fresh loans. The snapshot of the micro-insurance linkages, support and benefits are given below.

| | Details | No. and amounts (Rs) |
|--|---------|-----------------------|
| Total new member under group policy | | 4310 No's |
| Total new death claim received | | 48 No's (Under LIC) |
| Total amount with those claim | | 19,05,000.00 |
| Total death claim settled | | 62 No's (From LIC) |
| Total amount settled | | 22,80,000.00 |
| Total new death claim received | | 70 No's (Under KOTAK) |
| Total amount with those claim | | 29,20,000.00 |
| Total death claim settled | | 42 No's (From KOTAK) |
| Total amount settled | | 17,65,000.00 |
| Total MI (Jeevan Madhur) policy surrender: | | 106 No's |
| Total amount settled against Surrender | | 4,08,950.00 |
| Total MI (Jeevan Madhur) policy Matured | | 174 No's |
| Total amount settled against Maturity | | 14,30,425.00 |
| Total MI death claim received | | 5 No's (Under LIC) |
| Total amount with those claim | | 72,000.00 |
| Total death claim settled | | 3 No's (From LIC) |
| Total amount settled | | 43,200.00 |

Geographical coverage



GRAMEENDEVELOPMENT&FINANCEPRIVATELIMITED
(Formerly Known as Sharnarathi Leasing & Finance Private Limited)

| BALANCE SHEET AS AT | Note | ₹ in Hundreds | ₹ in Hundreds |
|---|------|---------------------|---------------------|
| | | 31ST MARCH 2022 | 31ST MARCH, 2021 |
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share Capital | 3 | 676,064.80 | 676,064.80 |
| Reserves & Surplus | 4 | 136,222.74 | 164,535.72 |
| | | 812,287.54 | 840,600.52 |
| NON-CURRENT LIABILITIES | | | |
| Long term Borrowings | 5 | 1,609,190.64 | 1,292,092.75 |
| Long term Provisions | 6 | 67,419.04 | 36,148.65 |
| Deferred Tax Liability (Net) | | - | - |
| | | 1,676,609.68 | 1,328,241.40 |
| CURRENT LIABILITIES | | | |
| Short term Borrowings(Refer Note-5) | | 1,959,495.83 | 2,264,534.20 |
| Trade Payables | 7 | 16,064.13 | 16,114.75 |
| Other current liabilities | 8 | 27,365.23 | 60,070.55 |
| Short term provisions | 6 | 163,235.97 | 125,279.90 |
| | | 2,166,161.16 | 2,465,999.40 |
| TOTAL | | 4,655,058.38 | 4,634,841.32 |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Land | | 38,564.80 | 38,564.80 |
| Property, Plant and equipment & Intangible assets | 9 | 35,024.96 | 42,613.60 |
| Deferred Tax Assets | | 52,462.10 | 34,278.05 |
| Other Non Current Assets | 10 | 1,524,562.34 | 2,194,894.35 |
| | | 1,650,614.20 | 2,310,350.80 |
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 11 | 1,275,950.65 | 1,217,703.48 |
| Short term loans and advances | 12 | 1,606,693.63 | 1,025,783.07 |
| Other current assets | 13 | 121,799.90 | 81,003.97 |
| | | 3,004,444.18 | 2,324,490.52 |
| TOTAL | | 4,655,058.38 | 4,634,841.32 |

Significant Accounting Policies and Notes

1 to 29

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

Sd/

AMIT PATWARI
(Partner)
M. No.061971

Sd/

Managing Director

DIN:02849186

Sd/

Director

DIN:06688260

Date:12.08.2022

| GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED (Formerly Known as Sharnarathi Leasing & Finance Private Limited) | | | ₹ in Hundreds | ₹ in Hundreds |
|--|---|---|------------------------|-------------------------|
| STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED | | | 31st March 2022 | 31st March, 2021 |
| | Note | | | |
| I. | Revenue from Operations | 14 | 630,745.29 | 727,947.88 |
| II. | Other Income | 15 | 169,227.12 | 209,132.42 |
| III. | Total Revenue | | 799,972.41 | 937,080.30 |
| IV. | EXPENSES | | | |
| | Employee Benefits Expenses | 16 | 248,252.62 | 262,629.03 |
| | Depreciation | | 12,972.91 | 13,232.95 |
| | Finance Cost | 17 | 393,598.58 | 497,646.18 |
| | Other Expenses | 18 | 71,605.34 | 78,344.83 |
| | Provisions and Write-offs | 19 | 71,990.12 | 78,773.92 |
| V. | Total Expenses | | 798,419.57 | 930,626.91 |
| VI. | Profit before Proir Period & exceptional Items | | 1,552.84 | 6,453.39 |
| | Prior Period Items | | - | - |
| | | | 1,552.84 | 6,453.39 |
| VII. | Tax Expenses: | | | |
| | (1) Current Tax | | 18,574.87 | 21,338.53 |
| | (2) Deferred Tax (Assets)/Liabilities | | (18,184.05) | (15,900.70) |
| | (3) Tax of Earlier Years | | - | - |
| VIII | Total Tax Expenses | | 390.82 | 5,437.83 |
| IX | Profit for the Year | | 1,162.02 | 1,015.56 |
| X | Earning Per Equity Share | | | |
| | (1) Basic | | (0.81) | (0.82) |
| | (2) Diluted | | 0.01 | 0.02 |
| Significant Accounting Policies and Notes 1 to 29 | | | | |
| The accompanying notes are forming an integral part of these Financial Statements | | | | |
| For D. Patwary & Co. | | For and on behalf of the Board of Directors | | |
| Chartered Accountants | | | | |
| Firm Registration No. 324523E | | | | |
| Sd/ | Sd/ | Sd/ | | |
| AMIT PATWARI | Managing Director | Director | | |
| (Partner) | DIN:02849186 | DIN:06688260 | | |
| M. No.061971 | | | | |
| Place: Guwahati | | | | |
| Date:12.08.2022 | | | | |

| GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED (Formerly Known as Sharnarathi Leasing & Finance Private Limited) | | |
|--|--|--|
| CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2022 | | |
| Particulars | 2021-22 | 2020-21 |
| | RUPEES (₹ in Hundreds) | RUPEES (₹ in Hundreds) |
| Cash Flow From Operating Activities : | | |
| Profit Before Tax and extraordinary items | 1,552.84 | 6453.39 |
| Adjustments for : | | |
| Loan Loss Provisions | 71,990.12 | 78773.92 |
| Loss / (Profit) on sale of assets | 0.00 | 0.00 |
| Provision for Gratuity/Payment of Gratuity | 0.00 | (1,821.59) |
| Depreciation | 12,972.91 | 13232.95 |
| Bad Debt | 0.00 | 0.00 |
| Operating Profit Before Working Capital Changes | 86,515.87 | 96,638.67 |
| (Increase)/Decrease in Micro Finance Loans | 139598.04 | 248424.88 |
| (Increase)/Decrease in Other Current Assets | (40,795.93) | (27,835.60) |
| (Increase)/Decrease in Non Current Assets | (57,121.61) | 26250.00 |
| Increase/(Decrease) in Current Liabilities | (32,705.32) | 15075.72 |
| Increase/(Decrease) in Trade Paybles | (50.62) | 9692.21 |
| (Increase)/Decrease in Loans and advances | 5,986.89 | 0.00 |
| Payment of Advance Tax | (11,189.40) | (14,659.05) |
| Tax of Earlier Years | (9,191.00) | 0.00 |
| Net Cash Provided By/(Used In) Operating Activities (A) | 81,046.92 | 353,586.83 |
| Cash Flow From Investing Activities | | |
| Sale of Fixed Assets | 0.00 | 0.00 |
| Sale of Investment | 0.00 | 0.00 |
| Purchases of Fixed Assets | 5,384.27 | 8296.49 |
| Net Cash Provided By/(Used In) Investing Activities (B) | 5,384.27 | 8,296.49 |
| Cash Flow From Financing Activities : | | |
| Increase/(Decrease) in Borrowings | 12,059.52 | (671,741.20) |
| Dividend Paid | (29,475.00) | (29,475.00) |
| Proceeds From Issuance of Share Capital | 0.00 | 0.00 |
| Net Cash Provided By/(Used In) Financing Activities (C) | (17,415.480) | (701,216.20) |
| Net Increase In Cash And Cash Equivalents (A-B+C) | 58,247.17 | (355,925.86) |
| Cash And Cash Equivalents At The Beginning of The Year | 1,217,703.48 | 1573629.34 |
| Cash And Cash Equivalents At The End of The Year | 1,275,950.65 | 1,217,703.48 |
| Cash And Cash Equivalents Comprises of : | | |
| 1. Cash in Hand | 46,576.34 | 6831.53 |
| 2. Balances With Scheduled Banks | 1,229,374.31 | 1210871.95 |
| | 1,275,950.65 | 1,217,703.48 |
| <i>As per our report of even date annexed herewith</i> | | |
| For D. Patwary & Co. Chartered Accountants Firm Registration No. 324523E | For and on behalf of the Board of Directors | |
| Sd/ AMIT PATWARI (Partner) M. No.061971 | Sd/ Managing Director DIN:02849186 | Sd/ Director DIN:06688260 |
| Place : Guwahati Date:12.08.2022 | | |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE FY 2021-22

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. 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 1999 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 Property, Plant and Equipment and Intangible

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 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.

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 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.

2.07 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. 20093.40/- and total contributed to LIC for the year is Rs. 5735.37/- Hundred

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.

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED

(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

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, 1951. 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.

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

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 2021-22 | Estimated Provision adopted by the Company for the Year 2020-21 |
|----------------------|---------------------|---|---|---|
| Current Assets | Nil | 0.40% | 0.40% | 0.40% |
| Standard Assets | Upto 90 days | 0.40% | 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,(PO)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.

According to RBI Circular No. RBI/2020-21/16, DOR.No.SP.BC/3/21.04.048/2020-21 dated August 6,2020 on Resolution Framework for COVID-19 Related Stress: Classification and Provisioning, Company needs to keep provisions higher of extant IRAC norms or 10% of the renegotiated debt exposure post implementation (residual debt) for all standard but overdue not more than 30 days accounts on 01.03.2020 against which moratorium has been granted. The Company has kept provisions from the date of implementation, which are higher of the provisions held as per the extant IRAC norms immediately before implementation, or 10 percent of outstanding debt as on the Balance Sheet date Outstanding debt has been taken without considering the effect of interest as there has been no demand in the accounts of such borrower during the moratorium period and interest demand for the moratorium period will apply in the accounts once the moratorium period is over. Half of the provisions has been written back upon the borrower paying atleast 20% of the debt post implementation of the loan and the remaining half has been written back upon the borrower paying another 10% of the debt in line with RBI provisions.

According to RBI Circular No. RBI/2020-21/31.DOR-STR.BEC.11/21.04.048/2021-22 dated May 5,2021 on a Resolution Framework – 2.0 : Resolution of Covid-19 related stress of Individuals and Small Businesses dated 5 May 2021, this is in continuation to the restructuring plan implemented for the customers as per the RBI circular no. RBI/2020-21/16 DOR.No.SP.BC/3/21.04.048/2020-21 on Resolution Framework for COVID-19-related Stress dated 6 August 2020. Classification and Provisioning para states that the Company needs to keep a provisions from the date of implementation, which are higher of the provisions held as per the extant IRAC norms immediately before implementation, or 10 percent of the renegotiated debt exposure of the lending institution post implementation (residual debt). Company has considered this provision at higher of provisions as per extant IRAC norms or @10% on the outstanding debt as on the Balance Sheet date Outstanding debt has been taken without considering the effect of interest as there has been no demand in the accounts of such borrower during the moratorium period and interest demand for the moratorium period will apply in the accounts once the moratorium period is over.

2.12 Loan write-off policy

The Company has a policy which has been decided to write off loans which are overdue for 180 days and more. Further, 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, it's 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.

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

| Note-3: SHARE CAPITAL | ₹ in Hundreds | |
|--|---------------------|---------------------|
| | 31ST MARCH 2022 | 31ST MARCH, 2021 |
| Particulars | | |
| AUTHORISED | | |
| 70,00,000 (70,00,000) Equity shares of ₹ 10/- each | 700,000.00 | 700,000.00 |
| 70,00,000 (70,00,000) Preference shares of Rs. 10/- each | 700,000.00 | 700,000.00 |
| 20,00,000 (20,00,000) Equity Share of Rs 10/- each with Differential Voting Right | 200,000.00 | 200,000.00 |
| | 1,600,000.00 | 1,600,000.00 |
| ISSUED, SUBSCRIBED AND PAID UP | | |
| 34,85,648 (P.Y. 34,85,648) paid up Equity shares of ₹ 10/- each | 348,564.80 | 348,564.80 |
| 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% | 250,000.00 | 250,000.00 |
| | - | - |
| 7,75,000 (P. Y. 7,75,000) paid up 9% Consolatory Convertible Preference Shares | 77,500.00 | 77,500.00 |
| | 676,064.80 | 676,064.80 |

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, 2022, 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 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 20,00,000 CCPS allotted on 14th Aug,2018, for FY 2020-21, on a pro - rata basis up to March 31, 2022, 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, 2022, 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 31/03/2022 | | | As on 31/03/2021 | |
|--|--------------------|--------------|---------------------------------------|--------------------|--------------|
| | No. of shares held | % of Holding | % of change during the Financial Year | 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% |
| Pannaial 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 2022 | 31ST MARCH, 2021 |
|---|-----------------|------------------|
| EQUITY SHARE | | |
| Number of Shares at the beginning | 3,485,648 | 3,485,648 |
| Add: Issue of Equity Shares during the Year | - | - |
| 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 | 3,275,000 |
| Add: Issue of Preference Shares during the Year | - | - |
| Less: Converted to Equity Shares during the Year | - | - |
| Number of shares at the end | 3,275,000 | 3,275,000 |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

Shareholding of Promoters as on 31st March 2022

| Sl No. | Promoter Name | No. of Shares as on 31st MARCH 2022 | % of total shares | % of Change during the Year |
|--------|-------------------|-------------------------------------|-------------------|-----------------------------|
| 1 | Sarat Chandra Das | 100000 | 2.87% | - |
| 2 | Dandiram Kalita | 83226 | 2.39% | - |

Note-4

RESERVES & SURPLUS

| Particulars | ₹ in Hundreds | |
|---|-------------------|-------------------|
| | 31ST MARCH 2022 | 31ST MARCH, 2021 |
| A. Securities Premium | | |
| Opening Balance | 11185.20 | 11185.20 |
| Add: Add During the year | - | - |
| | 11,185.20 | 11,185.20 |
| B. Statutory Reserve | | |
| Opening Balance | 44,764.98 | 44561.86 |
| Add: Transfer from Surplus | 232.40 | 203.11 |
| | 44,997.38 | 44,764.98 |
| According to Section 45-1C 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 | 4,504.82 | 4504.82 |
| Add: Transfer from Surplus | - | - |
| | 4,504.82 | 4,504.82 |
| d. Surplus in Profit and Loss Account. | | |
| Opening Balance | 104,080.72 | 132743.27 |
| Add: Profit for the Year | 1,162.02 | 1015.56 |
| Amount available for appropriation | 105,242.74 | 133,758.83 |
| Appropriation : | | |
| Dividend on Preference Shares For the FY 2020-21 | 29,475.00 | 29,475.00 |
| Dividend Distribution Tax on Dividend of Preference Share for the FY 2020-21 | - | - |
| Transfer to Statutory Reserve | 232.40 | 203.11 |
| Surplus - Closing Balance | 75,535.34 | 104,080.72 |
| TOTAL (A+B+C+D) | 136,222.74 | 164,535.72 |

Note-6

Provisions

| Particulars | Long Term | | Short Term | |
|---|------------------|------------------|-------------------|-------------------|
| | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 |
| Provision for Portfolio Loan Assets: | | | | |
| Contingent Provision against Standard Assets | - | - | 10,780.92 | 11,463.79 |
| Non Performing Loans | 67,419.04 | 36,148.65 | - | - |
| Provision for Regulatory Framework Portfolio (Refer to Note No. 20 B & 20 C) | - | - | 133,880.18 | 91,640.84 |
| General Provision on Standard Asset but overdue on 29.02.2020. (Covid 19) Refer to Note No.20 A | - | - | - | 836.74 |
| Total | 67,419.04 | 36,148.65 | 144,661.10 | 103,941.37 |
| Others | | | | |
| Provision for Grouty | - | - | - | - |
| Provision for Taxation | - | - | 18,574.87 | 21,338.53 |
| Total | 67,419.04 | 36,148.65 | 163,235.97 | 125,279.90 |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTEH LEASING AND FINANCE PRIVATE LIMITED)

| Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
|--------------------------|------------------|------------------|
| | ₹ in Hundreds | ₹ in Hundreds |
| Liabilities for Expenses | 10094.13 | 10,114.75 |
| Total | 16,064.13 | 16,114.75 |

Note:

Ageing Schedule for the Trade Payables due for Payment:

| PARTICULARS | TRADE PAYABLE AGEING SCHEDULE OUTSTANDING FOR THE FOLLOWING PERIODS FROM DUE DATE OF PAYMENT | | | | |
|----------------------------|---|-------------|-----------|-------------------|----------|
| | Less than 1 Year | 1 - 2 years | 2-3 years | More Than 3 Years | Total |
| (I) MSME | | | | | |
| 31st MARCH 2022 | - | - | - | - | - |
| 31st MARCH 2021 | - | - | - | - | - |
| (II) Others | | | | | |
| 31st MARCH 2022 | 13840.78 | 2270.63 | 152.72 | - | 16064.13 |
| 31st MARCH 2021 | 15382.17 | 665.58 | 0.00 | 60.00 | 16114.75 |
| (III) Disputed Dues-MSME | | | | | |
| 31st MARCH 2022 | - | - | - | - | - |
| 31st MARCH 2021 | - | - | - | - | - |
| (iv) Disputed Dues- Others | | | | | |
| 31st MARCH 2022 | - | - | - | - | - |
| 31st MARCH 2021 | - | - | - | - | - |

| Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
|--|------------------|------------------|
| | ₹ in Hundreds | ₹ in Hundreds |
| a) Interest accrued but not due on borrowings | 6118.61 | 5191.66 |
| b) Statutory Liabilities (Contributions to PF, Professional Taxes and TDS) | 6815.46 | 9954.40 |
| c) Payable to Others | 1100.00 | 31593.33 |
| d) Provision for Managing Portfolio | 1331.16 | 1331.16 |
| Total | 27,365.23 | 60,070.55 |

| Cost or Valuation | Furniture & Fixtures | Office Equipment | Computer | Motor Vehicles | MIS Software | Figures in |
|---------------------------------|----------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | ₹ in Hundreds |
| As at 1st April 2020 | 42537.30 | 4055.06 | 14460.03 | 14383.05 | 5095.05 | 80530.49 |
| Additions | 186.00 | 1344.81 | 1565.68 | 0.00 | 5200.00 | 8296.49 |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As at 31st March 2021 | 42723.30 | 5399.87 | 16025.71 | 14383.05 | 10295.05 | 88826.98 |
| Additions For the Period | 0.00 | 0.00 | 484.27 | 0.00 | 4900.00 | 5384.27 |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As at 31ST March 2022 | 42723.30 | 5399.87 | 16509.98 | 14383.05 | 15195.05 | 94211.25 |
| Depreciation | | | | | | |
| As at 31st March 2021 | 20166.68 | 2510.87 | 12385.09 | 7387.40 | 3763.34 | 46213.38 |
| Charge for the Year | 4054.08 | 3024.82 | 1801.98 | 2277.70 | 3814.33 | 12972.91 |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As at 31st March 2022 | 24220.78 | 3535.69 | 14187.07 | 9665.10 | 7577.67 | 59186.29 |
| Net Block as on 31st March 2022 | 18502.54 | 1864.18 | 2322.91 | 4717.95 | 7617.38 | 35024.96 |
| Net Block as on 31st March 2021 | 22556.62 | 2889.00 | 3640.62 | 6995.65 | 6531.71 | 42613.60 |

| Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
|---|---------------------|---------------------|
| | ₹ in Hundreds | ₹ in Hundreds |
| a) Micro Finance Loan Portfolio | 1,265,324.60 | 1,992,778.22 |
| b) Interest accrued but not due on Term Deposits (maturing after 12 months) | 144,975.65 | 130,404.52 |
| c) Term Deposits | - | 0.00 |
| d) Deposit with NBFC | 48,336.33 | 59,586.33 |
| e) Staff Loan | 65,764.66 | 11,964.18 |
| f) Security Deposit | 161.10 | 161.10 |
| Total | 1,524,562.34 | 2,194,894.35 |

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

| Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
|--|---------------------|---------------------|
| | ₹ in Hundreds | ₹ in Hundreds |
| (a) Balances with banks: In current Accounts | 69,769.31 | 173,371.95 |
| (b) Fixed Deposit Maturing within 12 Months | 1,159,605.00 | 1,037,506.00 |
| (c) Cash in hand | 46,576.34 | 6,831.53 |
| Total | 1,275,950.65 | 1,217,709.48 |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

| Note-12: | Short Term Loans and Advances: | | |
|----------|--|----------------------------------|-----------------------------------|
| | Particulars | 31ST MARCH 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | Micro Finance Loans | | |
| | Opening Balance | 2,903,237.79 | 3151662.67 |
| | Add: Loan Disbursed | 1158250.00 | 2460150.00 |
| | Sub-Total | 4,061,487.79 | 5611812.67 |
| | Less: Realised | 1297848.04 | 2708574.88 |
| | Less: Bad Debt Written Off | 0.00 | 0.00 |
| | Micro Finance Loans | 2,763,639.75 | 2903237.79 |
| | Less: Transferred to term Loan & advances (Please refer Note no-10) | 1265324.60 | 1992778.22 |
| | (i) Microfinance Loan | 1,498,315.15 | 910459.57 |
| | (ii) Advance Income Tax | 19,028.47 | 19986.60 |
| | (iii) Staff Loan | 66,699.99 | 14906.23 |
| | (iv) Advance to Staff & Others | 22,650.02 | 80430.67 |
| | Total | 1,606,693.63 | 1025783.07 |
| Note-13: | Other current assets | | |
| | Particulars | 31ST MARCH 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | Interest accrued on Loan Portfolio | 91,055.56 | 41,328.88 |
| | Sundry Receivable | 18,240.69 | 28,493.94 |
| | Prepaid Expenses | - | - |
| | Receivable from Insurance Company | 12,503.65 | 11,181.15 |
| | Interest accrued but not due on Term Deposits (maturing within 12 months) | - | - |
| | Total | 121,799.90 | 81,003.97 |
| Note-14 | Revenue from operations | | |
| | Particulars | 31ST MARCH 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | Interest on Loan. (Refer Note (I) below) | 619,162.79 | 703,346.38 |
| | Other Financial Charges. | 11582.50 | 24601.50 |
| | Total | 630,745.29 | 727,947.88 |
| | Particulars | 31ST MARCH 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | f) Interest on Loan comprises: | | |
| | a) Interest on Micro Finance Loan | 619162.79 | 703346.38 |
| | b) Interest on Other Loan | - | - |
| | Total | 619,162.79 | 703,346.38 |
| | 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 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | Interest on Fixed Deposits | 55015.35 | 86583.21 |
| | Interest on Staff Loan | 22121.40 | 2389.51 |
| | Interest on Vehicle Loan | 6946.81 | 32.00 |
| | BC Commission Income | 84432.19 | 120014.88 |
| | Miscellaneous Receipt | 711.37 | 112.82 |
| | Total | 169,227.12 | 209,132.42 |
| Note-16: | Employee benefit expenses | | |
| | Particulars | 31ST MARCH 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | Salaries, Wages & Bonus etc. | 210401.06 | 225956.02 |
| | Director Remuneration & Sitting Fee | 16416.00 | 15048.00 |
| | Contribution towards Provident Fund and ESI | 7313.48 | 12290.58 |
| | Leave Encashment | 0.00 | 261.00 |
| | Employee Health and Insurance Premium | 2428.33 | 1724.95 |
| | Provision For Gratuity & Gratuity Paid | 5735.37 | 3442.08 |
| | Staff Welfare Expenses | 5958.38 | 3906.40 |
| | Total | 248,252.62 | 262,629.03 |
| | 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 estimated its liability towards Employees Gratuity based on an actuarial valuation. | | |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

| Note-17: | Finance Cost | | |
|----------|--|----------------------------------|-----------------------------------|
| | Particulars | 31ST MARCH 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | Interest on Borrowings to Bank | 61193.77 | 81721.13 |
| | Interest on Borrowings to Financial Institutions | 322015.32 | 410925.05 |
| | Processing Fees & Other Financial Expenses | 10383.48 | 5000.00 |
| | Total | 393,598.58 | 497,646.18 |

| Note-18: | Other expenses | | |
|----------|---------------------------------------|----------------------------------|-----------------------------------|
| | Particulars | 31ST MARCH 2022 ₹ in Hundreds | 31ST MARCH, 2021 ₹ in Hundreds |
| | Audit Fees | 1,100.00 | 1,100.00 |
| | Certification Fee to Auditors | 424.70 | 255.00 |
| | Travelling and Conveyance | 8,313.51 | 11,814.87 |
| | Professional fees | 2,990.00 | 1,800.00 |
| | Telephone, Mobile & Internet | 2,796.81 | 2,074.19 |
| | Plant | 35,565.66 | 36,046.34 |
| | Printing & Stationery | 2,843.57 | 4,300.41 |
| | Bank Charges | 3,176.29 | 4,247.91 |
| | Miscellaneous Expenses | 1,265.54 | 1,593.04 |
| | Electricity Charges | 1,731.82 | 1,775.35 |
| | Repairs and maintenance | 1,592.53 | 2,081.43 |
| | Postage & stamp | 374.14 | 290.74 |
| | Meeting Expenses | 112.83 | - |
| | Books and Periodicals | 179.21 | 13.22 |
| | Insurance | 351.61 | 353.46 |
| | Trade Licence Renewal Fees | 791.45 | 580.25 |
| | Credit Information Fees | 398.75 | 1,162.56 |
| | Grading & Rating Fees | - | 2,450.00 |
| | Staff Training Expenses | 1,478.73 | 765.90 |
| | NSDL Registration fee | 104.08 | - |
| | Membership/participation Fee | 1,669.18 | 1,085.00 |
| | RDC Fees | - | 103.00 |
| | DSC Renewal Fees | - | 20.17 |
| | Sitting Expenses | 300.00 | 400.00 |
| | GST Ineligible | 2,366.94 | 2,655.01 |
| | Scholarship | - | 40.00 |
| | Registration & Insurance of Vehicle | 171.13 | 180.70 |
| | Office Upkeep Expenses | 63.04 | 26.00 |
| | MIS software Maintenance | 910.69 | 72.00 |
| | Advertisement | 300.00 | 112.04 |
| | Interest on GST Late Payment, TDS etc | 233.13 | 746.64 |
| | Monitoring Fees | - | 200.00 |
| | Total | 71,605.34 | 78,344.83 |

| Note-19: | Provisions for Loan Loss | | | | |
|----------|---|--|----------------------------|------------------------------|---|
| | Particulars | As at 1st April, 2021 ₹ in Hundreds | Additions ₹ in Hundreds | Utilisation ₹ in Hundreds | As at 31st March, 2022 ₹ in Hundreds |
| | Provision for Loan Loss on Standard Asset | 11463.79 | 0.00 | 682.87 | 10780.92 |
| | Provision for Loan Loss on sub-standard, Doubtful and Loss Assets | 36148.65 | 31270.39 | 0.00 | 67419.04 |
| | Provision for Regulatory Framework Portfolio (Refer to Note No. 20 B & 20 C) | 91640.84 | 42239.34 | 0.00 | 133880.18 |
| | General Provision on Standard Asset but overdue on 29.02.2020. (Covid 19) Refer to Note No.20 A | 836.74 | 0.00 | 836.74 | 0.00 |
| | Total | 140090.02 | 73509.73 | 1519.61 | 212080.14 |

Note:- During the Period the management has decided to write off Loan outstanding amounting to Rs.

| Particulars | Period ended 31st March, 2022 | Year ended 31 March, 2021 |
|---|-------------------------------|---------------------------|
| | ₹ in Hundreds | ₹ in Hundreds |
| Provision against standard assets | (682.87) | (3,810.31) |
| Provision for Loan Loss on sub-standard, Doubtful and Loss Assets | 31,270.39 | (132.91) |
| Provision for Regulatory Framework Portfolio (Refer to Note No. 20 B & 20 C) | 42,239.34 | 91640.84 |
| General Provision on Standard Asset but overdue on 29.02.2020. (Covid 19) Refer to Note No.20 A | (836.74) | (8,923.70) |
| Portfolio loans written off | - | 0.00 |
| Total | 71,999.12 | 78,773.92 |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

| Particulars | Estimated Provisions Adopted by the Company | As on 31/03/2022 | | As on 31/03/2021 | |
|---|---|---------------------|----------------------------------|---------------------|----------------------------------|
| | | Principal | Provision Amount (₹ in Hundreds) | Principal | Provision Amount (₹ in Hundreds) |
| Current | 0.40% | 2,695,229.02 | 10,780.92 | 2865947.26 | 11463.79 |
| Sub Standard | 50.00% | 1,983.38 | 991.69 | 2283.76 | 1141.88 |
| Doubtful | 100.00% | 66,427.35 | 66,427.35 | 35006.77 | 35006.77 |
| Total | | 2,763,639.75 | 78,199.96 | 2,903,237.79 | 47,612.44 |
| *Subject to 1% Whichever is Higher | | 2,763,639.75 | 27,636.40 | 2,903,237.79 | 29032.38 |

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. As per Circular No. DOR.No.BP.BC.63/21.04.048/2020-21, Dated April 17, 2020, 10% Provision taken into account on standard assets.

| Particulars | Opening Provisioning | Provision at the end of 1st Qtr Amount (₹ in Hundreds) | Provision Reversed (₹ in Hundreds) | Total Provision 10% |
|---|----------------------|--|------------------------------------|---------------------|
| Principal outstanding of all standard but overdue accounts (DPD 1 to 89 days) | 836.74 | - | 836.74 | - |
| Total | 836.74 | - | 836.74 | - |

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 would then be provided in a phased manner i.e. 5 per cent in Q4 of FY 19-20 and remaining 5 per cent in Q1 of FY 20-21.

| Particulars | Opening Provisioning (₹ in Hundreds) | Provision Made Amount (₹) | Provision Reversed Amount (₹ in Hundreds) | Net Provision (₹ in Hundreds) |
|-----------------------|--------------------------------------|---------------------------|---|-------------------------------|
| Principal outstanding | 91640.84 | - | - | 91,640.84 |
| TOTAL | 91,640.84 | - | - | 91,640.84 |

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, Company needs to keep provisions higher of extant IRAC norms or 10% of the renegotiated debt exposure post implementation (residual debt) for all standard but overdue not more than 30 days accounts on 01.03.2020 against which moratorium has been granted. The Company has kept provisions from the date of implementation, which are higher of the provisions held as per the extant IRAC norms immediately before implementation, or 10 percent of outstanding debt as on the Balance Sheet date. Half of the provisions has been written back upon the borrower paying atleast 20% of the debt post implementation of the loan and the remaining half has been written back upon the borrower paying another 10% of the debt in line with RBI provisions.

| Type of Borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous year (A) | Of (A), aggregate debt that slipped into NPA during the year | Of (A) amount written off during the year | Of (A) amount paid by the borrowers during the year including borrower paid more than 30 % | Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this year i.e. March 31, 2022 (B) ₹ in Hundreds |
|-------------------|---|--|---|--|---|
| Personal Loans | - | - | - | - | - |
| Corporate Persons | - | - | - | - | - |
| of which MSMEs | - | - | - | - | - |
| Others | 1,010,171.02 | - | - | - | 1,010,171.02 |
| Total | 1,010,171.02 | - | - | - | 1,010,171.02 |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

| Note-20C Provision for Resolution Framework-2: Resolution of COVID-19 related stress | | | | |
|---|--|--|---|--------------------------------|
| Particulars | Principal Outstanding as on 31st March 2022 (₹ in Hundreds) | Provision Required Amount (₹ in Hundreds) | Provision Reversed Amount (₹ in Hundreds) | Net Provision as on 31.03.2022 |
| Principal outstanding of all standard but overdue, 'not more than 30 days' accounts | 439993.15 | 42239.34 | 0.00 | 42239.34 |
| TOTAL | 439993.15 | 42239.34 | 0.00 | 42239.34 |

According to RBI Circular No. RBI/2020-21/31.DOR.STR.REC.11/21.04.048/2021-22 dated May 5,2021 on on Resolution Framework - 2.0 : Resolution of Covid-19 related stress of Individuals and Small Businesses dated 5 May 2021,this is in continuation to the restructuring plan implemented for the customers as per the RBI circular no. RBI/2020-21/16 DOR.No.8P.BC/3/21.04.048/2020-21 on Resolution Framework for COVID-19-related Stress dated 6 August 2020. Classification and Provisioning para states that the Company needs to keep a provisions from the date of implementation, which are higher of the provisions held as per the extant IRAC norms immediately before implementation, or 10 percent of the renegotiated debt exposure of the lending institution post implementation (residual debt). Company has considered this provision at higher of provisions as per extant IRAC norms or @10% on the outstanding debt as on the Balance Sheet date

Additional Disclosure

| Type of Borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan - ₹ in Hundreds | Of (A), aggregate debt that slipped into NPA during the year | Of (A) amount written off during the year | Of (A) amount paid by the borrowers during the year | Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of year i.e. March 31, 2022 ₹ in Hundreds |
|----------------------------------|---|--|---|---|---|
| Personal Loans | - | - | - | - | - |
| Corporate Persons of which MSMEs | - | - | - | - | - |
| Others | 500168.04 | 0.00 | 0.00 | 60174.89 | 0.00 |
| Total | 500,168.04 | 0.00 | 0.00 | 60174.89 | 0.00 |

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.

| b) Key Management Personnel | |
|------------------------------------|-------------------|
| N. Trabanta Singh | Managing Director |

Nature of Transactions

| Particulars | 31ST MARCH 2022 | | 31ST MARCH, 2021 | |
|---|-----------------------------------|-------------------------------------|-----------------------------------|---------------------|
| | Transaction Value (₹ in Hundreds) | Balance Outstanding (₹ in Hundreds) | Transaction Value (₹ in Hundreds) | Balance Outstanding |
| A)With Key Management Personnel | | | | |
| i) Sarat Chandra Das Salary & Remuneration | 12096.00 | 0.00 | 11088.00 | - |
| ii) Dandram Kalita Salary & Remuneration | 4320.00 | 0.00 | 3960.00 | - |
| Total | 16416.00 | 0.00 | 15048.00 | 0.00 |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARATHI LEASING AND FINANCE PRIVATE LIMITED)

| 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 ₹ in Hundreds | Amount Overdue |
| 1 Loans and advances availed by the NBFCs inclusive of interest accrued | | | |
| Whereas has 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 | | 3,568,686.47 | Nil |
| d. Inter-corporate loans and borrowing | | Nil | Nil |
| e. Commercial paper | | Nil | Nil |
| f. Public Deposits | | Nil | Nil |
| g. Other Loans (Cash Credit facility) | | Nil | Nil |
| Total | | Nil | Nil |
| 2 Break-up of (1)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) : | | Amount Outstanding | Amount Overdue |
| 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 | | Amount Outstanding ₹ in Hundreds | |
| Break-up of Loans and advances including bills receivables (other than those included in (4) below) : | | | |
| a. Secured | | | |
| b. Unsecured (see schedule) | | 2,763,639.75 | |
| 4 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities : | | | |
| I Lease assets including lease rentals under Gundry Debtors | | | |
| a. Financial lease | | Nil | |
| b. Operating lease | | Nil | |
| II Stock on hire including hire charges under Sundry Debtors | | | |
| a. Assets on hire | | Nil | |
| b. Repossessed Assets | | Nil | |
| III Other Loans counting towards AFC activities | | | |
| a. Loans where assets have been repossessed | | Nil | |
| b. Loans other than (a) above | | 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 | |
| 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 : | | | |
| Category | Amount | | |
| | Secured | Unsecured ₹ In Hundreds | Total ₹ in Hundreds |
| 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 | 2,763,639.75 | 2,763,639.75 |
| 7 Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and un quoted) | | | |
| Category | | Market value/Break up or fair value or NAV | Book Value (Net of provisions) |
| | | | |
| 1 Related Parties | | Nil | Nil |
| 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 |
| Total | | Nil | Nil |
| ***As per Accounting Standard of ICAI | | | |
| 8 Other Information: | | | |
| Particulars | | | |
| I. Gross Non-performing Assets | | | |
| a. Related parties | | | |
| Nil | | | |
| b. Other than related parties | | | |
| 0 | | | |
| II Net Non-performing Assets | | | |
| a. Related parties | | | |
| Nil | | | |
| b. Other than related parties | | | |
| 58,410.73 | | | |
| III Assets acquired in satisfaction of debt | | | |
| Nil | | | |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

Note-28

| 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 period ended 31st March 2022 | For the year ended 31 March, 2021 |
| CRAR | 25.84% | 26.30% |
| CRAR-Tier I Capital | 16.41% | 17.22% |
| CRAR-Tier II Capital | 9.43% | 9.08% |
| 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. 28.(A) | |
| 2.Investment | Nil | |
| 3.Derivatives | The company has not entered into any derivative transactions in the current and previous years. | |
| <ul style="list-style-type: none"> i) Forward Rate Agreement/ Interest Rate Swap ii) Exchange Traded Interest Rate (IR) Derivatives iii) Discloser on Risk Exposure in Derivatives iv) Forward rate agreement / interest rate swap | | |
| 4. Discloser relating to Scuritisation | The Company has not sold financial assets to securitisation or reconstruction company for the assets reconstruction for the year | |
| <ul style="list-style-type: none"> 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 iii) Details of Assignment transactions undertaken by NBFCs | | |
| 5.Details of non performing financial assets purchased /Sold | The Company has not purchased/sold any non performing financial assets. | |
| <ul style="list-style-type: none"> i) Details of non performing financial assets purchased : ii) Details of non performing financial assets sold: | | |
| 6.Assets Liability Managements Maturity pattern of certain items of assets and liabilities | As per Annexure | |
| 7.Exposure | The Company has no exposure to real estate and Capital Market directly or indirectly. | |
| <ul style="list-style-type: none"> i) Exposure to Real estate sector ii) Exposure to Capital Market. | | |
| 8. Details of Financing of parent company products: | Single borrower limit (SGL)/ Group Borrower Limit (GBL) has not exceeded by the Company. | |
| <ul style="list-style-type: none"> i) Details of single borrower limit (SGL) / Group Borrower limit(GBL) exceeded by NBFC ii) Unsecured Advances | Portfolio Loan of Rs. In Hundreds | 2,763,639.75 |
| 9.Miscellaneous | Ministry of Corporate affairs NIL Refer Note No-21. 0 Refer Note No-21. Nil Refer Note No-2.06. | |
| <ul style="list-style-type: none"> 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 v) Remuneration of Directors vi) Net profit or loss for the period, prior period (Items and changes in accounting vii) Revenue Recognition | | |
| 10. Additional Disclosures | Refer Note No-28A Nil | |
| <ul style="list-style-type: none"> i) Provisions and contingencies ii) Draw Down from Reserves iii) Concentration of Deposits,Advances,Exposures and NPAs <ul style="list-style-type: none"> 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) | Not applicable as the Company is NBFC-ND Refer Note No-28B. Refer Note No-28C. Refer Note No-28D. 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. | |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING AND FINANCE PRIVATE LIMITED)

| | | | |
|------------------|---|---|--|
| Note. 28A | Breakup of Provisions and contingencies shown under the head Expenditure in Profit and Loss Statement. | | |
| | Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
| | | ₹ in Hundreds | ₹ in Hundreds |
| | Provision for Income Tax | 18,574.87 | 5,799.41 |
| | Provision for Gratuity | 5,735.37 | 3,442.08 |
| | Provision towards NPA | 31,270.39 | (132.91) |
| | Provision for Standard Assets | (682.87) | 87,830.53 |
| | Provision for Regulatory Framework Portfolio(Refer to Note No. 20 B & 20 C) | 41,402.60 | (8,923.70) |
| Note. 28B | Concentration of Advances | | |
| | Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
| | | ₹ in Hundreds | ₹ in Hundreds |
| | Total Advances to twenty Largest borrowers | 21,127.11 | 15,196.74 |
| | Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC | 0.76% | 0.57% |
| Note. 28C | Concentration of Exposures | | |
| | Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
| | | ₹ in Hundreds | ₹ in Hundreds |
| | Total Advances to twenty Largest borrowers | 21,127.11 | 15,196.74 |
| | Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC | 0.76% | 0.57% |
| Note. 28D | Concentration of NPA'S | | |
| | Particulars | 31ST MARCH 2022 | 31ST MARCH, 2021 |
| | | ₹ in Hundreds | ₹ in Hundreds |
| | Total Exposure to top four NPA accounts | 3114.51 | 1914.30 |
| Note-29 | 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 align="center">For and on behalf of the Board of Directors</p> | | |
| | Sd/ AMIT PATWARI (Partner) M. No.061971 | Sd/ Managing Director DIN:02849186 | Sd/ Director DIN:06688260 |
| | Place: Guwahati Date:12.08.2022 | | |

NOTES FORMING PART OF THE BALANCE SHEET

NOTE - 5 : LONG TERM BORROWINGS

Terms of Repayment of Term Loan as on 31ST MARCH 2022

| Sl. No. | Banks / Financial Institutions | Balance as on 01.04.2021 | Received during the period | Interest Capitalised/ Adjustments during the Year | Repaid during the period | Balance as on 31.03.2022 | Rate of Interest (%) | Nature of Security | | Terms of Repayment |
|--|---|--------------------------|----------------------------|---|--------------------------|--------------------------|----------------------|-----------------------------|---------------------------|--------------------|
| | | | | | | | | Hypothecation of Book Debts | Fixed Deposit/ Collateral | |
| A. SECURED LOANS | | | | | | | | | | |
| - TERM LOAN FROM BANKS AND NBFC | | | | | | | | | | |
| 1 | North Eastern Development Finance Corporation Limited | 193699.28 | 0.00 | 0.00 | 193699.28 | 0.00 | 8.00% | 100% | 10% FD of Loan Amt. | Monthly |
| 2 | North Eastern Development Finance Corporation Limited | 2730002.96 | 900000.00 | 20749.65 | 1179405.70 | 2478642.79 | 12.25% | 100% | 10% FD of Loan Amt. | Monthly |
| 4 | SBI | 0.00 | 600000.00 | 0.00 | 0.00 | 500000.00 | 11.00% | 100% | 25% FD of Loan Amt. | Monthly |
| 5 | IDBI | 51300.86 | 0.00 | 0.00 | 51300.86 | 0.00 | 13.30% | 100% | 15% FD of Loan Amt. | Monthly |
| 7 | Assam Financial Corporation | 187714.62 | 0.00 | 0.00 | 529610.98 | 581031.64 | 13.50% | 100% | 10% FD of Loan Amt. | Monthly |
| 8 | Assam Gramin Vikash Bank | 202224.05 | 0.00 | 0.00 | 124147.13 | 76077.52 | 14.25% | 110% | 20% FD of Loan Amt. | Monthly |
| 9 | Assam Gramin Vikash Bank | 0.00 | 590000.00 | 0.00 | 82699.36 | -417305.64 | 9.86% | 110% | NIL | Monthly |
| 10 | Edraar Leasing and Finance | 48076.96 | 0.00 | 0.00 | 48076.96 | 0.00 | 12.40% | 100% | 10% FD of Loan Amt. | Monthly |
| 11 | Jan Sava Finance Limited | 16881.17 | 0.00 | 0.00 | 16881.17 | 0.00 | 14.75% | 110% | 5.75% FD of Loan Amt. | Monthly |
| 12 | Max Financial Service Limited | 16379.74 | 0.00 | 0.00 | 16379.74 | 0.00 | 13.50% | 110% | 10% FD of Loan Amt. | Monthly |
| 13 | North East Small Finance Bank | 114150.83 | 0.00 | 0.00 | 77588.95 | 36561.88 | 14.00% | 110% | 10% FD of Loan Amt. | Monthly |
| | Total-A | 3556626.95 | 1900000.00 | 26745.65 | 1914686.13 | 3568686.47 | | | | |

B. UN-SECURED LOANS

Terms of Repayment of Term Loan as on 31st March 2022

| Sl. No. | Name of the Company | Balance as on 01.04.2021 | Received during the year | Interest Capitalised during the Year | Repaid during the year | Balance as on 31.03.2022 | Rate of Interest (%) | Nature of Security | | Terms of Repayment |
|---------|--|--------------------------|--------------------------|--------------------------------------|------------------------|--------------------------|----------------------|-----------------------------|---------------------------|--------------------|
| | | | | | | | | Hypothecation of Book Debts | Fixed Deposit/ Collateral | |
| | Total-B | | | | | | | | | |
| | Gross Total (A+B) | 3,556,626.95 | | | | 3,568,686.47 | | | | |
| | Current Maturity Shown under Short-term borrowings. (Refer to Balance Sheet - Short Term Borrowings under Less: Current Liabilities) | 2,264,534.20 | | | | 1,959,491.33 | | | | |
| | Long Term Loan | 1,292,092.75 | | | | 1,609,190.64 | | | | |

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED

Compliance related to disclosure of certain ratios and other financial information as required under the Companies Act
Schedule III amendment

Analytical Ratios and other disclosures based on financial results:
Year Ended

| Sl No. | PARTICULARS | 31st March 2022 | 31st March 2021 |
|--------|----------------------------------|-----------------|-----------------|
| a. | CURRENT RATIO | 1.39 | 0.94 |
| b. | DEBT-EQUITY RATIO | 4.39 | 4.23 |
| c. | DEBT SERVICE COVERAGE RATIO | NA | NA |
| d. | RETURN ON EQUITY | 0.62 | 0.07 |
| e. | INVENTORY TURNOVER RATIO | NA | NA |
| f. | TRADE RECEIVABLES TURNOVER RATIO | NA | NA |
| g. | TRADE PAYABLE TURNOVER RATIO | NA | NA |
| h. | NET CAPITAL TURNOVER RATIO | NA | NA |
| i. | NET PROFIT RATIO | 0.18 | 0.14 |
| j. | RETURN ON CAPITAL EMPLOYED | 11.11 | 1.78 |
| k. | RETURN ON INVESTMENT | NA | NA |

NOTE:

- 1 Certain ratios/line items marked with remark "N/A" are not applicable since the Company is a Non banking financial company registered with the RBI

CURRENT RATIO: The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions

- 2 regarding the advancing of working capital credit to their clients.
Current Ratio = Current Assets/ Current Liabilities

DEBT-EQUITY RATIO: Debt-to-equity ratio compares a Company's total debt to shareholder's equity.

- 3 Both of these numbers can be found in a Company's balance sheet.
Debt - Equity Ratio = Total Debt/ Shareholder's Equity

Coverage Ratio = Earnings available for debt service / Debt Service

Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

- 4 RETURN ON EQUITY: It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders. The ratio is computed as:
ROE = Net Profits after taxes - Preference Dividend (if any) / Average Shareholder's Equity

RETURN ON CAPITAL EMPLOYED: Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.

- 6 ROCE = Earning before interest and taxes / Capital Employed
Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

COMPUTATION OF TAXABLE INCOME

| | | | |
|------|-------------------------------------|------------------|-----------|
| | PBT | 1,552.84 | |
| Add: | Loan Loss Provision | 71,890.12 | |
| | Covid Provision | - | |
| | Restructure Provision | - | |
| | Fee For Authorized Cap Increase | - | |
| | Provision for Gratuity | - | |
| | Depreciation (Co Act) | <u>12,972.91</u> | |
| | | | 100000 |
| | | 86,515.87 | |
| Less | Depreciation (IT Act) | 8827.94 | |
| | Bad Debts | 0.000 | |
| | Deduction Under section 38(1)(viii) | 3884.40 | 3,884.40 |
| | Bad Debt | - | |
| | NPA | - | |
| | | <u>73,803.53</u> | |
| | | | |
| | TAX | 18,574.87 | - |
| | | <u>18,574.87</u> | 18,574.87 |
| | | | |
| | TAX UNDER SECTION 115BAA | <u>18,574.87</u> | |

COMPUTATION OF DEFERRED TAX

| | | | |
|--|------------|-------------|-----------|
| WDV AS PER Income Tax Act | 45611.03 | | 100000 |
| WDV AS per Companies Act | 35,024.96 | | |
| Difference | 10,586.07 | Assets | 34.6 |
| | | | 3,884.4 |
| Provision on Loan as Per B/sheet | 212080.142 | Assets | 0.0 |
| Provision o Loan As per Income Tax Act | 14,219 | Liabilities | |
| Provision on Gratuity | - | Assets | 3,919.0 |
| Total Assets | 208,448 | | |
| DTA | 52,462.10 | | |
| | | | 18,184.05 |
| Balance as at 31.03.2021 | 34278.05 | | |
| | | | |
| Provision required | 18,184.05 | 390.82 | 391 |
| | | | 0.00 |

Form NBS 7

Statement of capital funds, risk assets/exposures and risk asset ratio etc., as at the year end of 31st March, 2022

| | |
|---|---|
| Name and Address of the Non-Banking Financial Company | GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED (Formerly Known as Sharnarathi Leasing & Finance Private Limited) |
| Company Code Number (as given by RBI) | NBFC-ND |
| Registration Number (as given by RBI) | B-08-00185 |
| Classification of the company (as given by RBI) | NON BANKING FINANCIAL (NON DEPOSIT ACCEPTING OR HOLDING) COMPANY |

(Rupees in Hundreds)

| PART - A | | |
|---|------------|-------------------|
| Item Name | Item Code | Amount |
| Capital Funds - Tier - I | | |
| (i) Paid-up Equity Capital | 111 | 348,564.80 |
| (ii) Preference Shares to be compulsorily convertible into equity | 112 | 77,990.00 |
| (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) | | |
| (a) General Reserves | 113 | 4,594.82 |
| (b) Statutory / Spf. Reserve U/S 45 BC of RBI Act, 1934 | 113A | 44,997.36 |
| (c) Share Premium | 114 | 11,185.20 |
| (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 | 75,515.34 |
| (h) Other free reserves | 119 | - |
| Total (111 to 119) | 119 | 562,287.94 |
| (v) Accumulated balance of loss | 121 | - |
| (vi) Deferred Revenue Expenditure | 122 | - |
| (vii) Deferred Tax Assets (Net) | 122A | 52,462.10 |
| (viii) Other Intangible Assets | 123 | 7,617.36 |
| Total (121 to 123) | 120 | 60,079.46 |
| (ix) Owned Funds | 130 | 502,308.05 |
| (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 | - |
| Total (141 to 145) | 140 | - |
| (xii) Amount of Item 140 in excess of 10% of Item 130 above | 150 | - |
| (xiv) Tier I Capital | | |
| Net Owned Funds (130 - 150) | 151 | 502,308.05 |

| PART - B | | |
|---|------------|-------------------|
| Item Name | Item Code | Amount |
| Capital Funds - Tier - II | | |
| (Para 2(2)(xx)(b) of Directions) | | |
| (i) Preference Share Capital other than those compulsorily convertible into equity | 161 | 250,000.00 |
| (ii) Cumulative Convertible Preference Shares | 161A | - |
| (iii) Resvaluation reserves (At Discount rate of 5%) | 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 | 38,423.24 |
| (v) Hybrid debt capital instruments | 164 | - |
| (vi) Subordinated debt (Subjected to prescribed Discount Rates & Not exceeding 50% of Tier I) | 165 | - |
| (vii) Aggregate Tier II Capital (161 to 165) | 160 | 288,423.24 |
| Total Capital Funds (151 + 160) | 170 | 790,631.29 |

| PART - C | | |
|---|------------|---------------------|
| Item Name | Item Code | Amount |
| Risk Assets and Off-Balance Sheet Items | | |
| (i) Adjusted value of funded risk assets i.e. on-balance sheet items (To tally with Part D) | 181 | 3,050,988.94 |
| (ii) Adjusted value of non-funded and off-balance sheet items (To tally with Part E) | 182 | - |
| (iii) Total risk weighted assets/exposures (181 + 182) | 180 | 3,050,988.94 |
| (iv) Percentage of capital funds to risk weighted assets/exposures | | - |
| (a) Tier I Capital (Percentage of Item 151 to Item 180) | 191 | 16.41% |
| (b) Tier II Capital (Percentage of Item 180 to Item 180) | 192 | 3.43% |
| (c) Total (Percentage of Item 170 to Item 180) | 193 | 25.84% |

| PART - D | | | | | |
|---|--|----------------|---------------------|----------------|---------------------|
| Item Name | Item Code | Book Value | Risk Weight | Adjusted Value | |
| Weighted Assets, i.e. On-Balance Sheet Items | | | | | |
| I | Cash | 210 | 46,576.34 | 0% | - |
| II | Bank balances including Fixed Deposits & Certificates of Deposits | 210A | 1,374,340.96 | 0% | - |
| III | The Deposits/Collaterals kept with CCIL in connection with CBLD | 210B | - | 0% | - |
| IV | Investments | | | | |
| | (a) Approved securities as defined under Section 45B of RBI Act, 1934 | 221 | - | 0% | - |
| | (b) Bonds of public sector banks | | | | |
| | (i) Amount deducted in Part 'W' Item (xii) Item code 150 | 222A | - | 0% | - |
| | (ii) Amount not deducted in Part 'W' Item (xii) Item code 150 | 222A | - | 20% | - |
| | (c) FDs/CDs/bonds of public financial institutions | | | | |
| | (i) Amounts deducted in part 'A' Item (xii) Item code 150 | 224A | - | 0% | - |
| | (ii) Amount Not deducted in part 'W' Item (xii) Item code 150 | 225A | - | 100% | - |
| | Sub-total(222A+222A+224A+225A) | ST 225A | - | | - |
| | (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 (xii) Item code 150 | 226 | - | 0% | - |
| | (ii) Amounts not deducted in Part A | 227 | 48,336.33 | 100% | 48,336.33 |
| | Sub-total(226+227) | ST 227 | 48,336.33 | | - |
| V | Current Assets | | | | |
| | (a) Stock on hire (Please see Note 3 below) | | | | |
| | (i) Amount deducted in Part A Item (xii) | 231 | - | 0% | - |
| | (ii) Amounts not deducted in Part A | 232 | - | 100% | - |
| | Sub-total(231+232) | ST 232 | - | | - |
| | (b) Interoperable loans/deposits | | | | |
| | (i) Amount deducted in Part A Item (xii) | 233 | - | 0% | - |
| | (ii) Amounts not deducted in Part A | 234 | - | 100% | - |
| | Sub-total(233+234) | ST 234 | - | | - |
| | (c) Loans to staff | 235 | 195,114.67 | 0% | - |
| | (d) Other secured loans and advances considered good | | | | |
| | (i) Amount deducted in Part A Item (xii) Item code 150 | 241 | - | 0% | - |
| | (ii) Amounts not deducted in Part A | 242 | - | 100% | - |
| | Sub-total(235+236+241+242) | ST 242 | 195,114.67 | | - |
| | (e) Bills purchased/discounted | | | | |
| | (i) Amount deducted in Part A Item (xii) Item code 150 | 243 | - | 0% | - |
| | (ii) Amounts not deducted in Part A | 244 | - | 100% | - |
| | Sub-total (243+244) | ST 244 | - | | - |
| | (f) Others (Unsecured Micro credit portfolio, Stock, other loans & Advances) | 245 | 2,763,639.75 | 100% | 2,763,639.75 |
| VI | Fixed Assets (net of depreciation) | | | | |
| | (a) Assets leased out | | | | |
| | (i) Amount deducted in Part A Item (xii) Item code 150 | 251 | - | 0% | - |
| | (ii) Amounts not deducted in Part A | 252 | - | 100% | - |
| | Sub-total (251+252) | ST 252 | - | | - |
| | Total credit exposure (ST232+ST234+ST242+ST244+245+ST252) | CT 200 | 2,918,754.42 | | - |
| | (b) Premises | 253 | - | 100% | - |
| | (c) Furniture & Fixtures | 254 | 18,502.54 | 100% | 18,502.54 |
| VII | Other Assets | | | | |
| | (a) Income-tax deducted at source (net of provisions) | 255 | - | 0% | - |
| | (b) Advance tax paid (net of provision) | 256 | 19,628.47 | 0% | - |
| | (c) Interest due on Government Securities | 257 | - | 0% | - |
| | (d) Others (to be specified) | 258 | 229,539.32 | 100% | 229,539.32 |
| | Total weighted assets (Items 210 to 258) | 300 | 4,658,688.38 | 0% | 3,050,988.94 |

| 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 | - | 80% | - |
| 3 | Pretty 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 | 3500 | - | 0.99% | - |
| | b) 1 year < 2 years | 350C | - | 1% | - |
| | c) 2 years & above | 350D | - | 1%+1% per year | - |
| 8 | Assigned Portfolio-Ratio-Finance Inst. | 350E | - | 100% | - |
| 9 | Other contingent liabilities (to be specified) | 390 | - | 50% | - |
| | Total non-funded exposures (Items 310 to 390) | 390 | - | - | - |

Note: Cash margin/stoppage shall be deducted before applying the conversion factors.
 @ Derivatives of 2 years and above with appropriate conversion factor should be worked out and posted against item code EV350D

| PART - F | | |
|---|------------|---------------------|
| Asset Classification | | |
| 1. Aggregate of credit exposures categorised into : | Item code | Amount |
| (i) Standard assets | 411 | 2,693,228.02 |
| (ii) Sub-standard assets : | | |
| (a) Lease and hire purchase assets | 412 | - |
| (b) Other credit facilities | 413 | 1,882.38 |
| (iii) Doubtful assets | 414 | 60,427.35 |
| (iv) Loss assets | 415 | - |
| Gross Credit Exposure (411 to 415) | 410 | 2,763,628.73 |
| Total NPAs | 416 | 68,418.73 |
| Gr. NPA (%) | 417 | 2.48% |
| Provision for NPA | | 67,419.24 |
| Net NPA | 418 | 999.69 |
| Net Credit Exposure | 419 | 2,696,228.71 |
| Net NPA (%) | 420 | 0.04% |

| 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.1) | 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.1) | 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.1) | 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 10 per cent of owned fund of the non-banking financial company (Details to be enclosed in Appendix No.1) | 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.1) | 620 | - |
| (iii) Investments in a single company in excess of 10 per cent of the owned fund of the non-banking financial company (Details to be enclosed in Appendix No.1) | 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-banking financial company | 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 acquired 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

- 1) 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;
- 2) 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 ;
- 3) 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;
- 4) The aggregate of amount outstanding in respect of loans, held together with other assets of the company during the year ended **MARCH 31,2022** 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;
- 5) 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;
- 6) 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

Sd/

AMIT PATWARI
(Partner)
M. No.061971

Place: Guwahati
Date:12.08.2022





Partnership & Association

Lender



Bankers:



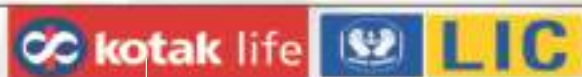
Inorganic Partners:



Credit Information Bureaus:



Insurance:



System:

Force Ten Technology Pvt Ltd.



Plan for next Financial Year (2020-2021)



After two years of market challenges GDF has set the following plan for the FY 2021 - 2022

- To open **three** new branches in new geography
- To focus on the existing clients and enrol new members.
- To while creating new portfolio; Portfolio quality of existing portfolio enhancement will be priority
- To diversify products – to move to monthly collection schedule with better customer services.
- To move to fully digital mode of transaction
- To grow by at least 50% over March 2021 portfolio.
- To strengthen internal control and monitoring system.
- To diversify product portfolio to sanitation, clean energy etc.

