



Rajendra Leela & Associates
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of
M/s. Grameen Development & Finance Private Limited
(Formerly known as Sharnarathi Leasing & Finance Private Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Grameen Development & Finance Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

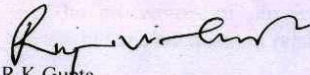
1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and



(f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company does not have any pending litigations which would impact its financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

For Rajendra Leela & Associates
Chartered Accountants
Firm Registration No. 322234E


R K Gupta
Proprietor
M. No. 56123



Place: Guwahati (Assam)
Date: 17/07/2015

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

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

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals;

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

Accordingly, paragraph 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of services. The activities of the Company do not involve the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.

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

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

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.

(c) According to the information and explanations given to us, there was no amount required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.

(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

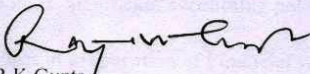
(ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.

(x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xi) In our opinion and according to the information and the explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(xii) In our opinion and according to the information and the explanations given to us, we report that no material fraud on or by the company were noticed or reported during the course of our audit.

For Rajendra Leela & Associates
Chartered Accountants
Firm Registration No. 322234E


R K Gupta
Proprietor
M. No. 56123



Place: Guwahati (Assam)
Date: 17/07/2015

GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PRIVATE LIMITED)
Notes forming part of the financial statements

Note no. 1 Corporate Information

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

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

The company was granted a Certificate of Registration (CoR) bearing no. B-06.00271 dated 10 May 2000 by Reserve Bank of India, Chandigarh to carry on the business of non-banking finance company under section 45(IA) of Reserve Bank of India Act, 1934. Consequent to shifting of registered office of the company to the State of Assam, a new Certificate of Registration (CoR) bearing no. B-08.00135 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 no. 2 Significant accounting policies

(a) Basis of preparation of Financial statements

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

(b) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise.



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PRIVATE LIMITED)
Notes forming part of the financial statements

(c) Revenue recognition

Interest earned from lending activities is accounted on accrual basis.

(d) Other Income

Revenue in respect of interest on fixed deposit with banks is recognized on accrual basis at the rate at which such entitlement accrue.

(e) Employee benefits

The amount of employee benefits expected to be paid in exchange of services rendered by employees is recognized during the year when the employee renders the services. These benefits include salaries, bonus and compensated absences.

(f) Income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

(g) Earnings per share

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(h) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the 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. Contingent liabilities are disclosed in the Notes.



GRAMEEN EVELOPMENT FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PRIVATE LIMITED)
Notes forming part of the financial statements

(i) Material events

Material events occurring after the Balance Sheet date are taken into cognizance.

(j) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(k) Depreciation

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated prescribed under Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

The Management estimates the useful lives for the fixed assets as follows:

- i) Computer equipments - 3 years
- ii) Furniture & fixtures - 10 years
- iii) Software - 3 years




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

Balance Sheet as at March 31, 2015

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
		Rupees	Rupees
A . EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	25,600,000	20,600,000
(b) Reserves and surplus	4	921,611	446,192
2 Non-current liabilities			
(a) Long term borrowings	5	74,625,203	
(b) Long term provisions	6	195,675	104,393
3 Current liabilities			
(a) Short term borrowings	7	47,752,701	-
(a) Trade payable	8	90,812	390,090
(b) Other current liabilities	9	364	6,000
(c) Short-term provisions	10	1,181,695	516,042
TOTAL		<u>150,368,061</u>	<u>22,062,717</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	189,245	75,242
(ii) Intangible assets	11	41,853	-
(b) Deferred tax assets	12	296,363	54,672
(c) Long-term loans and advances	13	19,567,475	10,439,278
2 Current assets			
(a) Inventories	14	108,597	-
(b) Cash and cash equivalents	15	46,456,594	830,869
(c) Short-term loans and advances	16	82,561,253	10,619,149
(d) Other current assets	17	1,146,681	43,507
TOTAL		<u>150,368,061</u>	<u>22,062,717</u>

Accompanying notes forming part of the financial statements 1 to 28

In terms of our report attached
For Rajendra Leela & Associates
Chartered Accountants
Firm Registration No: 322234E


R K Gupta

Proprietor
M. No. 56123

Place : Guwahati (Assam)



For Grameen Development & Finance Private Limited


Sarat Chandra Das
Managing Director
DIN-02849186

Place : Guwahati (Assam)


Dandi Ram Kalita
Director
DIN-06902163

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

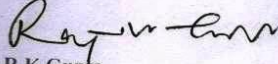
Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note No.	For the year ended	For the year ended
		March 31, 2015	March 31, 2014
		Rupees	Rupees
1 Revenue from operations	18	9,826,503	3,420,109
2 Other income	19	352,871	4,825
3 Total revenue (1+2)		10,179,374	3,424,934
4 Expenses			
(a) Employee benefits expenses	20	2,880,723	1,328,760
(b) Finance Cost	21	3,995,007	-
(c) Depreciation and amortization expenses	11	89,718	9,066
(d) Other expenses	22	2,392,668	706,934
Total expenses		9,358,116	2,044,760
5 Profit before tax (3-4)		821,258	1,380,174
6 Tax expense:			
Current tax expense for the year		588,250	509,850
Current tax expense / (reversal) for the prior period		-720	34,778
Net current tax expenses		587,530	475,072
Deferred tax charges/ (credit) for current year		-241,691	29,665
7 Profit for the year (5- 6)		475,419	934,766
9 Profit per share (face value of 10/- each):	24		
(a) Basic		0.23	0.78
(b) Diluted		0.23	0.78

Accompanying notes forming part of the financial 1 to 28

In terms of our report attached
For Rajendra Leela & Associates

Chartered Accountants
Firm Registration No: 322234E



R K Gupta
Proprietor
M. No. 56123



Place : Guwahati (Assam)
Date : 17-Jul-15

For Grameen Development & Finance Private Limited


Sarat Chandra Das
Managing Director
DIN-02849186


Dandi Ram Kalita
Director
DIN-06902163

Place : Guwahati (Assam)
Date : 17-Jul-15

GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING & FINANCE PRIVATE LIMITED)
Cash Flow Statement for the year ended 31 March 2015
 (All amounts are in Indian Rupees)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	821,258	1,380,174
Adjustment for:		
Depreciation	89,718	9,066
ROC fee paid for increase in authorised share capital	112,500	62,500
Provisions against standard assets	810,703	108,098
Operating profit / (loss) before working capital changes	1,834,179	1,559,838
Movement in working capital		
Increase/ (decrease) in trade payables	(299,278)	346,607
Increase/ (decrease) in current liabilities	(5,636)	(7,000)
(Increase)/ decrease in loans and advances	(81,070,301)	(10,809,864)
(Increase) / decrease in other current assets	(1,107,594)	(31,087)
(Increase) / decrease in inventories	(108,597)	-
Cash generated/ (used in) operations	(80,757,227)	(8,941,506)
Tax paid	(636,878)	(185,874)
Net cash generated/ (used in) operating activities	(81,394,105)	(9,127,380)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(245,574)	(34,370)
Net cash generated/ (used in) investing activities	(245,574)	(34,370)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt on issue of equity share capital	5,000,000	8,930,000
ROC fee paid for increase in authorised share capital	(112,500)	(62,500)
Increase in Term-loan	122,377,904	-
Net Cash generated from financing activities	127,265,404	8,867,500
D. Net changes in cash and cash equivalents (A)+(B)+(C)	45,625,725	(294,250)
Cash and cash equivalents as at the beginning of the year (refer to note 1 below)	830,869	1,125,119
Cash and cash equivalents as at the end of the year (refer to note 1 below)	46,456,594	830,869
Net increase/ (decrease) in cash and cash equivalent	45,625,725	(294,250)

Note:

1. Reconciliation of Cash and cash equivalents with Balance sheet are as below :

Cash and cash equivalents include:

Cash in hand	38,681	47
Balance with scheduled banks:		
in current accounts	16,617,913	830,822
in deposit accounts having remaining maturity of more than three months	29,800,000	-
Cash and cash equivalent at end of the year	46,456,594	830,869
Add -		
Fixed deposit more than three months	-	-
Cash and bank balances at the end of the year (refer note 15)	46,456,594	830,869

In terms of our report attached

For Rajendra Leela & Associates

Chartered Accountants

Firm Registration No: 322234E

R K Gupta

R K Gupta
Proprietor
M. No. 56123

Place: Guwahati (Assam)
Dated: 17 July 2015



For Grameen Development & Finance Private Limited

Sarat Chandra Das
Sarat Chandra Das
Managing Director
DIN-02849186

Dandi Ram Kalita
Dandi Ram Kalita
Director
DIN-06902163

Place: Guwahati (Assam)
Dated: 17 July 2015

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

Notes forming part of the financial statements

Note no. 3 Share capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number of shares	Rupees	Number of shares	Rupees
(a) Authorised				
Equity shares of Rs. 10 each	4,000,000	40,000,000	2,500,000	25,000,000
	4,000,000	40,000,000	2,500,000	25,000,000
(b) Issued, Subscribed and fully paid up				
Equity shares of Rs 10 each	2,560,000	25,600,000	2,060,000	20,600,000
Total	2,560,000	25,600,000	2,060,000	20,600,000

Refer to Notes (i) to (iii) below

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number of shares	Rupees	Number of shares	Rupees
Equity shares				
Shares outstanding at the beginning of the year	2,060,000	20,600,000	1,167,000	11,670,000
Shares Issued during the year	500,000	5,000,000	893,000	8,930,000
Shares outstanding at the end of the year	2,560,000	25,600,000	2,060,000	20,600,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Godrey & Areng	250,000	9.77	250,000	12.14
Laxmi Rabha Bora Jointly with Fazirun Nesa	-	-	405,000	19.66
Gautam Das Jointly with Rudra Kalita	248,000	9.69	248,000	12.04
Gyanesh Pandey	173,000	6.76	-	-
P & G Corporate Services Pvt. Ltd.	162,000	6.33	-	-
North Eastern Development Finance Corporation Ltd.	500,000	19.53	-	-

(iii) Right, preference and restrictions attached to shares

The company has only one class of shares carrying same rights and restrictions.



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PVT. LTD.)

Notes forming part of the financial statements

Note no. 4 Reserves and surplus

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
A) Statutory Reserve #		
Opening balance	220,951	33,998
Add: Transfer during the year	95,084	186,953
	316,035	220,951
B) General Reserve		
Opening balance	450,482	450,482
Add: Transfer during the year	-	-
	450,482	450,482
C) Surplus/ (Deficit) in Statement of Profit and Loss		
Opening balance	(225,240)	(973,053)
Add: Profit for the year	475,419	934,766
Less: transfer to reserve under Section 45-IC of RBI Act, 1934	95,084	186,953
	155,095	(225,240)
Grand Total of Reserve & Surplus	921,611	446,192

Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act). Under Section 45-IC, a company is required to transfer sum not less than twenty percent of its net profit every year. Accordingly, the Company has transferred twenty percent of net profits for the financial year to the statutory reserve. The statutory reserve can be utilised for the purposes as specified by the Reserve Bank of India from time to time.

Note no. 5 Long term borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
a) Secured		
i) Term Loan from Banks	8,701,650	-
ii) Term Loan from Others	65,923,553	-
Total	74,625,203	-

All these loan are secured against hypothecation of microfinance portfolio created out of the respective loan



GRAMMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PVT. LTD.)

Notes forming part of the financial statements

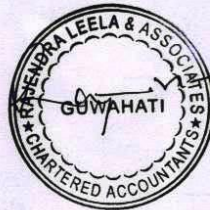
Note no. 6 Long term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Provisions against standard assets	195,675	104,393
Total	195,675	104,392.78

Note no. 7 Short term borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
a) Secured		
i) Term Loan from Banks	5,026,065	-
ii) Term Loan from Others	42,726,636	-
Total	47,752,701	-

All these loan are secured against hypothecation of microfinance portfolio created out of the respective loan



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PVT. LTD.)

Notes forming part of the financial statements

Note no. 8 Trade payable

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Audit fee payable	25,000	28,090
(b) Professional Fee Payable	12,000	12,000
(c) Expenses Payable	53,812	350,000
Total	90,812	390,090

Note no. 9 Other current liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Miscellaneous Liabilities	364	6,000
Total	364	6,000

Note no. 10 Short term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
<u>Provision-Others</u>		
(a) Income Tax Provisions#	356,082	409,850
(b) Provisions against standard assets	825,613	106,192
Total	1,181,695	516,041.59

#Net of Income Tax paid in advance



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING & FINANCE PRIVATE LIMITED)
(Notes forming parts of financials)

Note 11: Fixed Assets

(Amount in Rupees)

Assets	Gross Block			Depreciation			WDV	
	As on 1 April 2014	Addition / (Deletion)	As on 31 March 2015	As on 1 April 2014	For the Year	As on 31 March 2015	As on 31 March 2014	As on 31 March 2015
A. Tangible								
Computer	38,400	121,170	159,570	6,100	53,444	59,544	32,300	100,026
Furniture & Fixtures	32,560	56,060	88,620	1,323	8,495	9,818	31,237	78,802
Printer	13,000	6,000	19,000	2,313	7,186	9,499	10,687	9,501
Sign Board	1,168	-	1,168	149	102	251	1,019	917
Total (A)	85,128	183,230	268,358	9,886	69,227	79,113	75,242	189,245
B. In-tangible								
Software	-	62,344	62,344	-	20,491	20,491	-	41,853
Total (A & B)	85,128	245,574	330,702	9,886	89,718	99,604	75,242	231,098
<i>Previous Year</i>	<i>50,758</i>	<i>34,370</i>	<i>85,128</i>	<i>820</i>	<i>9,066</i>	<i>9,885.94</i>	<i>49,938</i>	<i>75,242</i>



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PVT. LTD.)

Notes forming part of the financial statements

Note no. 12 Deferred tax assets

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
Deferred tax assets on account of		
Provision against standard assets	315,578	65,071
Deferred tax asset (A)	315,578	65,070.57
Deferred tax liability on account of		
Difference between written down value of fixed assets as per Companies Act, 1956 and Income-tax Act, 1961 (B)	19,215	10,399
Deferred tax liability (B)	19,215	10,399
Net deferred tax asset/ (liability) (A-B)	296,363	54,672

Note no. 13 Long Term Loan & Advances

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Micro-finance loan	19,567,475	10,439,278
Total	19,567,475	10,439,278

Note no. 14 Inventories

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Others- Stationary Stock	108,597	-
Total	108,597	-



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PVT. LTD.)

Notes forming part of the financial statements

Note no. 15 Cash and cash equivalents

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Cash in hand	38,681	47
(b) Balances with banks		
(i) In current accounts	16,617,913	830,822
(ii) In deposit accounts	29,800,000	-
Total	46,456,594	830,869

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements

46,456,594 830,869

Note no. 16 Short Term Loan & Advances

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Micro-finance loan	82,561,253	10,619,149
Total	82,561,253	10,619,149

Note no. 17 Other current assets

Particulars	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
(a) Interest accrued but not due	431,460	39,087
(b) Staff advances	141,853	-
(c) Income Tax Recoverable	-	4,420
(d) Work advances	573,368	-
Total	1,146,681	43,507



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PVT. LTD.)

Notes forming part of the financial statements

Note no. 18 Revenue from Operations

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
	Rupees	Rupees
(a) Interest Received on Loan	8,939,903	3,166,279
(b) Processing Fee on Loan	886,600	253,830
Total	9,826,503	3,420,109

Note no. 19 Other Income

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
	Rupees	Rupees
(a) Interest on Bank Deposits	352,871	4,825
Total	352,871	4,825

Note no. 20 Employee Benefit Expenses

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
	Rupees	Rupees
(a) Salaries & Incentives	2,688,051	1,328,760
(b) Contribution to provident fund	134,368	-
(c) Staff welfare expenses	58,304	-
Total	2,880,723	1,328,760

Note no. 21 Finance Cost

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
	Rupees	Rupees
<u>(a) Interest Expense</u>		
(i) Borrowings	3,020,207	-
(ii) Others - Interest on statutory dues	7,580	-
<u>(b) Other Borrowing cost</u>		
(i) Processing Fee	942,500	-
(ii) Payment to AFC	24,720	-
Total	3,995,007	-



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PVT. LTD.)

Notes forming part of the financial statements

Note no. 22 Other expenses

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
	Rupees	Rupees
(a) Travelling & Conveyance	191,827	27,020
(b) Professional & Consultancy Charges	193,155	11,500
(c) Payment to Auditors	64,820	45,731
(d) Telephone, Mobile & Internet	33,091	4,200
(e) Rent	211,448	138,000
(f) Provision against standard-assets	810,703	108,098
(g) Rates & Taxes	145,100	66,500
(h) Staff Welfare	-	5,740
(i) Printing & stationary	385,190	275,950
(j) Bank Charges	36,063	9,750
(k) Misc. Expenses	36,183	1,919
(l) Electricity Expenses	12,308	1,577
(m) Repairs and Maintenance	20,720	9,855
(n) Postage & Stamp	635	694
(o) TDS late fine	-	400
(p) Meeting expenses	37,644	-
(q) Books & periodicals	1,284	-
(r) Insurance	22,490	-
(s) Trade License renewal fee	17,750	-
(t) Credit Information membership fee	11,236	-
(u) Grading & Rating fee	149,561	-
(v) Website development expenses	4,000	-
(w) Consumables	7,460	-
Total	2,392,668	706,934

Note:

(i) Auditor remuneration comprises:

a. Statutory audit fee	25,000	28,090
b. Certification fee	39,820	5,515
c. Fee for Income tax matters		12,126
Total	64,820	45,731



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED
(FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PRIVATE LIMITED)
Notes forming part of the financial statements

Note no. 23- According to the records available with the Company, dues payable to entites that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year is Rs. Nil (previous year Rs. Nil). Accordingly, disclosures relating to amounts unpaid as the year end together with the interest paid/ payable as required under the said Act are not applicable. Further no interest has been paid or was payable to such parties under the said Act in the previous year.

Dues to Micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note no. 24- Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Note no. 25 Related Party Disclosures

A. Key Management Person

1. Sarat Chandra Das
2. Tapan Chandra Kalita (Upto 25 July 2014)
3. Dandi Ram Kalita (Since 30 June 2014)
4. Srijib Kumar Baruah (Since 10 December 2014)

B. Related Party Transactions

Particulars	(Amount in Rupees)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Payment of Salary to Mr. Sarat Chandra Das	385,000	Nil
Contribution to Provident fund	31,438	Nil
Total	416,438	Nil



GRAMEEN DEVELOPMENT FINANCE PRIVATE LIMITED (FORMERLY KNOWN AS SHARNARTHI LEASING FINANCE PRIVATE LIMITED) Notes forming part of the financial statements

Note no. 26 Profit Per Share

Particulars	(Amount in Rupees)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Earnings/(losses) per share		
Net profit / (loss) for the year	475,419	934,766
Weighted average number of equity shares	2,062,740	1,193,912
Effect of potential dilutive equity shares*	Nil	Nil
Weighted average number of equity shares in computing dilutive earning per share	2,062,740	1,193,912
Par value per share	10	10
Basic and diluted earnings/(losses) per share (in Rs.)	0.23	0.78

* Nil, as anti-dilutive potential shares in view of loss for the year.

Note no. 27 Previous year's figures

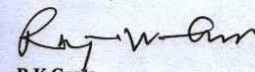
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note no. 28 Provision for standard and non-performing assets

The Company has created a provision against standard assets amounting to Rs. 1,021,287/- (previous year Rs. 1210,584) in accordance with the provisions of Non-Banking Financial Company -Micro Finance Institutions (Reserve Bank) Directions, 2011.

In terms of our report attached

For Rajendra Leela & Associates
Chartered Accountants
Firm Registration No: 322234E


R K Gupta
Proprietor
M. No. 56123

Place: Guwahati (Assam)
Dated: 17 July 2015



For Grameen Development & Finance Private Limited


Sarat Chandra Das
Managing Director
DIN-02849186


Dandi Ram Kalita
Director
DIN-06902163

Place: Guwahati (Assam)
Dated: 17 July 2015

Long Term investments:

1. **Quoted:**
 (i) Shares: (a) Equity
 (b) Preference
 (ii) Debentures and Bonds
 (iii) Units of mutual funds
 (iv) Government Securities
 (v) Others (Please specify)

2. **Unquoted:**
 (i) Shares: (a) Equity
 (b) Preference
 (ii) Debentures and Bonds
 (iii) Units of mutual funds
 (iv) Government Securities
 (v) Others (Please specify)

(5) Borrower group-wise classification of assets financed as in (2) and (3) above	Amount net of provisions			Amount net of provisions		
	31 March 2015			31 March 2014		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties (including associates)	-	-	-	-	-	-
2. Other than related parties	-	1,021.29	1,021.29	-	210.58	210.58
Total	-	1,021.29	1,021.29	-	210.58	210.58

* Includes interest accrued and due

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):	31 March 2015		31 March 2014	
	Market Value / Break up or fair value or NAV *	Book value (net of provisions)	Market Value / Break up or fair value or NAV *	Book value (net of provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
Total	-	-	-	-

(7) Other Information	31 March 2015	31 March 2014
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

