



## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of **Grameen Development & Finance Pvt. Ltd.** ('the Company'), which comprise the Balance Sheet as at 31 March 2018, 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 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 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 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. 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 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, of the state of affairs of the Company as at 31 March 2018 and its profit and its cash flows for the year ended on that date.





## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

(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 and with the returns received from the branches not visited by us;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B"; and

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



- i. the Company did not have any pending litigations to impact its financial position
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

  
DEEPAK PATWARY  
Partner  
Membership No.060467



Place:Guwahati  
Date:27/06/2018





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

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The Company has maintained records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of one year. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.
- (ii) The Company is a Non- Banking Financial company (NBFC), primarily giving micro-finance loans. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) (a) The Company has not granted any loans to the person covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Consequently, the provisions of iii (b) and iii (c) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other





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

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

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

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

(ix) Term loans during the year were applied for the purpose for which those were taken.

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

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.


(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



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

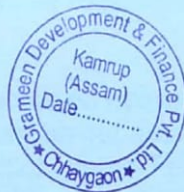
(xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934 as Non-Banking Financial Company. The status was changed to Non - Banking Financial Company-Micro Finance Institutions (NBFC-MFI) with effect from 12.12.2014.

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

  
**DEEPAK PATWARY**  
Partner  
Membership No.060467



Place:Guwahati  
Date:27/06/2018





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

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Grameen Development & Finance Pvt. Ltd.** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence





we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

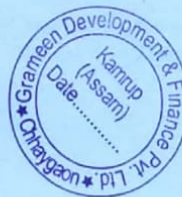
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



DEEPAK PATWARY  
Partner  
Membership No.060467

Place:Guwahati  
Date:27/06/2018





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

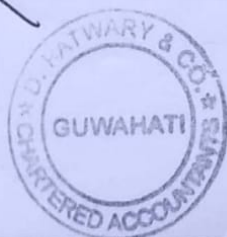
BALANCE SHEET AS AT	Note	31ST MARCH, 2018	31ST MARCH, 2017
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	37,731,480	35,100,000
Reserves & Surplus	4	11,674,234	5,774,772
		<b>49,405,714</b>	<b>40,874,772</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term Borrowings	5	141,473,074	132,626,231
Long term Provisions	6	1,580,379	736,316
Deferred Tax Liability (Net)		-	-
		<b>143,053,453</b>	<b>133,362,547</b>
<b>CURRENT LIABILITIES</b>			
Short term Borrowings	5A	-	-
Trade Payables	7	717,852	72,218
Other current liabilities	8	201,374,377	163,170,754
Short term provisions	6	3,577,352	4,659,349
		<b>205,669,581</b>	<b>167,902,321</b>
<b>TOTAL</b>		<b>398,128,748</b>	<b>342,139,640</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	9		
- Land		394,100	394,100
-Tangible Assets		3,819,639	4,019,812
-Intangible Assets		339,039	671,652
Deferred Tax Assets		704,789	734,837
Other Non Current Assets	10	86,626,487	71,882,792
		<b>91,884,054</b>	<b>77,703,193</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	11	72,186,330	77,853,673
Short term loans and advances	12	221,175,809	175,008,463
Other current assets	13	12,882,555	11,574,311
		<b>306,244,694</b>	<b>264,436,447</b>
<b>TOTAL</b>		<b>398,128,748</b>	<b>342,139,640</b>

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

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

Deepak Patwary  
(Partner)  
M. No.:060467

Date : 27/06/2018  
Place: Guwahati



For and on behalf of the Board of Directors



Director  
DIN: 06902163



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

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED		₹	₹
		31ST MARCH, 2018	31ST MARCH, 2017
	Note		
Revenue from Operations	14	69,123,650	52,006,159
Other Income	15	4,791,593	5,722,031
<b>Total Revenue</b>		<b>73,915,243</b>	<b>57,728,190</b>
<b>EXPENSES</b>			
Employee Benefits Expenses	16	18,105,215	13,791,949
Depreciation		982,865	934,552
Finance Cost	17	41,060,934	29,540,537
Other Expenses	18	7,024,215	7,056,382
Provisions and Write-offs	19	(108,401)	1,241,072
<b>Total Expenses</b>		<b>67,064,828</b>	<b>52,564,492</b>
<b>Profit before Prior Period &amp; exceptional Items</b>		<b>6,850,415</b>	<b>5,163,698</b>
Prior Period Expenses		-	-
		<b>6,850,415</b>	<b>5,163,698</b>
<b>Tax Expenses:</b>			
(1) Current Tax		1,980,000	1,969,130
(2) Deferred Tax (Assets)/Liabilities		30,048	(207,191)
(3) Tax of Earlier Years		59,425	(7,609)
<b>Total Tax Expenses</b>		<b>2,069,473</b>	<b>1,754,330</b>
<b>Profit for the Year</b>		<b>4,780,942</b>	<b>3,409,369</b>
<b>Earning Per Equity Share</b>			
(1) Basic		1.63	1.09
(2) Diluted		1.28	1.09

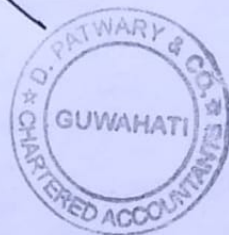
Significant Accounting Policies and Notes 1 & 2

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

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

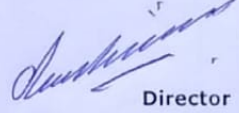
  
Deepak Patwary  
(Partner)  
M. No.060467

Date : 27/06/2018  
Place: Guwahati



For and on behalf of the Board of Directors

  
Managing Director  
DIN: 02849186

  
Director  
DIN: 06902163



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

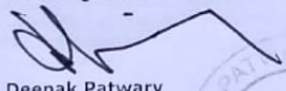
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

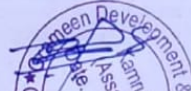
Particulars	2017-18	2016-17
	RUPEES (₹)	RUPEES (₹)
<b>Cash Flow From Operating Activities :</b>		
Profit Before Tax and extraordinary items	6,850,415	5,163,698
<b>Adjustments for :</b>		
Loan Loss Provisions & write off	(108,401)	1,233,463
Depreciation	982,865	934,552
Provision for Gratuity	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>7,724,879</b>	<b>7,331,713</b>
(Increase)/Decrease in Micro Finance Loans	(59,346,535)	(70,065,624)
(Increase)/Decrease in Other Current Assets	(1,877,829)	(9,008,044)
(Increase)/Decrease in Non Current Assets	(989,115)	-
Increase/(Decrease) in Current Liabilities	(443,894)	234,093
Increase/(Decrease) in Trade Payables	645,634	(218,962)
Payment of Advance Tax	(2,297,759)	(1,845,897)
<b>Net Cash Provided By/(Used In) Operating Activities (A)</b>	<b>(56,584,619)</b>	<b>(73,572,721)</b>
<b>Cash Flow From Investing Activities</b>		
Purchases of Fixed Assets	450,079	1,625,421
<b>Net Cash Provided By/(Used In) Investing Activities (B)</b>	<b>450,079</b>	<b>1,625,421</b>
<b>Cash Flow From Financing Activities :</b>		
Increase in Borrowings	47,366,024	95,665,526
Proceeds From Issuance of Share Capital	2,631,480	6,000,000
Dividend paid	251,331	-
Share Premium	1,118,520	-
<b>Net Cash Provided By/(Used In) Financing Activities (C)</b>	<b>51,367,355</b>	<b>101,665,526</b>
<b>Net Increase In Cash And Cash Equivalents (A+B+C)</b>	<b>(5,667,343)</b>	<b>26,467,384</b>
<b>Cash And Cash Equivalents At The Beginning of The Year</b>	<b>77,853,673</b>	<b>51,386,290</b>
<b>Cash And Cash Equivalents At The End of The Year</b>	<b>72,186,330</b>	<b>77,853,673</b>
<b>Cash And Cash Equivalents Comprises of :</b>		
1. Cash In Hand	34,517	103,113
2. Balances With Scheduled Banks	72,151,813	77,750,560
	<b>72,186,330</b>	<b>77,853,673</b>

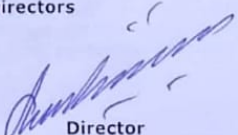
As per our report of even date annexed herewith

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

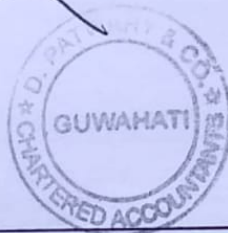
For and on behalf of the Board of Directors

  
Deepak Patwary  
(Partner)  
M. No.060467

  
Managing Director  
DIN: 02849186

  
Director  
DIN: 06902163

Place : Guwahati  
Date : 27/06/2018





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

**Note-1 NATURE OF OPERATION:**

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

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

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

**1.01 Corporate Information**

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

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

The company was granted a Certificate of Registration (CoR) bearing no. B-06.00271 dated 10 May 2000 by Reserve Bank of India, Chandigarh to carry on the business of non-banking finance company under section 45(1A) of Reserve Bank of India Act, 1934. Consequent to shifting of registered office of the company to the State of Assam, a new Certificate of Registration (CoR) bearing no. B-08.00185 dated 14 March 2014 by Reserve Bank of India, Guwahati.

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

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

**Note-2 SIGNIFICANT ACCOUNTING POLICIES:**

**2.01 Basis of Preparation of Financial Statements**

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

**2.02 Use of Estimates**

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

**2.03 Tangible Assets**

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

**Depreciation .**

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

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

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





**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 inhouse by the company without using the services of an Actuary. Total Liability Estimated (i.e: P. V. of Past Service Benefit) is Rs. 670434/- and total contributed to LIC for the year is Rs. 222996/-

**2.08 Credit Rating**

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

**2.09 Taxation**

(i) Tax Expenses comprise of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act, 1961. Deferred Income Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

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

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

**2.10 Classification of Portfolio Loans**

Loans are classified as follows

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

**2.11 Provision for loan losses**

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

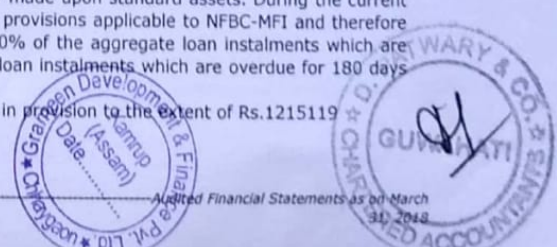
(ii) The Provisioning Norms followed by the company are as follows:

Asset Classification	Arrear Period	As Per Reserve Bank of India Guidelines	Estimated Provision adopted by the Company for the Year 2017-18	Estimated Provision adopted by the Company for the Year 2016-17
Standard Assets	Upto 90 days	0.25%	0.40%	0.40%
Sub Standard Assets	From 91 to 179 days	50%	50%	50%
Doubtful Assets	More than 180 days	100%	100%	100%

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

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

Had the provision were made in line with past years, there would have been increase in provision to the extent of Rs.1215119





**2.12 Loan write-off policy**

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

**2.13 Earnings per Share**

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

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

**2.14 Provisions and Write-offs**

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

**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  
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018:

Note-3:

SHARE CAPITAL

Particulars	₹	₹
	31ST MARCH, 2018	31ST MARCH, 2017
<b>AUTHORISED</b>		
70,00,000 (60,00,000) Equity shares of ₹ 10/- each	70,000,000	60,000,000
70,00,000 (10,00,000) Preference shares of Rs. 10/- each	70,000,000	10,000,000
	<b>140,000,000</b>	<b>70,000,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
32,73,148 (P.Y. 29,10,000) paid up Equity shares of ₹ 10/- each	32,731,480	29,100,000
5,00,000 (P. Y. 5,00,000) paid up 9% Optionally Convertible Preference Shares (OCPS) of Rs. 10/- each & Nil (Rs.1,00,000) paid up 15% optionally convertible preference shares of Rs. 10/- each	5,000,000	6,000,000
	<b>37,731,480</b>	<b>35,100,000</b>

Terms/Rights attached to Equity & Preference Shares:

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

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

At the Meeting of the Board of Directors held on 27.06.2018, the Board recommended the payment of the final dividend of 9% on 5,00,000 OCPS allotted on 3rd December,2016, for FY 2017-18, on a pro - rata basis up to March 31, 2018, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM"). The said Dividend, if approved by the Members, would involve a cash outflow of Rs. 5,42,521 (including dividend distribution tax of Rs. 92,521).

2. During the year under reference the company have issued 3,75,000, 9% OCPS of face value of Rs. 10/- on 18.08.2017 to 4 individuals. All the preference share holders including the the shares issued in the previous years except SIDBI as mentioned above have opted to convert its preference shares into equity on 17.03.2018 at a premium of Rs. 3.08/- per share.

At the Meeting of the Board of Directors held on 27/06/2018, the Board recommended the payment of the final dividend of 15% & 9 % on 1,00,000 Pref Shares & 3,75,000 Pref Shares respectively aggregating 4,75,000 Pref Shares allotted on various dates, for FY 2017-18, on a pro - rata basis up to March 31, 2018, 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.4,08,624 (including dividend distribution tax of Rs. 69,686).

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

Name of the Shareholder	As on 31/03/2018		As on 31/03/2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Gautam Das Jointly with Prabin Chandra Das	318,000	9.72%	318,000	10.93%
Gyanesh Pandey	287,678	8.79%	173,000	5.95%
Panalal Bansal	402,905	12.31%	250,000	8.59%
P & G Corporate Services Pvt. Ltd.	162,000	4.95%	162,000	5.57%
North Eastern Development Finance Corporation Ltd.	500,000	15.28%	500,000	17.18%

The reconciliation of number of Equity Shares is set out below

Particulars	31ST MARCH, 2018	31ST MARCH, 2017
<b>EQUITY SHARE</b>		
Number of Shares at the beginning	2,910,000	2,910,000
Add: Issue of Equity Shares during the Year	-	-
Add: Preference Shares Converted to Equity Shares during the Year	363,148	-
Number of shares at the end	3,273,148	2,910,000
<b>PREFERENCE SHARE</b>		
Number of Shares at the beginning	600,000	-
Add: Issue of Preference Shares during the Year	375,000	600,000
Less: Converted to Equity Shares during the Year at a premium of Rs 3.08/- per sh	475,000	-
Number of shares at the end	500,000	600,000



Audited Financial Statements as on March 31, 2018



**GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED**  
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NOTES FORMING PART OF THE BALANCE SHEET

**NOTE - 5 : LONG TERM BORROWINGS**

**Terms of Repayment of Term Loan as on 31st March 2018**

Sl. No.	Banks / Financial Institutions	Balance as on 01.04.2017	Received during the year	Repaid during the year	Balance as on 31.03.2018	Rate of Interest (%)	Nature of Security Hypothecation of Book Debts	Fixed Deposit/ Collateral	Terms of Repayment
<b>SECURED TERM LOANS</b>									
<b>A- FROM BANKS AND FINANCIAL INSTITUTIONS</b>									
1	IDBI Bank Ltd	12,500,003	-	9,999,996	2,500,007	13.25%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 40 Lac)	Monthly
2	North Eastern Development Finance Corporation Limited	209,545,456	160,000,000	123,787,858	245,757,598	12.25%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 415 Lac)	Monthly
3	North Eastern Development Finance Corporation Limited	32,300,248	20,000,000	21,845,678	30,454,570	8.00%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 55 Lac)	Monthly
4	North Eastern Development Finance Corporation Limited	3,636,353	-	3,636,353	-	2.00%	-	-	Monthly
5	Assam Financial Corportation	14,095,674	41,900,000	17,982,337	38,013,337	13.50%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 61.90 Lac)	Monthly
6	Electronica Finance Limited	-	7,500,000	-	7,500,000	14.50%	Yes (100% of Book debts created out of loan)	Yes (Rs. 7.5 Lac security deposit)	Monthly
7	Assam Gramin Vikash Bank	7,103,453	-	3,682,007	3,421,446	14.25%	Yes (100% of Book debts created out of loan)	Yes (FDR as Rs. 40 Lac)	Monthly
8	Small Industries Development Bank of India	10,000,000	-	3,333,330	6,666,670	13.70%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 2.5 Lac)	Monthly
9	National Scheduled Castes Finance and Development Corporation	693,000	-	396,000	297,000	4.00%	-	Yes (FDR of Rs. 9.90 Lac)	Quarterly
10	Reliance Commercial Finance	5,287,624	30,000,000	27,370,417	7,917,207	14.75%	Yes (100% of Book debts created out of loan)	Yes (FDR of Rs. 30 Lac)	Monthly
<b>Total A</b>		<b>295,161,811</b>	<b>259,400,000</b>	<b>212,033,976</b>	<b>342,527,835</b>				

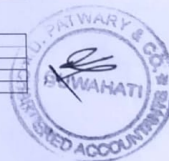
**B- FROM DIRECTORS AND BODY CORPORATES**

1	Directors	-	-	-	-	0.00%	-	-	-
2	Body Corporates	-	-	-	-	0.00%	-	-	-
<b>Total B</b>		-	-	-	-	-	-	-	-

**Gross Total (A+B)** 295,161,811 259,400,000 212,033,976 342,527,835  
Less: Current Maturity Shown under Other Current Liabilities. (Refer Note-8) 201,054,781  
**Long Term Loan as on 31st March, 2018** 141,473,074

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

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





GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-4

Particulars	₹	
	31ST MARCH 2018	31ST MARCH 2017
<b>A. Securities Premium</b>		
Opening Balance	-	-
Add: Add During the year	1,118,520	-
	<b>1,118,520</b>	
<b>B. Statutory Reserve</b>		
Opening Balance	1,336,933	655,059
Add: Transfer from Surplus	956,188	681,874
	<b>2,293,121</b>	<b>1,336,933</b>
According to Section 45-IC of the Reserve Bank of India Act, 1934 every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of the net profit of each year as disclosed in the Profit and Loss account.		
<b>C. General Reserve</b>		
Opening Balance	450,482	450,482
Add: Transfer from Surplus	-	-
	<b>450,482</b>	<b>450,482</b>
<b>D. Surplus in Profit and Loss Account.</b>		
Opening Balance	3,987,357	1,511,193
Add: Profit for the Year	4,780,942	3,409,369
	8,768,299	4,920,562
<b>Amount available for appropriation</b>		
Appropriation :		
Proposed Dividend on Preference Shares	-	212,500
Dividend Distribution Tax on Proposed Dividend	-	38,831
Transfer to Statutory Reserve	956,188	681,874
	<b>7,812,111</b>	<b>3,987,357</b>
Surplus - Closing Balance		
<b>TOTAL (A+B+C)</b>	<b>11,674,234</b>	<b>5,774,772</b>

Note-6

Particulars	Long Term		Short Term	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
<b>Provision for Portfolio Loan Assets:</b>				
Contingent Provision against Standrd Assets	-	-	1,474,356	2,697,828
Non Performing Loans	1,580,379	736,316	-	-
<b>Total</b>	<b>1,580,379</b>	<b>736,316</b>	<b>1,474,356</b>	<b>2,697,828</b>
<b>Others</b>				
Provision for Graulty	-	-	122,996	-
Provision for Taxation	-	-	1,980,000	1,961,521
<b>Total</b>	<b>1,580,379</b>	<b>736,316</b>	<b>3,577,352</b>	<b>4,659,349</b>

Note-7

Particulars	₹	
	31ST MARCH, 2018	31ST MARCH, 2017
Other than acceptances	717,852	72,218
<b>Total</b>	<b>717,852</b>	<b>72,218</b>
Trade payables include dues in respect of goods purchased or services received (including from employees, professionals and others under contract) in the normal course of business.		

Note-8

Particulars	₹	
	31ST MARCH, 2018	31ST MARCH, 2017
a) Current maturities of long term debt (Refer note-5)	201,054,761	162,535,580
b) Interest accrued but not due on borrowings	219,265	332,129
c) Statutory Liabilities (Contributions to PF, Professional Taxes and TDS)	40,534	51,715
d) Paybles to Others	59,817	251,330
	<b>201,374,377</b>	<b>163,170,754</b>
<b>8.1:</b> A liability is classified as current if, as on the Balance Sheet Date, the Company does not have an unconditional right to defer its settlement for twelve months after the reporting date.		



Authorised Financial Statements as on March 31, 2018



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-9:

Tangible:	Figures in				₹
	Equipments	Furniture & Fixtures	Motor Vehicles	Computers	
Cost or Valuation					Total
As at 1st April 2016	4,375	3,326,152	-	655,541	3,986,068
Additions	12,500	353,282	457,656	119,043	942,481
Disposals	-	-	-	-	-
As at 31st March 2017	16,875	3,679,434	457,656	774,584	4,928,549
Additions For the Period	192,589	150,256	-	107,234	450,079
Disposals	-	-	-	-	-
<b>As at 31st March 2018</b>	<b>209,464</b>	<b>3,829,690</b>	<b>457,656</b>	<b>881,818</b>	<b>5,378,628</b>
<b>Depreciation</b>					
As at 31st March 2017	3,737	495,583	57,176	352,241	908,737
Charge For the Year	26,898	353,081	72,500	197,773	650,252
Disposals	-	-	-	-	-
<b>As at 31st March 2018</b>	<b>30,635</b>	<b>848,664</b>	<b>129,676</b>	<b>550,014</b>	<b>1,558,989</b>
<b>Net Block as on 31st March 2018</b>	<b>178,829</b>	<b>2,981,026</b>	<b>327,980</b>	<b>331,804</b>	<b>3,819,639</b>
<b>Net Block as on 31st March 2017</b>	<b>13,138</b>	<b>3,183,851</b>	<b>400,480</b>	<b>422,343</b>	<b>4,019,812</b>

Intangible (Software):	₹	
	31ST MARCH, 2018	31ST MARCH, 2017
Cost or Valuation		
WDV as at 1st April	671,652	695,429
Additions	-	288,840
Amortisation for the Year	332,613	312,617
As at 31st March	<b>339,039</b>	<b>671,652</b>

Note-10:

Non Current Assets	₹	
	31ST MARCH, 2018	31ST MARCH, 2017
Particulars		
d) Deposit with EFL	750,000	-
b) Other Security Deposit	16,110	16,110
e) Long Term Loans & Advances	85,269,825	71,515,245
Microfinance Loan & NSFDC	590,552	351,437
f) Staff Loan	-	-
<b>Total</b>	<b>86,626,487</b>	<b>71,882,792</b>

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

Note-11:

Cash and cash equivalents.	₹	
	31ST MARCH, 2018	31ST MARCH, 2017
Particulars		
(a) Balances with banks in Current account	3,721,813	2,510,560
(b) Fixed Deposit	68,430,000	75,240,000
(c) Cash on hand	34,517	103,113
<b>Total</b>	<b>72,186,330</b>	<b>77,853,673</b>





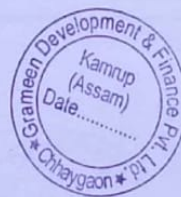
GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-12: Short Term Loans and Advances:

Particulars	31ST MARCH, 2018	31ST MARCH, 2017
	₹	₹
<b>Micro Finance Loans</b>		
Opening Balance	239,787,072	168,215,275
Add: Loan Disbursed	371,996,000	269,784,000
Sub-Total	611,783,072	437,999,275
Less: Realised	308,908,999	198,212,203
Less: Bad Debts	271,008	-
	<b>302,603,065</b>	<b>239,787,072</b>
Less: Loag term Loan & advances	85,269,825	70,668,909
Microfinance Loan	<b>217,333,240</b>	<b>169,118,163</b>
<b>NSFDC Micro Finance Loans</b>		
Opening Balance	705,329	-
Add: Loan Disbursed	402,000	1,525,000
Sub-Total	1,107,329	1,525,000
Less: Realised	734,394	819,671
Less: Bad Debts	-	-
	<b>372,935</b>	<b>705,329</b>
Less: Loag term Loan & advances	-	1,622
NSFDC Microfinance Loan	<b>372,935</b>	<b>703,707</b>
<b>NBCFDC Micro Finance Loans</b>		
Opening Balance	4,218,197	6,709,936
Add: Loan Disbursed	-	8,271,000
Sub-Total	4,218,197	14,980,936
Less: Realised	3,408,072	10,762,739
Less: Bad Debts	-	-
	<b>810,125</b>	<b>4,218,197</b>
Less: Loag term Loan & advances	-	844,714
NBCFDC Microfinance Loan	<b>810,125</b>	<b>3,373,483</b>
(iv) Advance Income Tax	1,562,769	1,285,955
(v) Loan to Staff	1,096,740	527,155
<b>Total</b>	<b>221,175,809</b>	<b>175,008,463</b>

Note-13: Other current assets

Particulars	31ST MARCH, 2018	31ST MARCH, 2017
	₹	₹
Interest accrued on Loan Portfolio but not due	1,284,129	1,582,388
Interest accrued but not due on Term Deposits	7,947,387	6,501,579
Staff Advance	226,943	212,337
Other Advance	173,222	808,083
Other Receivable	91,988	309,924
Receivable From Insurance Company	235,886	-
Advance For Land	2,923,000	2,160,000
<b>Total</b>	<b>12,882,555</b>	<b>11,574,311</b>





GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-14: Revenue from operations		
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
Interest on Loan. (Refer Note (i) below)	65,399,670	49,210,359
Processing Charges.	3,723,980	2,795,800
<b>Total</b>	<b>69,123,650</b>	<b>52,006,159</b>
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
<b>i) Interest on Loan comprises:</b>		
a) Interest on Micro Finance Loan	65,333,835	49,024,451
b) Interest on NSFDC Loan	20,371	63,745
C) Interest on NBCFDC Loan	45,464	122,163
<b>Total</b>	<b>65,399,670</b>	<b>49,210,359</b>
Company offers small loan products to its borrowers for income generation, which are repayable in equal weekly/fortnightly/Monthly instalments.		
Note-15: Other Income		
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
Interest on Fixed Deposits	4,627,534	5,642,203
Interest on Staff Loan	87,930	36,306
Interest on Vehicle Loan	76,129	27,662
Miscellaneous Receipt	-	15,860
<b>Total</b>	<b>4,791,593</b>	<b>5,722,031</b>
Note-16: Employee benefit expenses		
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
Salaries, Wages & Bonus etc.	16,969,619	12,380,044
Contribution towards Provident Fund and ESI	567,422	538,968
Leave Encashment	50,601	90,649
Provision For Gratuity	222,996	423,119
Staff Welfare Expenses	294,577	359,169
<b>Total</b>	<b>18,105,215</b>	<b>13,791,949</b>
Salaries and wages include: Salaries, wages, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under a contract of service / employment.		
The company has not estimated its liability towards Employees Gratuity based on an actuarial valuation.		
Note-17: Finance Cost		
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
Interest on Borrowings	39,349,968	27,829,943
Interest on NSFDC Loan	21,797	36,649
Interest on NBCFDC Loan	5,876	151,057
Processing Fees & Other Financial Expenses	1,683,293	1,522,888
<b>Total</b>	<b>41,060,934</b>	<b>29,540,537</b>



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

Note-18:

Other expenses Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
	₹	₹
Audit Fees	100,000	25,000
Certification Fee to Auditors	-	34,500
Travelling and Conveyance	1,533,053	1,519,248
Professional fees	369,750	313,371
Telephone, Mobile & Internet	350,497	353,137
Rent	1,012,027	1,650,830
Rates & Taxes	252,705	3,246
Printing & Stationery	668,418	786,196
Bank Charges	282,033	121,861
Miscellaneous Expenses	406,268	226,338
Electricity Charges	132,274	119,079
Repairs and maintenance	226,852	70,772
Postage & stamp	7,986	12,216
TDS late fine	-	19,681
Meeting Expenses	155,987	411,163
Books and Periodicals	21,718	9,875
Insurance	178,180	28,989
Trade Licence Renewal Fees	37,500	42,270
Credit Information Fees	43,394	60,796
Grading & Rating Fees	114,682	307,423
Website Development Expenses	281,049	69,000
Consumable	33,559	5,579
Staff Training Expenses	117,273	181,565
Membership Fee	62,971	40,250
ROC Fees	537,700	243,000
Admin Charge on PF	33,394	38,386
DSC Renewal Fees	-	2,000
Eye & health Camp	-	52,311
SA- Dhan Conference Fess	-	8,000
Scholarship	11,500	2,500
Registration & insurance of Vehicle	18,520	3,085
Office Upkeep Expenses	-	2,180
Financial Inclusion and Literacy Expenses	34,925	292,535
<b>Total</b>	<b>7,024,215</b>	<b>7,056,382</b>

Note-19:

Provisions for Loan Loss

Particulars	As at 1st April, 2017	Additions	Utilisation	As at 31st March, 2018
	₹	₹	₹	₹
Provision for Loan Loss on Standard Asset	2,697,828	(1,223,472)	-	1,474,356
Provision for Loan Loss on Doubtful and Loss Assets	736,316	1,115,071	271,008	1,580,379
<b>Total</b>	<b>3,434,144</b>	<b>(108,401)</b>	<b>271,008</b>	<b>3,054,735</b>

Note:- During the Period the management has decided to write off Loan outstanding amounting to Rs.271008 (P.Y.Rs.NIL/-)

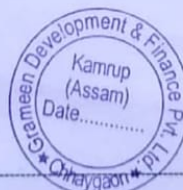
Note-20:

Classification of Portfolio Loan on age basis

Particulars	Estimated Provisions Adopted by the Company	As at 31 March, 2018		As at 31 March, 2017	
		Principal	Provision Amount (₹)	Principal	Provision Amount (₹)
Current (0 to 90 Days)	0.40%	303,779,675	1,215,119	244,562,686	978,251
91 to 179 days	50%	226,728	113,364	580,377	290,189
180 days or more	100%	1,467,014	1,467,014	446,127	446,127
<b>Total</b>		<b>305,473,417</b>	<b>2,795,497</b>	<b>245,589,190</b>	<b>1,714,566</b>
<b>*Subject to 1% Whichever is Higher (additional 0.4% in Previous Year)</b>		<b>305,473,417</b>	<b>3,054,734</b>	<b>245,589,190</b>	<b>3,434,143</b>

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

Till last year provision on Standard Assets at specified rate (0.40%) was additionally made upon standard assets.



Audited Financial Statements as on March 31, 2018



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-21:

**Related Party Transactions**

As per Accounting Standard 18 (AS-18) on related party disclosure issued by the Institute of Chartered Accountants of India related parties of the company are as follows.

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

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

**Nature of Transactions**

Particulars	31ST MARCH, 2018		31ST MARCH, 2017	
	Transaction Value	Balance Outstanding	Transaction Value	Balance Outstanding
<b>With Key Management Personnel</b>				
<b>i. Sarat Chandra Das</b>				
Salary & Remuneration	761,808	-	621,634	-
<b>ii Dandi Ram Kalita</b>				
Salary & Remuneration	420,000	-	105,000	-
<b>Total</b>	<b>1,181,808</b>	<b>-</b>	<b>726,634</b>	<b>-</b>

Note-22: Earning Per Share

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Net Profit after Tax	4,780,942	3,409,369
Dividend payable to preferential share	-	251,331
Net Profit after Preferential dividend	4,780,942	3,158,038
Number of Shares	3,273,148	2,910,000
Weighted Average Number of share	2,924,924	2,910,000
Earning Per Share (Basic)	1.63	1.09
Earning Per Share (Diluted)	1.28	1.09
Nominal Value Per Share	Rs.10/-	Rs.10/-

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

Note-23: Segment Reporting

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

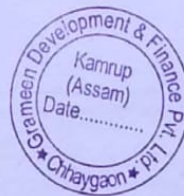
Note-24: Disclosure of micro and small enterprises.

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



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-25: Disclosure details as required in terms of Paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank of India) Directions.			
LIABILITIES SIDE		Amount Outstanding	Amount Overdue
<b>1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>			
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		342,527,835	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
<b>Total</b>		<b>Nil</b>	<b>Nil</b>
<b>2 Break-up of (1)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :</b>		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
<b>Total</b>		<b>Nil</b>	<b>Nil</b>
<b>3 ASSETS SIDE</b>			
<b>Break-up of Loans and advances including bills receivables (other than those included in (4) below) :</b>		Amount Outstanding	
a. Secured			303,786,125
b. Unsecured (see schedule)			
<b>4 Break -up of Leased Assets and stock on hire and other assets counting towards AFC activities :</b>			
I Lease assets including lease rentals under Sundry Debtors			Nil
a. Financial lease			Nil
b. Operating lease			Nil
II Stock on hire including hire charges under Sundry Debtors			Nil
a. Assets on hire			Nil
b. Repossessed Assets			Nil
III Other Loans counting towards AFC activities			Nil
a. Loans where assets have been repossessed			Nil
b. Loans other than (a) above			Nil
<b>Total</b>			<b>Nil</b>





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

<b>5 Break up of Investments :</b>			
<b>Current Investments</b>			
<b>1 Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>2 Un-Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>Long Term Investments :</b>			
<b>1 Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>2 Un-Quoted</b>			
I Shares : (a) Equity		Nil	
(b) Preference		Nil	
II Debentures and Bonds		Nil	
III Units of mutual funds		Nil	
IV Government Securities		Nil	
V Others (Please Specify)		Nil	
<b>6 Borrower group-wise classification of all assets financed as in (2) &amp; (3) above :</b>			
<b>Category</b>	<b>Amount</b>		
	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
1 Related Parties **			
a.Subsidiaries	Nil	Nil	Nil
b.Companies in the same group	Nil	Nil	Nil
c.Other related parties	Nil	Nil	Nil
2 Other than related parties	<b>Nil</b>	<b>303,786,125</b>	<b>303,786,125</b>
<b>7 Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and un quoted)</b>			
<b>Category</b>	<b>Market value/Break up or fair value or NAV</b>	<b>Book Value (Net of provisions)</b>	
1 Related Parties	Nil	Nil	
a.Subsidiaries	Nil	Nil	
b.Companies in the same group	Nil	Nil	
c.Other related parties			
2 Other than related parties	Nil	Nil	
<b>Total</b>	Nil	Nil	
**As per Accounting Standard of ICAI			
<b>8 Other Information:</b>			
Particulars			
I. Gross Non-performing Assets			
a.Related parties			Nil
b.Other than related parties			1,693,742
II Net Non-performing Assets			
a.Related parties			Nil
b.Other than related parties			113,364
III Assets acquired in satisfaction of debt			Nil



GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
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Note-26

A. Additional Disclosure pursuant to Reserve Bank of India Direction vide circular no-DNBS (PD),CC No.178/03.02.001/2010-11 dated 1st July 2010.		
Capital to Risk-Asset Ratio (CRAR)	For the year ended 31 March, 2018	For the year ended 31 March, 2017
CRAR	15.96%	15.92%
CRAR-Tier I Capital	13.89%	12.72%
CRAR-Tier II Capital	2.07%	3.20%
B. Additional Disclosure pursuant to Reserve Bank of India Direction vide Circular no. RBI/2014-15/299, DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10,2014		
PARTICULARS	REMARKS	
1.Capital to risk (Weighted) Assets Ratio	Refer Note No. 26.(A)	
2.Investment	Nil	
3.Derivatives i) Forward Rate Agreement/ Interest Rate Swap ii) Exchange Traded Interest Rate (IR) Derivatives iii) Disclosure of Risk Exposure in Derivatives iv) Forward rate agreement / interest rate swap	The company has not entered into any derivative transactions in the current and previous years.	
4. Disclosure relating to Scuritisation i) Information duly certified by the SPV'S Auditors obtained by the originating NBFC from the SPV. ii) Details of financial assets sold to scuritisation/Reconstruction company for asset reconstruction. iii) Details of Assignment transactions undertaken by NBFCs	The Company has not sold financial assets to securitisation or reconstruction company for the assets reconstruction for the year	
5.Details of non performing financial assets purchased /Sold i) Details of non performing financial assets purchased : ii) Details of non performing financial assets sold:	The Company has not purchased/sold any non performing financial assets.	
6.Assets Liability Managements Maturity pattern of certain items of assets and liabilities	As per Annexure	
7.Exposure i) Exposure to Real estate sector ii) Exposure to Capital Market.	The Company has no exposure to real estate and Capital Market directly or indirectly.	
8. Details of Financing of parent company products: i) Details of single borrower limit (SGL) / Group Borrower limit(GBL) exceeded by NBFC ii) Unsecured Advances	Single borrower limit (SGL)/ Group Borrower Limit (GBL) has not exceeded by the Company. Portfolio Loan of Rs.302,603,065/-	
9.Miscellaneous i) Registration obtained from other financial sector regulators ii) Disclosure of Penalties imposed by RBI and other regulators iii) Related Party Transaction iv) Rating assigned by credit rating agencies and migration of ratings during the year v) Remuneration of Directors vi) Net profit or loss for the period, prior period items and changes in accounting policies vii) Revenue Recognition	Ministry of Corporate affairs NIL Refer Note No-21. <b>M4C3 (COCA ANG GRADING BY SMERA)</b> Refer Note No-21. Nil Refer Note No-2.06.	
10. Additional Disclosures i) Provisions and contingencies ii) Draw Down from Reserves iii) Concentration of Deposits,Advances,Exposures and NPAs a) Concentration of deposit (for Deposit taking NBFCs) b) Concentration of Advances c) Concentration of Exposure d) Concentration of NPAs iv) Overseas Assets (for those Joint Ventures and Subsidiaries abroad) as per accounting norms)	Refer Note No-26A Nil Not applicable as the Company is NBFC-ND Refer Note No-26B. Refer Note No-26C Refer Note No-26D The NBFC does not have any overseas Assets Not applicable as the Company does not have any SPVs.	
11. Disclosure of Complaints	The company has not received any complaint during the Year.	



Audited Financial Statements as on March 31, 2018



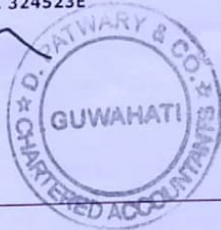
GRAMEEN DEVELOPMENT & FINANCE PRIVATE LIMITED  
Formerly Known as SHARNARTHI LEASING FINANCE PVT. LTD.)

Note. 26A Breakup of Provisions and contingencies shown under the head Expenditure in Profit and Loss Statement.			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Provision for Income Tax	2,069,473	1,754,330	
Provision for Gratuity	222,996	423,119	
Provision towards NPA	1,580,379	736,316	
Provision for Standard Assets	1,474,356	2,697,828	
Note. 26B Concentration of Advances			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Total Advances to twenty Largest borrowers	1,471,868	1,433,670	
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.48%	0.59%	
Note. 26C Concentration of Exposures			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Total Advances to twenty Largest borrowers	1,471,868	1,433,670	
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.48%	0.59%	
Note. 26D Concentration of NPA'S			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Total Exposure to top four NPA accounts	142,130	166,467	
Note-27 Previous Year Figures			
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.			

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

Deepak Patwary  
(Partner)  
M. No.060467

Date : 27/06/2018  
Place: Guwahati



For and on behalf of the Board of Directors



Managing Director  
DIN: 02849186

*(Signature)*  
Director  
DIN: 06902163

Form NBS 7

Statement of capital funds, risk assets/exposures and risk asset ratio etc., as at the year end of 31st March, 2018

Name and Address of the Non-Banking Financial Company

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

Company Code Number (as given by RBI)

NBFC-ND

Registration Number (as given by RBI)

B-08.00185 Dt:18.08.2014

Classification of the company (as given by RBI)

NON BANKING FINANCIAL (NON DEPOSIT  
ACCEPTING OR HOLDING) COMPANY

(Rupees in lakh)

PART - A		
Item Name	Item Code	Amount
<b>Capital Funds - Tier - I</b>		
(i) Paid-up Equity Capital	111	327.31
(ii) Preference Shares to be compulsorily convertible into equity	112	-
(iii) Perpetual Debt Instrument ( Not to exceed 15% of Aggregate Tier I Capital as on March 31 of the previous year)	112A	-
(iv) Free reserves (please note below)		
(a) General Reserves	113	4.50
(b) Statutory / Spl. Reserve U/S 45 IC of RBI Act, 1934	113A	22.93
(c) Share Premium	114	11.19
(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	78.12
(h) Other free reserves	119	-
<b>Total (111 to 118)</b>	<b>110</b>	<b>444.06</b>
(v) Accumulated balance of loss	121	-
(vi) Deferred Revenue Expenditure	122	-
(vii) Deferred Tax Assets (net)	122A	7.05
(viii) Other Intangible Assets	123	3.39
<b>Total (121 to 123)</b>	<b>120</b>	<b>10.44</b>
(ix) <b>Owned Funds</b>	<b>130</b>	<b>433.62</b>
(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	-
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]		
(xi) (a) Subsidiaries	144	-
(b) Companies in the same Group	145	-
(c) Wholly Owned Shares / Joint Ventures abroad	145A	-
<b>Total (141 to 145)</b>	<b>140</b>	<b>-</b>
(xii) Amount of Item 140 in excess of 10% of Item 130 above	150	-
(xiv) <b>Tier I Capital</b>		
<b>Net Owned Funds (130 - 150)</b>	<b>151</b>	<b>433.62</b>

PART - B		
Item Name	Item Code	Amount
<b>Capital Funds - Tier - II</b>		
<i>(Para 2(i)(xx)(b) of Directions)</i>		
(i) Preference Share Capital other than those compulsorily convertible into equity	161	50.00
(ii) Cumulative Convertible Preference Shares	161A	-
(iii) Revaluation reserves (At Discount rate of 55%)	162	-
(iv) General provisions and loss reserves including Provision for <b>Standard Assets</b> (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	14.74
(v) Hybrid debt capital instruments	164	-
(vi) Subordinated debt (Subjected to prescribed Discount Rates & Not exceeding 50% of Tier I)	165	-
(vii) <b>Aggregate Tier II Capital (161 to 165)</b>	<b>160</b>	<b>64.74</b>
<b>Total Capital Funds (151 + 160)</b>	<b>170</b>	<b>498.36</b>

PART - C		
Item Name	Item Code	Amount
<b>Risk Assets and Off-Balance Sheet Items</b>		
(i) Adjusted value of funded risk assets i.e. on-balance sheet items (To tally with Part D)	181	3,122.41
(ii) Adjusted value of non-funded and off-balance sheet items (To tally with Part E)	182	-
(iii) <b>Total risk weighted assets/exposures (181 + 182)</b>	<b>180</b>	<b>3,122.41</b>
(iv) Percentage of capital funds to risk weighted assets/exposures		
(a) Tier I Capital (Percentage of Item 151 to Item 180)	191	13.89%
(b) Tier II Capital (Percentage of Item 160 to Item 180)	192	2.07%
(c) Total (Percentage of Item 170 to Item 180)	193	15.96%





PART - D					
Item Name	Item Code	Book Value	Risk Weight	Adjusted Value	
<b>Weighted Assets, i.e. On-Balance Sheet Items</b>					
<b>I</b>	Cash	210	0.35	0%	-
<b>II</b>	Bank balances including Fixed Deposits & Certificates of Deposits	210A	800.99	0%	-
<b>III</b>	The Deposits/Collaterals kept with CCIL in connection with CBLO	210B	-	0%	-
<b>IV</b>	Investments				
	(a) Approved securities as defined under Section 45IB of RBI Act, 1934	221	-	0%	-
	<b>(b) Bonds of public sector banks</b>				
	(i) Amount deducted in Part 'A' Item (xiii) Item code 150	222A	-	0%	-
	(ii) Amount not deducted in Part 'A' Item (xiii) Item code 150	223A	-	20%	-
	<b>(c) FDs/CDs/bonds of public financial institutions</b>				
	(i) Amounts deducted in part 'A' Item (xiii) (Item code 150)	224A	-	0%	-
	(ii) Amount Not deducted in part 'A' Item (xiii) Item code 150	225A	7.50	100%	7.50
	<b>Sub-total(222A+223A+224A+225A)</b>	<b>ST 225A</b>	7.50		-
	<b>(d) Shares of all companies and debentures/bonds/ commercial papers of companies and units of all mutual funds</b>				
	(i) Amounts deducted in Part 'A' Item (xiii) (Item code 150)	226	-	0%	-
	(ii) Amounts not deducted in Part A	227	-	100%	-
	<b>Sub-total(226+227)</b>	<b>ST227</b>	-		-
<b>V</b>	<b>Current Assets</b>				
	<b>(a) Stock on hire (Please see Note 2 below)</b>				
	(i) Amount deducted in Part A (Item (xiii))	231	-	0%	-
	(ii) Amounts not deducted in Part A	232	-	100%	-
	<b>Sub-total(231+232)</b>	<b>ST 232</b>	-		-
	<b>(b) Interoperate loans/deposits</b>				
	(i) Amount deducted in Part A (Item (xiii))	233	-	0%	-
	(ii) Amounts not deducted in Part A	234	-	100%	-
	<b>Sub-total(233+234)</b>	<b>ST 234</b>	-		-
	<b>(c) Loans to staff</b>	236	19.14	0%	-
	<b>(d) Other secured loans and advances considered good</b>				
	(i) Amount deducted in Part A (Item (xiii)) Item code 150	241	-	0%	-
	(ii) Amounts not deducted in Part A	242	-	100%	-
	<b>Sub-total(241+242)</b>	<b>ST 242</b>	19.14		-
	<b>(e) Bills purchased/ discounted</b>				
	(i) Amount deducted in Part A (Item (xiii)) Item code 150	243	-	0%	-
	(ii) Amounts not deducted in Part A	244	-	100%	-
	<b>Sub-total(243+244)</b>	<b>ST 244</b>	-		-
	<b>(f) Others (Unsecured Micro credit portfolio, Stock, other loans &amp; Advances)</b>	245	3,037.86	100%	3,037.86
<b>VI</b>	<b>Fixed Assets (net of depreciation)</b>				
	<b>(a) Assets leased out</b>				
	(i) Amount deducted in Part A (Item (xiii)) Item code 150	251	-	0%	-
	(ii) Amounts not deducted in Part A	252	-	100%	-
	<b>Sub-total(251+252)</b>	<b>ST 252</b>	-		-
	<b>Total credit exposure (ST232+ST234+ST242+ST244+245+ST252)</b>	<b>CT 200</b>	<b>3,057.00</b>		
	<b>(b) Premises</b>	253	-	100%	-
	<b>(c) Furniture &amp; Fixtures</b>	254	29.81	100%	29.81
<b>VII</b>	<b>Other Assets</b>				
	(a) Income-tax deducted at source (net of provisions)	255	-	0%	-
	(b) Advance tax paid (net of provision)	256	-	0%	-
	(c) Interest due on Government Securities	257	-	0%	-
	(d) Others (to be specified)	258	47.24	100%	47.24
	<b>Total weighted assets (Items 210 to 258)</b>	<b>200</b>	<b>3,942.89</b>	<b>0%</b>	<b>3,122.41</b>

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

Note: Cash margin/deposits 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		
I.	Aggregate of credit exposures categorised into :	
	Item name	Amount
(i)	Standard assets	411
	Sub-standard assets :	
	(a) Lease and hire purchase assets	412
	(b) Other credit facilities	413
	(iii) Doubtful assets	414
	(iv) Loss assets	415
	<b>Gross Credit Exposure (411 to 415)</b>	<b>410</b>
	Total NPAs	416
	Gr. NPA (%)	417
	Provision for NPA	418
	Net NPA	419
	<b>Net Credit Exposure</b>	<b>420</b>
	Net NPA (%)	420





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

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

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

#### CERTIFICATE

Certified that

- 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, 2018** 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

Deepak Patwary  
(Partner)  
M. No.061971

Date : 27-Jun-18  
Place: Guwahati

