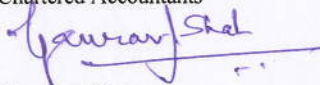


Ananya Finance for Inclusive Growth Private Limited  
Balance Sheet as at 31st March 2016

|   | Note | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|---|------|------------------------------------|------------------------------------|
| <b>EQUITY AND LIABILITIES</b>   |      |                                    |                                    |
| <b>Shareholders' funds</b>  |      |                                    |                                    |
| Share capital   | 2.1  | 755,100,100                        | 665,100,100                        |
| Reserves and surplus  | 2.2  | (532,273,153)                      | (457,793,114)                      |
|   |      | <u>222,826,947</u>                 | <u>207,306,986</u>                 |
| <b>Non-current liabilities</b>  |      |                                    |                                    |
| Long-term borrowings  | 2.3  | 286,161,353                        | 226,806,425                        |
| Other long-term liabilities   | 2.4  | 41,165,914                         | 32,277,578                         |
| Long-term provisions  | 2.5  | 2,097,174                          | 2,433,478                          |
|   |      | <u>329,424,441</u>                 | <u>261,517,481</u>                 |
| <b>Current liabilities</b>  |      |                                    |                                    |
| Trade payables :  | 2.6  |                                    |                                    |
| Total outstanding dues of micro enterprise and small enterprises            |      | -                                  | -                                  |
| Total outstanding dues of other than micro enterprise and small enterprises |      | 1,562,980                          | 835,942                            |
| Other current liabilities   | 2.7  | 354,244,608                        | 217,469,031                        |
| Short-term provisions   | 2.8  | 2,626,598                          | 2,202,644                          |
|   |      | <u>358,434,186</u>                 | <u>220,507,617</u>                 |
| <b>Total</b>  |      | <u>910,685,574</u>                 | <u>689,332,084</u>                 |
| <b>ASSETS</b>   |      |                                    |                                    |
| <b>Non-current assets</b>   |      |                                    |                                    |
| Fixed assets  |      |                                    |                                    |
| (i) Tangible assets   | 2.9  | 470,482                            | 328,826                            |
| (ii) Intangible assets  | 2.10 | -                                  | -                                  |
|   |      | <u>470,482</u>                     | <u>328,826</u>                     |
| Non-current investments   | 2.11 | 8,000,000                          | 3,450,000                          |
| Deferred tax assets, net  | 2.12 | 37,381,039                         | 44,325,184                         |
| Long-term loans and advances  | 2.13 | 153,927,626                        | 153,844,630                        |
| Other non-current assets  | 2.14 | 38,199,563                         | 26,738,370                         |
|   |      | <u>237,508,228</u>                 | <u>228,358,184</u>                 |
| <b>Current assets</b>   |      |                                    |                                    |
| Current investments   | 2.15 | -                                  | 63,200,000                         |
| Cash and cash equivalents   | 2.16 | 64,157,427                         | 55,195,072                         |
| Short-term loans and advances   | 2.17 | 605,049,584                        | 336,517,575                        |
| Other current assets  | 2.18 | 3,499,853                          | 5,732,427                          |
|   |      | <u>672,706,864</u>                 | <u>460,645,074</u>                 |
| <b>Total</b>  |      | <u>910,685,574</u>                 | <u>689,332,084</u>                 |

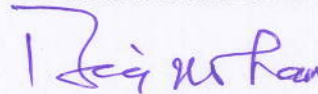
See accompanying notes forming part of financial statements  
In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

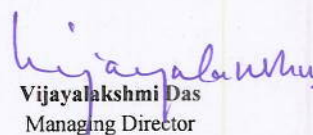


Gaurav J Shah  
Partner

For and on behalf of the Board of Directors



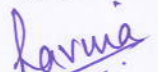
Brij Mohan  
Chairman



Vijayalakshmi Das  
Managing Director



Madhvi Desai  
Chief Financial Officer



Lavina Parikh  
Company Secretary

Place: Ahmedabad  
Date: 17 June 2016

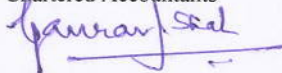
Place: Ahmedabad  
Date: 17 June 2016

Ananya Finance for Inclusive Growth Private Limited  
Statement of Profit and Loss for the year ended 31st March 2016

|   | Note | For the year ended<br>31st March 2016<br>Rupees | For the year ended<br>31st March 2015<br>Rupees |
|---|------|---|---|
| <b>Income</b>   |      |   |   |
| Revenue from operations                               | 2.19 | 98,382,168                                      | 48,106,907                                      |
| Other income  | 2.20 | 8,072,324                                       | 4,211,718                                       |
| <b>Total revenue</b>                                  |      | <b>106,454,492</b>                              | <b>52,318,625</b>                               |
| <b>Expenses</b>                                       |      |   |   |
| Employee benefits expense                             | 2.21 | 14,167,534                                      | 12,143,102                                      |
| Finance costs   | 2.22 | 62,295,170                                      | 27,690,172                                      |
| Depreciation and amortisation                         | 2.23 | 158,366   | 60,943,840                                      |
| Provisions and write offs                             | 2.24 | 183,517   | 28,253,183                                      |
| Other expenses  | 2.25 | 7,185,799                                       | 5,736,054                                       |
| Provision for impairment of investments               |      | -   | 7,122,500                                       |
| <b>Total expenses</b>                                 |      | <b>83,990,386</b>                               | <b>141,888,851</b>                              |
| <b>Profit/(loss) before tax</b>                       |      | <b>22,464,106</b>                               | <b>(89,570,226)</b>                             |
| <b>Tax expense / (benefits):</b>                      |      |   |   |
| - Current tax   |      | -   | -   |
| - Deferred tax  |      | 6,944,145                                       | (44,325,184)                                    |
| <b>Profit/(loss)after tax</b>                         |      | <b>15,519,961</b>                               | <b>(45,245,042)</b>                             |
| <b>Earnings per equity share</b>                      |      |   |   |
| [nominal value of share Rs. 10 (previous year Rs.10)] | 2.26 |   |   |
| - Basic and diluted                                   |      | 0.32  | (1.07)  |


See accompanying notes forming part of financial statements  
In terms of our report attached


For Deloitte Haskins & Sells  
Chartered Accountants


  
Gaurav J Shah  
Partner

For and on behalf of the Board of Directors

  
Brij Mohan  
Chairman

  
Vijayalakshmi Das  
Managing Director

  
Madhvi Desai  
Chief Financial Officer

  
Lavina Parikh  
Company Secretary

Place: Ahmedabad  
Date: 17 June 2016

Place: Ahmedabad  
Date: 17 June 2016



**Ananya Finance for Inclusive Growth Private Limited**  
**Cash Flow Statement for the year ended 31st March 2016**

|   | For the year ended<br>31st March 2016<br>Rupees | For the year ended<br>31st March 2015<br>Rupees |
|---|---|---|
| <b>Cash flows from operating activities</b>                               |   |   |
| <b>Net Profit / (loss) before tax</b>                                     | 22,464,106                                      | (89,570,226)                                    |
| Adjustments :   |   |   |
| Depreciation and amortisation   | 158,366   | 60,943,840                                      |
| Provisions and write offs on loan portfolio                               | 183,517   | 28,253,183                                      |
| Profit / Loss on write off of fixed asset                                 | 1,978   | -   |
| Income from mutual fund investments                                       | (2,141,709)                                     | (1,439,960)                                     |
| Interest income on fixed deposit and others                               | (5,928,827)                                     | (2,760,019)                                     |
| Finance Cost  | 62,295,170                                      | 27,690,172                                      |
| Provision for impairment on investments                                   | -   | 7,122,500                                       |
| <b>Operating cash flows before working capital changes</b>                | <b>77,032,601</b>                               | <b>30,239,490</b>                               |
| (Increase) / decrease in loans and advances                               | (252,129,615)                                   | (136,737,047)                                   |
| (Increase) / decrease in other assets                                     | 3,513,252                                       | (1,161,053)                                     |
| Increase / (decrease) in long term liabilities                            | 8,888,336                                       | 31,956,190                                      |
| Increase / (decrease) in other liabilities and provisions                 | 49,220,549                                      | (3,193,333)                                     |
| <b>Cash generated from operations</b>                                     | <b>(113,474,877)</b>                            | <b>(78,895,753)</b>                             |
| Finance Cost Paid   | (51,544,094)                                    | (30,677,871)                                    |
| Income taxes (paid) / refunded, net                                       | (16,485,390)                                    | (5,656,242)                                     |
| <b>Net cash provided / (used) by operating activities (A)</b>             | <b>(181,504,361)</b>                            | <b>(115,229,866)</b>                            |
| <b>Cash flows from investing activities</b>                               |   |   |
| Purchase of fixed assets  | (302,000)                                       | (324,223)                                       |
| Purchase of units of mutual funds   | (479,160,000)                                   | (416,200,000)                                   |
| Proceeds from sale of units of mutual funds                               | 544,501,709                                     | 354,439,960                                     |
| Investment in preference shares   | (4,550,000)                                     | (3,450,000)                                     |
| Interest received on Fixed Deposit  | 4,686,956                                       | 1,466,531                                       |
| Bank balance to the extent not considered in cash and cash equivalent     | (27,723,421)                                    | (33,007,407)                                    |
| <b>Net cash provided / (used) by investing activities (B)</b>             | <b>37,453,244</b>                               | <b>(97,075,139)</b>                             |
| <b>Cash flows from financing activities</b>                               |   |   |
| Proceeds from issue of equity shares                                      | -   | 5,000,100                                       |
| Proceeds from issue of preference shares                                  | -   | 49,999,900                                      |
| Proceeds from long-term borrowings  | 365,000,000                                     | 350,000,000                                     |
| Repayment of long-term borrowings   | (228,209,949)                                   | (179,823,570)                                   |
| <b>Net cash provided / (used) by financing activities (C)</b>             | <b>136,790,051</b>                              | <b>225,176,430</b>                              |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>     | <b>(7,261,066)</b>                              | <b>12,871,425</b>                               |
| Cash and cash equivalents at the beginning of the year                    | 31,503,428                                      | 18,632,003                                      |
| <b>Cash and cash equivalents at the end of the year (Refer note 2.16)</b> | <b>24,242,362</b>                               | <b>31,503,428</b>                               |



**Ananya Finance for Inclusive Growth Private Limited**  
**Cash Flow Statement for the year ended 31st March 2016**

**For the year ended**                      **For the year ended**  
**31st March 2016**                      **31st March 2015**

**Notes to Cash Flow Statement**

1. Reconciliation of Cash and cash equivalents with the Balance Sheet:

Cash and cash equivalent as per Balance Sheet (Refer Note 2.16(a))

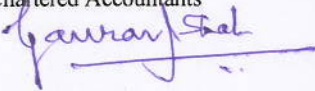
|                   |                   |
|-------------------|-------------------|
| 24,242,362        | 31,503,428        |
| <u>24,242,362</u> | <u>31,503,428</u> |

2. Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification

3. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement'

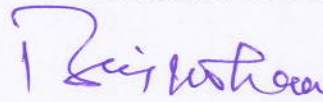
See accompanying notes forming part of financial statements  
In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

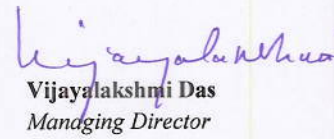


**Gaurav J Shah**  
Partner

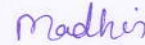
**For and on behalf of the Board of Directors**



**Brij Mohan**  
Chairman



**Vijayalakshmi Das**  
Managing Director



**Madhvi Desai**  
Chief Financial Officer



**Lavina Parikh**  
Company Secretary

Place: Ahmedabad  
Date: 17 June 2016

Place: Ahmedabad  
Date: 17 June 2016



**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to the financial statements for the year ended 31st March 2016**

**1. Corporate Information**

Ananya Finance for Inclusive Growth Private Limited incorporated on 22 April 2009 under the Companies Act 1956 is a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ('NBFC') engaged in providing financial services to institutions working in the space of financial inclusion like microfinance institutions, agriculture producer companies, co-operatives etc. in India.

**1.1 Significant Accounting Policies**

**a. Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act'). The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, except for the change in accounting policy, as referred in Note. 2.39.

Further, the Company follows the prudential norms for income recognition and provisioning for Non-performing Assets as prescribed by the Reserve Bank of India for Non systemically Important Non-Banking Financial (Non – Deposit Accepting or Holding) Company.

**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 recognised in the periods in which the results are known / materialise.

**c. Operating Cycle**

Company has ascertained its operating cycle as 12 months that is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

**d. Revenue recognition**

- i). Interest income on loan portfolio is recognised in the Statement of Profit and Loss on accrual basis taking into account the amount outstanding and rate applicable except in the case of non-performing assets (NPA's) where it is recognized, upon realization, as per the prudential norms of RBI.
- ii). Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rate.
- iii). Dividend income is accounted when the right to receive the dividend is established.
- iv). Income from non-refundable revenue grant is recognised in the statement of profit and loss on fulfillment of Grant obligations.

**e. Classification of loan portfolio and provisioning policy**

The Company classifies its loan portfolio in accordance with the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 into Performing and Non-performing Assets (NPA). Further, NPAs are classified into sub-standard, doubtful and loss assets.





**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to the financial statements for the year ended 31st March 2016 (continued)**

**f. Fixed assets and depreciation**

*Tangible assets*

Tangible assets are carried at cost of acquisition less accumulated depreciation and/ or accumulated impairment loss, if any. The cost of tangible assets comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use.

Tangible assets under construction and tangible assets acquired but not ready for their intended use are disclosed as capital work-in-progress.

Depreciation on tangible assets is calculated on a straight-line basis, using the rates based on the useful lives estimated by the management, based on a technical evaluation, which is different from the useful life as specified in Schedule II of the Act. The comparison between the useful life estimated by the Management and the useful life as defined in Schedule II of the Act is as follows:

| Asset class            | Estimated useful life adopted by the Company | Estimated useful life as per Schedule II of the Companies Act, 2013 |
|------------------------|--|---|
| Furniture and fixtures | 3 to 4 years                                 | 10 years  |
| Vehicles               | 4 years                                      | 8 to 10 years   |
| Office equipments      | 5 years                                      | 5 years   |
| Computers              | 3 years                                      | 3 years   |

Depreciation is calculated on a pro-rata basis from the day the assets are purchased / sold. Tangible assets individually costing less than Rs. 5,000 are depreciated fully in the year of purchase.

*Intangible assets*

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised using straight-line method over a period of 3 to 5 years respectively.

**g. Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that any assets forming part of its cash generating units may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount subject to a maximum of depreciated historical cost.

**h. Investments**

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realized within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current-non-current classification.

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures etc.





**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to the financial statements for the year ended 31st March 2016 (continued)**

**i. Employee benefits**

*Defined contribution plans*

The Company makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

*Defined benefit plan*

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is covered under a scheme administered by the Life Insurance Corporation of India and the contributions made by the company to the scheme are recognised in Statement of Profit and Loss. The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets. The calculation of the Company's obligation under the plan is performed annually by qualified independent actuary using the projected unit credit method. Actuarial gains and losses arising during the year are immediately recognised in the Statement of Profit and Loss

*Compensated absences*

Compensated absences, is a long-term employee benefit, and accrued based on an actuarial valuation done as per projected unit credit method as at the balance sheet date, carried out by an independent actuary.

Actuarial gains and losses arising during the year are immediately recognised in the Statement of Profit and Loss.

**j. Income tax**

Income tax expense comprises current tax and deferred tax.

*Current tax*

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

*Deferred tax*

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or benefit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonably/virtually certain to be realised.

**k. Earnings per share**

Basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later date.





**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to the financial statements for the year ended 31st March 2016 (continued)**

**l. Provisions and contingent liabilities**

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

**m. Leases**

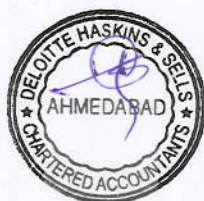
Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

**n. Accounting for Processing Fees Income / Expenses**

Loan processing fees income and loan processing charges cost are recognised as income or expense in the year in which it is received or paid respectively.

**o. Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

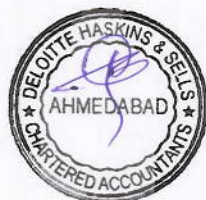




Ananya Finance for Inclusive Growth Private Limited  
Notes to the financial statements for the year ended 31st March 2016 (continued)

|  | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|--|------------------------------------|------------------------------------|
| <b>2.1 Share capital</b>   |                                    |                                    |
| <b>Authorised:</b>   |                                    |                                    |
| 150,000,000 (Previous year: 150,000,000) equity shares of Rs. 10 each Class A  | 1,500,000,000                      | 1,500,000,000                      |
| 10,000,000 (Previous year: 10,000,000) equity shares of Rs. 10 each Class B  | 100,000,000                        | 100,000,000                        |
| 40,000,000 (Previous year: 40,000,000) preference shares of Rs. 10 each  | 400,000,000                        | 400,000,000                        |
|  | <u>2,000,000,000</u>               | <u>2,000,000,000</u>               |
| <b>Issued, subscribed and paid-up:</b>   |                                    |                                    |
| 51,510,020 (Previous year: 33,510,020) equity shares of Rs. 10 each 'class A', fully paid-up                                 | 515,100,200                        | 335,100,200                        |
| 10,000,000 (Previous year: 10,000,000) 6% compulsorily convertible cumulative preference shares of Rs.10 each, fully paid up | 100,000,000                        | 100,000,000                        |
| 0 (Previous year: 9,000,000) 8% compulsorily convertible cumulative preference shares of Rs.10 each, fully paid up           | -                                  | 90,000,000                         |
| 9,000,000 (Previous year: 9,000,000) 8% optionally convertible cumulative preference shares of Rs.10 each, fully paid up     | 90,000,000                         | 90,000,000                         |
| 4,999,990 (Previous year: 4,999,990) 8% compulsorily convertible cumulative preference shares of Rs.10 each, fully paid up   | 49,999,900                         | 49,999,900                         |
|  | <u>755,100,100</u>                 | <u>665,100,100</u>                 |

| 2.1.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period:<br>Particulars | As at 31st March 2016 |                    | As at 31st March 2015 |                    |
|--|-----------------------|--------------------|-----------------------|--------------------|
|  | Number of shares      | Amount             | Number of shares      | Amount             |
| <b>Equity shares</b>   |                       |                    |                       |                    |
| <b>Class A</b>   |                       |                    |                       |                    |
| At the commencement of the year  | 33,510,020            | 335,100,200        | 33,010,010            | 330,100,100        |
| Converted from Class B   | 9,000,000             | 90,000,000         | -                     | -                  |
| Issue of bonus shares  | 9,000,000             | 90,000,000         | -                     | -                  |
| Issued during the year   | -                     | -                  | 500,010               | 5,000,100          |
| Shares bought back during the year   | -                     | -                  | -                     | -                  |
| At the end of the year   | <u>51,510,020</u>     | <u>515,100,200</u> | <u>33,510,020</u>     | <u>335,100,200</u> |
| <b>Class B</b>   |                       |                    |                       |                    |
| At the commencement of the year  | -                     | -                  | -                     | -                  |
| Preference shares converted into Equity shares during the year   | 9,000,000             | 90,000,000         | -                     | -                  |
| Less: Converted into Class A   | (9,000,000)           | (90,000,000)       | -                     | -                  |
| At the end of the year   | -                     | -                  | -                     | -                  |
| At the end of the year   | <u>51,510,020</u>     | <u>515,100,200</u> | <u>33,510,020</u>     | <u>335,100,200</u> |
| <b>6% compulsorily convertible cumulative preference shares</b>  |                       |                    |                       |                    |
| At the commencement of the year  | 10,000,000            | 100,000,000        | 10,000,000            | 100,000,000        |
| Issued during the year   | -                     | -                  | -                     | -                  |
| Bought back during the year  | -                     | -                  | -                     | -                  |
| At the end of the year   | <u>10,000,000</u>     | <u>100,000,000</u> | <u>10,000,000</u>     | <u>100,000,000</u> |
| <b>8% optionally convertible cumulative preference shares</b>  |                       |                    |                       |                    |
| At the commencement of the year  | 9,000,000             | 90,000,000         | 9,000,000             | 90,000,000         |
| Issued during the year   | -                     | -                  | -                     | -                  |
| Bought back during the year  | -                     | -                  | -                     | -                  |
| At the end of the year   | <u>9,000,000</u>      | <u>90,000,000</u>  | <u>9,000,000</u>      | <u>90,000,000</u>  |
| <b>8% compulsorily convertible cumulative preference shares</b>  |                       |                    |                       |                    |
| At the commencement of the year  | 13,999,990            | 139,999,900        | 9,000,000             | 90,000,000         |
| Issued during the year   | -                     | -                  | 4,999,990             | 49,999,900         |
| Conversion during the year   | 9,000,000             | 90,000,000         | -                     | -                  |
| At the end of the year   | <u>4,999,990</u>      | <u>49,999,900</u>  | <u>13,999,990</u>     | <u>139,999,900</u> |





**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to financial statements for the year ended 31st March 2016 (continued)**  
**2.1 Share capital (continued)**

**2.1.2 Rights, preferences and restrictions attached to equity shares**

a) The Company has two class of equity shares having a par value of Rs. 10 per equity share. All equity shares rank equally with regard to dividends and share in the Company's residual assets. Class B equity shares, over and above all rights and privileges available to an ordinary equity shareholder, are also entitled to bonus equity shares. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**Rights, preferences and restrictions attached to preference shares**

b) All the Preference share holders carry a preferential right as to dividend over equity shareholders if and when dividend is declared by the Company. In the event of liquidation, preference share holders have preferential right over equity share holders to be repaid to the extent of Capital paid up and dividend in arrears of such shares.

**1) 10,000,000 6% compulsorily convertible cumulative preference shares of Rs.10 each, fully paid up**

The Company has issued 10,000,000 6% compulsorily convertible cumulative preference shares (CCCPS) of Rs. 10 each at par to Indian Foundation for Inclusive Growth. These preference shares are compulsorily convertible into equity shares of the Company on 31 March 2017 on a fully diluted basis at agreed conversion rate in accordance with the terms of Subscription and Shareholders agreement. The agreement provides for optional conversion after 3 years from the allotment date in the event the preference shareholders give a conversion notice.

**2) 13,999,990 8% compulsorily convertible cumulative preference shares**

2.1) The Company had issued 9,000,000 8% compulsorily convertible cumulative preference shares (WWB CCPS) of Rs. 10 each at par to Womens World Banking Capital partner, LP (formerly WWB ISISI Fund, LP). These preference shares were compulsorily convertible into equity shares within a period of 21 days from the date of receipt of the Audited Statement for the financial year ending 31st March 2015. The conversion price of each WWB CCPS is between Rs. 5 to Rs. 10 per WWB CCPS based on the Adjusted NAV of the Company on a fully diluted basis. In case the conversion price is less than Rs.10 (par value), the WWB CCPS will get converted into a Class B Equity Shares (which will be the only class eligible for bonus shares) in accordance with the terms of Subscription and Shareholders agreement. Accordingly, these shares have been converted during the current financial year.

2.2) The Company has issued 4,999,990 8% compulsorily convertible cumulative preference shares (C4D CCPS) of Rs. 10 each at par to Stichting Capital 4 Development. These preference shares are compulsorily convertible into equity shares any time after three years from the date of allotment at the lower of the face value or 70% of the book value of the Company in accordance with the terms of Shareholders agreement.

**3) 9,000,000 8% optionally convertible cumulative preference shares**

The Company has issued 9,000,000 8% optionally convertible cumulative preference shares (OCCPS) of Rs. 10 each at par to IDBI Bank Ltd. These preference shares shall be convertible at the rate of Rs. 10 per share, at the instance of the Investor at any time after Year 5 (five) of the investment into one equity share for each OCCPS held in accordance with the terms of Subscription and Shareholders agreement. IDBI may at its own discretion redeem the unconverted OCCPS at the end of 10th year from date of agreement.

**2.1.3 Particulars of shareholder holding more than 5% of equity shares of Rs.10 each fully paid up:**

| Name of the equity shareholder  | As at<br>31st March 2016 |              | As at<br>31st March 2015 |              |
|---|--------------------------|--------------|--------------------------|--------------|
|   | Number of shares         | % of holding | Number of shares         | % of holding |
| <b>Class A</b>  |                          |              |                          |              |
| Sudha Kapurchand Kothari - as a trustee of Indian Foundation for Inclusive Growth | 33,000,000               | 64.07%       | 33,000,000               | 98.48%       |
| Womens World Banking Capital Partner, LP (formerly WWB ISISI Fund, LP.)           | 18,000,010               | 34.94%       | -                        | -            |

**2.1.4 Particulars of shareholders holding more than 5% of 6% compulsorily convertible cumulative preference shares of Rs.10 each fully paid up:**

| Name of the preference shareholder                               | As at<br>31st March 2016 |              | As at<br>31st March 2015 |              |
|--|--------------------------|--------------|--------------------------|--------------|
|  | Number of shares         | % of holding | Number of shares         | % of holding |
| 6% compulsorily convertible cumulative preference shares held by | 10,000,000               | 100%         | 10,000,000               | 100%         |





Ananya Finance for Inclusive Growth Private Limited

Notes to financial statements for the year ended 31st March 2016 (continued)

2.1 Share capital (continued)

2.1.5 Particulars of shareholders holding more than 5% of 8% compulsorily convertible cumulative preference shares of Rs.10 each fully paid up:

| Name of the preference shareholder                               | As at<br>31st March 2016<br>Rupees |              | As at<br>31st March 2015<br>Rupees |              |
|--|------------------------------------|--------------|------------------------------------|--------------|
|  | Number of shares                   | % of holding | Number of shares                   | % of holding |
| 8% compulsorily convertible cumulative preference shares held by | -                                  | -            | 9,000,000                          | 64%          |
| 8% compulsorily convertible cumulative preference shares held by | 4,999,990                          | 100%         | 4,999,990                          | 36%          |

2.1.6 Particulars of shareholders holding more than 5% of 8% optionally convertible cumulative preference shares of Rs.10 each fully paid up:

| Name of the preference shareholder                                  | As at<br>31st March 2016<br>Rupees |              | As at<br>31st March 2015<br>Rupees |              |
|---|------------------------------------|--------------|------------------------------------|--------------|
|   | Number of shares                   | % of holding | Number of shares                   | % of holding |
| 8% optionally convertible cumulative preference shares held by IDBI | 9,000,000                          | 100%         | 9,000,000                          | 100%         |

2.1.7 Aggregate number of shares issued other than cash, during the period of 5 years immediately preceding the reporting date.

| Particulars   | Aggregate No. of share as at<br>31st March 2016 | Aggregate No. of share as at<br>31st March 2015 |
|---|---|---|
| Fully paid up Equity shares issued as bonus shares. | 9,000,000                                       | -   |

2.2 Reserves and surplus

|   | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|---|------------------------------------|------------------------------------|
| <b>Securities premium account</b>                                       |                                    |                                    |
| At the commencement of the year   | 147,761,737                        | 147,761,737                        |
| Less: amount utilised towards issue of bonus shares                     | (90,000,000)                       | -                                  |
| Closing balance   | <u>57,761,737</u>                  | <u>147,761,737</u>                 |
| <b>Statutory reserve (created under Section 45-1C of RBI Act, 1934)</b> |                                    |                                    |
| At the commencement of the year   | 3,309,122                          | 3,309,122                          |
| Add: Transferred from surplus   | 3,103,992                          | -                                  |
| Closing balance   | <u>6,413,114</u>                   | <u>3,309,122</u>                   |
| <b>Surplus in the statement of profit and loss</b>                      |                                    |                                    |
| At the commencement of the year   | (608,863,973)                      | (563,618,931)                      |
| Add : Net Profit / (Loss) for the year                                  | 15,519,961                         | (45,245,042)                       |
| Less: Transferred to statutory reserve                                  | (3,103,992)                        | -                                  |
| Closing balance   | <u>(596,448,005)</u>               | <u>(608,863,973)</u>               |
| <b>Total reserves and surplus</b>                                       | <u>(532,273,153)</u>               | <u>(457,793,114)</u>               |



Ananya Finance for Inclusive Growth Private Limited  
Notes to the financial statements for the year ended 31st March 2016 (continued)

|  | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|--|------------------------------------|------------------------------------|
| <b>2.3 Long-term borrowings</b>                                      |                                    |                                    |
| <b>Secured</b>   |                                    |                                    |
| Term loans from banks *  | 70,761,918                         | 83,047,617                         |
| Term loans from others *   | 63,649,435                         | -                                  |
| <b>Unsecured</b>   |                                    |                                    |
| Term loans from financial institution*                               | 151,750,000                        | 111,750,000                        |
| Term loans from a related party*                                     | -                                  | 32,008,808                         |
|  | <u>286,161,353</u>                 | <u>226,806,425</u>                 |
| *Refer note 2.27 for terms of borrowings.                            |                                    |                                    |
| <b>2.4 Other long-term liabilities</b>                               |                                    |                                    |
| Unamortised processing fees (Refer Note. 2.39)                       | -                                  | 876,019                            |
| Security deposit from borrowers                                      | 40,423,700                         | 31,000,000                         |
| Interest accrued on security deposits                                | 742,214                            | 401,559                            |
|  | <u>41,165,914</u>                  | <u>32,277,578</u>                  |
| <b>2.5 Long-term provisions</b>                                      |                                    |                                    |
| Contingent provision against standard assets*                        | 292,442                            | 341,174                            |
| Provision for non performing assets*                                 | 467,507                            | -                                  |
| Provision for diminution in the fair value of restructured advances* | 301,743                            | 1,207,500                          |
| Provision for employee benefits                                      |                                    |                                    |
| Gratuity (funded) (Refer note 2.36)                                  | 274,773                            | 194,904                            |
| Compensated absences   | 760,709                            | 689,900                            |
|  | <u>2,097,174</u>                   | <u>2,433,478</u>                   |
| *Refer note 2.30   |                                    |                                    |
| <b>2.6 Trade Payables</b>  |                                    |                                    |
| Micro enterprise and small enterprises (Refer Note 2.38)             |                                    |                                    |
| Acceptances  | -                                  | -                                  |
| Other than Acceptance  | -                                  | -                                  |
| Other than micro enterprise and small enterprises                    |                                    |                                    |
| Acceptances  | -                                  | -                                  |
| Other then Acceptance  | 1,562,980                          | 835,942                            |
|  | <u>1,562,980</u>                   | <u>835,942</u>                     |
| <b>2.7 Other current liabilities</b>                                 |                                    |                                    |
| Current maturities of long-term debt                                 |                                    |                                    |
| -Term loans from banks - Secured*                                    | 162,285,706                        | 185,500,001                        |
| -Term loans from others - Secured*                                   | 86,099,460                         | -                                  |
| -Term loans from financial institution - Unsecured*                  | 10,000,000                         | 10,000,000                         |
| -Term loans from related party - Unsecured*                          | 32,881,958                         | 18,332,000                         |
| Interest accrued but not due on borrowings                           | 2,097,452                          | 303,082                            |
| Security deposit from borrowers                                      | 50,500,000                         | -                                  |
| Interest accrued on security deposits                                | 3,747,559                          | -                                  |
| Unamortised processing fees (Refer Note. 2.39)                       | -                                  | 2,053,689                          |
| Unspent amount of Poorest State Initiative Growth project            | 6,313,692                          | 911,644                            |
| Share application money  | -                                  | 690                                |
| Statutory liabilities  | 318,781                            | 367,925                            |
|  | <u>354,244,608</u>                 | <u>217,469,031</u>                 |
| *Refer note 2.27 for terms of borrowings                             |                                    |                                    |
| <b>2.8 Short-term provisions</b>                                     |                                    |                                    |
| Contingent provision against standard assets*                        | 1,510,536                          | 840,037                            |
| Provision for employee benefits                                      |                                    |                                    |
| Gratuity (funded) (Refer note 2.36)                                  | 787,462                            | 626,244                            |
| Compensated absences   | 328,600                            | 736,363                            |
|  | <u>2,626,598</u>                   | <u>2,202,644</u>                   |

\*Refer note 2.30





Ananya Finance for Inclusive Growth Private Limited  
Notes to the financial statements for the year ended 31st March 2016 (continued)

2.9 Tangible Assets

| Particulars      | Gross block             |                |                |                          |                         |                | Depreciation   |                          |                          | Net block                |   |
|------------------|-------------------------|----------------|----------------|--------------------------|-------------------------|----------------|----------------|--------------------------|--------------------------|--------------------------|---|
|                  | As at<br>1st April 2015 | Additions      | Disposals      | As at<br>31st March 2016 | As at<br>1st April 2015 | For the year   | Disposals      | As at<br>31st March 2016 | As at<br>31st March 2016 | As at<br>31st March 2015 |   |
|                  | Furniture and fixtures  | 26,546         | -              | -                        | 26,546                  | 26,546         | -              | -                        | 26,546                   | -                        | - |
| Vehicles         | 615,141                 | -              | -              | 615,141                  | 615,141                 | -              | -              | 615,141                  | -                        | -                        |   |
| Office equipment | 255,362                 | 119,900        | 6,470          | 368,792                  | 236,555                 | 24,846         | 4,492          | 256,909                  | 111,883                  | 18,807                   |   |
| Computers        | 990,804                 | 182,100        | 151,890        | 1,021,014                | 680,785                 | 133,520        | 151,890        | 662,415                  | 358,599                  | 310,019                  |   |
| <b>Total</b>     | <b>1,887,853</b>        | <b>302,000</b> | <b>158,360</b> | <b>2,031,493</b>         | <b>1,559,027</b>        | <b>158,366</b> | <b>156,382</b> | <b>1,561,011</b>         | <b>470,482</b>           | <b>328,826</b>           |   |
| Previous year    | 1,621,250               | 324,223        | 57,620         | 1,887,853                | 1,530,292               | 86,355         | 57,620         | 1,559,027                | 328,826                  |                          |   |

2.10 Intangible Assets

| Particulars        | Gross block             |           |           | Amortisation             |                         |              | Net block |                          |                          |
|--------------------|-------------------------|-----------|-----------|--------------------------|-------------------------|--------------|-----------|--------------------------|--------------------------|
|                    | As at<br>1st April 2015 | Additions | Disposals | As at<br>31st March 2016 | As at<br>1st April 2015 | For the year | Disposals | As at<br>31st March 2016 | As at<br>31st March 2015 |
|                    | Software                | 1,260,000 | -         | -                        | 1,260,000               | 1,260,000    | -         | -                        | 1,260,000                |
| Intangible assets* | 303,200,000             | -         | -         | 303,200,000              | 303,200,000             | -            | -         | 303,200,000              | -                        |
| <b>Total</b>       | <b>304,460,000</b>      | <b>-</b>  | <b>-</b>  | <b>304,460,000</b>       | <b>304,460,000</b>      | <b>-</b>     | <b>-</b>  | <b>304,460,000</b>       | <b>-</b>                 |
| Previous year      | 304,460,000             | -         | -         | 304,460,000              | 243,602,515             | 60,857,485   | -         | 304,460,000              | -                        |

\* Intangible assets acquired as per business transfer agreement with F.WWB represent microfinance customer acquisition cost including customer profiling, customer credit history, technical knowhow, market knowhow and associated lending and investment methods and procedures.



Ananya Finance for Inclusive Growth Private Limited  
Notes to the financial statements for the year ended 31st March 2016 (continued)

|  | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|--|------------------------------------|------------------------------------|
| <b>2.11 Non-current investments</b>  |                                    |                                    |
| <i>(valued at cost, unless stated otherwise)</i>   |                                    |                                    |
| <b>Trade Investments (Unquoted)</b>  |                                    |                                    |
| <b>Investments in preference shares (fully paid-up)</b>  |                                    |                                    |
| 800,000 (previous year: 345,000) 0% Non - convertible cumulative redeemable preference shares of Rs. 10 each of Access Livelihood Consulting India Limited | 8,000,000                          | 3,450,000                          |
| 327,250 (previous year: 327,250) 0.001% optionally convertible cumulative redeemable preference shares of Rs.10 each of Asmitha Microfin Limited           | 3,272,500                          | 3,272,500                          |
| 385,000 (previous year: 385,000) 0.001% optionally convertible cumulative redeemable preference shares of Rs.10 each of Share Microfin Limited             | 3,850,000                          | 3,850,000                          |
| Less: Provision for permanent diminution in the value of investments   | (7,122,500)                        | (7,122,500)                        |
|  | <u>8,000,000</u>                   | <u>3,450,000</u>                   |
| <br>Aggregate value of unquoted non-current investments  | <br>8,000,000                      | <br>3,450,000                      |
| <b>2.12 Deferred tax assets, net</b>   |                                    |                                    |
| <i>Tax effect of items constituting deferred tax assets</i>  |                                    |                                    |
| Disallowances under Section 43B of Income Tax Act, 1961  | 698,068                            | 266,463                            |
| Disallowances under Section 36 of Income Tax Act, 1961   | 5,193,932                          | -                                  |
| Timing Difference between book and income tax depreciation   | 17,989,599                         | -                                  |
| Unabsorbed depreciation carried forward  | 13,499,439                         | 44,058,721                         |
| Carry forward losses   |                                    |                                    |
|  | <u>37,381,039</u>                  | <u>44,325,184</u>                  |
| <b>2.13 Long-term loans and advances</b>   |                                    |                                    |
| <b>Secured</b>   |                                    |                                    |
| Loan portfolio considered good*  | 116,976,673                        | 136,469,660                        |
| Other non-performing assets**  | 3,090,593                          | -                                  |
| <b>Unsecured, considered good</b>  |                                    |                                    |
| Rental deposits with related party   | 73,500                             | 73,500                             |
| Advance tax [net of provision of Rs. 8,255,776 (previous year: Rs. 8,255,776)]   | 33,786,860                         | 17,301,470                         |
|  | <u>153,927,626</u>                 | <u>153,844,630</u>                 |
| <br>*Represents standard assets in accordance with classification of assets as per RBI Prudential norms for NBFCs (Refer note 2.30)                        |                                    |                                    |
| **Represents Non Performing Assets in accordance with classification of assets as per RBI Prudential norms for NBFCs (Refer note 2.30)                     |                                    |                                    |
| <b>2.14 Other non-current assets</b>   |                                    |                                    |
| <i>Unsecured, considered good</i>  |                                    |                                    |
| Bank deposit (with more than 12 months maturity)*  | 36,500,000                         | 25,000,000                         |
| Interest accrued on bank deposits  | 1,699,563                          | 550,929                            |
| Unamortised processing fees (Refer Note. 2.39)   | -                                  | 1,187,441                          |
|  | <u>38,199,563</u>                  | <u>26,738,370</u>                  |

\* Represents deposit Rs.36,500,000 (Previous Year : Rs.25,000,000) held as margin money against loans availed by the Company.





**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to the financial statements for the year ended 31st March 2016 (continued)**

|  | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|--|------------------------------------|------------------------------------|
| <b>2.15 Current investments</b>  |                                    |                                    |
| <b>Investment in mutual funds (fully paid-up) - quoted</b>   |                                    |                                    |
| Nil (previous year: 11,934.029) units of Axis liquid fund - direct plan-growth   | -                                  | 18,500,000                         |
| Nil (previous year: 29,824.307) units of IDBI liquid fund - direct plan-growth   | -                                  | 44,700,000                         |
|  | <u>-</u>                           | <u>63,200,000</u>                  |
| <b>Quoted current investments</b>  |                                    |                                    |
| Aggregate book value   | -                                  | 63,200,000                         |
| Aggregate market value   | -                                  | 63,247,047                         |
| <b>2.16 Cash and cash equivalents</b>  |                                    |                                    |
| <b>(a) Cash and cash equivalents (as per AS 3 Cash Flow Statements)</b>  |                                    |                                    |
| Cash on hand   | 46,489                             | 13,453                             |
| Balances with banks  |                                    |                                    |
| - in current accounts  | 24,195,873                         | 31,489,975                         |
|  | <u>24,242,362</u>                  | <u>31,503,428</u>                  |
| <b>(b) Other bank balances</b>   |                                    |                                    |
| - in bank deposits (with less than 12 months maturity)*  | 39,915,065                         | 23,691,644                         |
|  | <u>64,157,427</u>                  | <u>55,195,072</u>                  |
| * Represents deposits of Rs.25,472,119 (Previous Year: Rs.10,520,000) held as margin money against loans availed by the Company. |                                    |                                    |
| <b>2.17 Short-term loans and advances</b>  |                                    |                                    |
| <b>Secured</b>   |                                    |                                    |
| Loan portfolio considered good*  | 604,214,347                        | 336,014,703                        |
| <b>Unsecured, considered good</b>  |                                    |                                    |
| Prepaid expenses   | 485,617                            | 246,547                            |
| Advances to others   | 342,674                            | 256,325                            |
| Balances with Government Authorities   |                                    |                                    |
| CENVAT Credit receivable   | 6,946                              | -                                  |
|  | <u>605,049,584</u>                 | <u>336,517,575</u>                 |
| *Represents standard assets in accordance with classification of assets as per RBI Prudential norms for NBFs (Refer note 2.30)   |                                    |                                    |
| <b>2.18 Other current assets</b>   |                                    |                                    |
| Interest accrued on bank deposits  | 2,697,153                          | 2,603,915                          |
| Interest accrued and due on loan portfolio   | 163,588                            | 232,573                            |
| Interest accrued but not due on loan portfolio   | 590,898                            | 362,112                            |
| Receivable from related party  | 48,214                             | 166,610                            |
| Unspent amount of Poorest state Initiative Growth project  | -                                  | 911,644                            |
| Unamortised processing fees (Refer Note. 2.39)   | -                                  | 1,455,573                          |
|  | <u>3,499,853</u>                   | <u>5,732,427</u>                   |



|   | For the year ended<br>31st March 2016<br>Rupees |                   | For the year ended<br>31st March 2015<br>Rupees |                   |
|---|---|-------------------|---|-------------------|
| <b>2.19 Revenue from operations</b>                                 |   |                   |   |                   |
| Interest income on loan portfolio                                   |   | 86,500,807        |   | 45,460,470        |
| Income from business facilitation                                   |   | 885,419           |   | 209,691           |
| Processing fees on loan portfolio                                   |   | 10,458,181        |   | 2,436,746         |
| Other operating revenues  |   | 12,761            |   | -                 |
| Recoveries from previous write off                                  |   | 525,000           |   | -                 |
|   |   | <u>98,382,168</u> |   | <u>48,106,907</u> |
| <b>2.20 Other income</b>  |   |                   |   |                   |
| Interest income on fixed deposit                                    |   | 5,928,827         |   | 2,760,019         |
| Net gain on sale of current investment                              |   | 2,141,709         |   | 1,439,960         |
| Performance based grant   |   | -                 |   | -                 |
| Profit on sale of fixed assets                                      |   | -                 |   | -                 |
| Consultancy fees  |   | -                 |   | -                 |
| Miscellaneous income  |   | 1,788             |   | 11,739            |
|   |   | <u>8,072,324</u>  |   | <u>4,211,718</u>  |
| <b>2.21 Employee benefits expense</b>                               |   |                   |   |                   |
| Salaries, wages and bonus   | 14,714,669                                      |                   | 15,430,155                                      |                   |
| Less: Reimbursements  | <u>1,986,106</u>                                | 12,728,563        | <u>4,357,472</u>                                | 11,072,683        |
| Contribution to provident and other funds (Refer note 2.36)         | 1,452,410                                       |                   | 1,232,383                                       |                   |
| Less: Reimbursements  | <u>158,896</u>                                  | 1,293,514         | <u>280,548</u>                                  | 951,835           |
| Staff welfare expenses  |   | 145,457           |   | 118,584           |
|   |   | <u>14,167,534</u> |   | <u>12,143,102</u> |
| <b>2.22 Finance costs</b>   |   |                   |   |                   |
| Interest expenses on term loans                                     |   | 36,898,028        |   | 23,230,109        |
| Interest expenses on Security Deposit                               |   | 4,542,460         |   | 446,178           |
| Other borrowing cost  |   | 7,280,794         |   | 4,013,885         |
| Expenditure for Poorest State Initiative Growth Project             |   | 13,573,888        |   | -                 |
|   |   | <u>62,295,170</u> |   | <u>27,690,172</u> |
| <b>2.23 Depreciation and amortisation</b>                           |   |                   |   |                   |
| Depreciation of tangible sssets                                     |   | 158,366           |   | 86,355            |
|   |   | <u>158,366</u>    |   | <u>86,355</u>     |
| <b>2.24 Provisions and write offs</b>                               |   |                   |   |                   |
| Provision on standard assets  |   | 621,767           |   | (227,642)         |
| Provision on non performing assets                                  |   | 467,507           |   | (39,064,296)      |
| Provision for diminution in the fair value of restructured advances |   | (905,757)         |   | (31,118,825)      |
| Sundry liabilities (interest capitalisation)                        |   | -                 |   | (6,216,306)       |
| Loans written off, net  |   | -                 |   | 104,880,252       |
|   |   | <u>183,517</u>    |   | <u>28,253,183</u> |
| <b>2.25 Other expenses</b>  |   |                   |   |                   |
| Power and fuel  |   | 155,704           |   | -                 |
| Rent (Refer note 2.32)  |   | 446,037           |   | 294,000           |
| Repairs and maintenance   |   |                   |   |                   |
| - others  |   | 218,716           |   | 311,426           |
| Insurance   |   | 329,258           |   | 340,693           |
| Rates and taxes   |   | 43,281            |   | 69,868            |
| Communication expenses  |   | 370,312           |   | 369,469           |
| Printing and stationery   |   | 55,173            |   | 43,524            |
| Travelling and conveyance   |   | 1,420,144         |   | 1,459,208         |
| Legal and professional fees   |   | 2,193,317         |   | 1,074,756         |
| Payment to Auditors (Refer note 2.33)                               |   | 1,011,021         |   | 1,085,201         |
| Directors' sitting fees   |   | 332,500           |   | 165,000           |
| Office expenses   |   | 301,717           |   | 351,916           |
| Membership fees   |   | 258,128           |   | 100,000           |
| Training and workshop expenses                                      |   | 47,971            |   | 64,898            |
| Write off of Fixed Assets   |   | 1,978             |   | -                 |
| Miscellaneous expenses  |   | 542               |   | 6,095             |
|   |   | <u>7,185,799</u>  |   | <u>5,736,054</u>  |





|   | For the year ended<br>31st March 2016<br>Rupees | For the year ended<br>31st March 2015<br>Rupees |
|---|---|---|
| <b>2.26 Earnings per share</b>  |   |   |
| Profit for the year attributable to equity shareholders                                   | 15,519,961                                      | (45,245,042)                                    |
| <i>Shares</i>   |   |   |
| Number of equity shares at the beginning of the year                                      | 33,510,020                                      | 33,010,010                                      |
| Add: Equity shares issued during the year   | -   | 500,010   |
| Add: conversion of Preference shares  | 9,000,000                                       |   |
| Add: Issue of bonus shares  | 9,000,000                                       | 9,000,000                                       |
| Total number of equity shares outstanding at the end of the year                          | 51,510,020                                      | 42,510,020                                      |
| Weighted average number of equity shares outstanding during the year – Basic and diluted* | 48,896,321                                      | 42,237,407                                      |
| <b>Earnings/(Loss) per share in Rupees – Par value of Rs.10 per share</b>                 |   |   |
| Basic and diluted   | 0.32  | (1.07)  |

\*Since the number of equity shares issuable on conversion of Compulsory Convertible Cumulative Preference Shares is not determinable at present, the weighted average number of equity shares for computing diluted earnings per share is not ascertainable. Under the circumstances its consequential effect on dilution of earnings per share has not been considered

**2.27 Terms of borrowings**

| Name of the lender                                | 31-Mar-16<br>Amount outstanding |                    | 31-Mar-15<br>Amount outstanding |                    | Maturity date | Frequency      | No. of installments due | Rate of Interest |
|---|---------------------------------|--------------------|---------------------------------|--------------------|---------------|----------------|-------------------------|------------------|
|   | Long term maturity              | Current maturity   | Long term maturity              | Current maturity   |               |                |                         |                  |
| <b>Secured term loans from banks</b>              |                                 |                    |                                 |                    |               |                |                         |                  |
| IDBI Bank *                                       | -                               | -                  | -                               | 37,500,000         | 1-Nov-15      | Monthly        | -                       | 13.25%           |
| IDBI Bank *                                       | -                               | 50,000,002         | -                               | 85,714,286         | 30-Sep-16     | Monthly        | 7                       | 13.25%           |
| IDBI Bank *                                       | 21,428,576                      | 28,571,424         | -                               | -                  | 30-Nov-17     | Monthly        | 21                      | 13.25%           |
| IDBI Bank *                                       | 28,571,432                      | 21,428,568         | -                               | -                  | 28-Feb-18     | Monthly        | 21                      | 13.25%           |
| Union Bank of India **                            | 20,761,910                      | 62,285,712         | 83,047,617                      | 62,285,715         | 31-Jul-17     | Monthly        | 16                      | 12.75%           |
| <b>Total</b>                                      | <b>70,761,918</b>               | <b>162,285,706</b> | <b>83,047,617</b>               | <b>185,500,001</b> |               |                |                         |                  |
| <b>Unsecured loan from financial institutions</b> |                                 |                    |                                 |                    |               |                |                         |                  |
| NABARD  | -                               | 6,500,000          | 6,500,000                       | 6,500,000          | 31-Mar-17     | Half yearly    | 2                       | 7.50%            |
| NABARD  | 1,750,000                       | 3,500,000          | 5,250,000                       | 3,500,000          | 31-May-17     | Half yearly    | 3                       | 7.50%            |
| SIDBI   | 100,000,000                     | -                  | 100,000,000                     | -                  | 23-Oct-17     | Bullet payment | 1                       | Interest free    |
| SIDBI   | 50,000,000                      | -                  | -                               | -                  | 19-Mar-18     | Bullet payment | 1                       | Interest free    |
| <b>Total</b>                                      | <b>151,750,000</b>              | <b>10,000,000</b>  | <b>111,750,000</b>              | <b>10,000,000</b>  |               |                |                         |                  |
| <b>Secured loan from others</b>                   |                                 |                    |                                 |                    |               |                |                         |                  |
| Nabkisan Finance Ltd.***                          | 31,500,000                      | 13,500,000         | -                               | -                  | 5-Nov-18      | Quarterly      | 10                      | 11.50%           |
| Nabkisan Finance Ltd.***                          | 14,000,000                      | 6,000,000          | -                               | -                  | 5-Jan-19      | Quarterly      | 10                      | 11.50%           |
| Reliance Capital Ltd.****                         | 18,149,435                      | 66,599,460         | -                               | -                  | 1-Jun-17      | Monthly        | 15                      | 14.00%           |
| <b>Total</b>                                      | <b>63,649,435</b>               | <b>86,099,460</b>  | <b>-</b>                        | <b>-</b>           |               |                |                         |                  |
| <b>Unsecured loan from other</b>                  |                                 |                    |                                 |                    |               |                |                         |                  |
| FWWB^   | -                               | 32,881,958         | 32,008,808                      | 18,332,000         | 25-May-16     | Yearly         | 1                       | 1.00%            |
| <b>Total</b>                                      | <b>-</b>                        | <b>32,881,958</b>  | <b>32,008,808</b>               | <b>18,332,000</b>  |               |                |                         |                  |
| <b>Grand total</b>                                | <b>286,161,353</b>              | <b>291,267,124</b> | <b>226,806,425</b>              | <b>213,832,001</b> |               |                |                         |                  |

\* Secured by way of hypothecation of book debts and pledge of Rs.35,472,119 (previous year: Rs. 20,520,000) term deposit.

\*\*Secured by way of hypothecation of book debts and pledge of Rs.15,000,000 (previous year: Rs.15,000,000) term deposit.

\*\*\*Secured by way of hypothecation of book debts and pledge of Rs.6,500,000 (previous year: Nil) term deposit.

\*\*\*\*Secured by way of hypothecation of book debts and pledge of Rs.5,000,000 (previous year: Nil) term deposit.

^ Company vide business transfer agreement acquired the microfinance business of Friends of Women World Banking, India (FWWB) consisting of loan portfolio and also taken over liabilities of FWFB that are associated with the loan portfolio. Pending approval from certain lenders for such transfer, the Company continues to service the liabilities.





2.28 Expenditure in foreign currency

| Particulars         | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|---------------------|---------------------------------------|---------------------------------------|
| Travelling expenses | 62,143                                | 35,978                                |
| Membership Fees     | 145,844                               | -                                     |

2.29 Contingent liability

| Particulars  | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|--|------------------------------------|------------------------------------|
| Accumulated dividend on Preference Shares not provided           | 55,667,481                         | 38,467,489                         |
| Claims against the company not acknowledge as debt - Income Tax* | 48,084,469                         | 68,418,300                         |

\* Rs.9,200,000 (Previous year Rs.2,700,000) paid under protest for income tax litigations and Rs. 20,012,677 (Previous year Rs. 8,710,237) TDS adjusted against demand.

2.30 Loan portfolio classification and provisioning

(a) Provision for outstanding loan portfolio

| Asset classification | As at<br>31st March 2016<br>Rupees |                  | As at<br>31st March 2015<br>Rupees |                  |
|----------------------|------------------------------------|------------------|------------------------------------|------------------|
|                      | Loan Portfolio                     | Provision        | Loan Portfolio                     | Provision        |
| Standard Assets      | 721,191,020                        | 1,802,978        | 472,484,363                        | 1,181,211        |
| Sub standard Assets  | 2,914,540                          | 291,454          | -                                  | -                |
| Doubtful Assets      | -                                  | -                | -                                  | -                |
| Loss Assets          | 176,053                            | 176,053          | -                                  | -                |
| <b>Total</b>         | <b>724,281,613</b>                 | <b>2,270,485</b> | <b>472,484,363</b>                 | <b>1,181,211</b> |

(b) Loan portfolio amounting to Rs.Nil (previous year: Rs.104,880,252) has been written off. (Refer note 2.24)

| Asset classification | Write off during<br>FY 2015-16 | Write off during<br>FY 2014-15 |
|----------------------|--------------------------------|--------------------------------|
| Standard Assets      | -                              | 7,928,534                      |
| Sub standard Assets  | -                              | 73,486,024                     |
| Doubtful Assets      | -                              | 23,465,694                     |
| Loss Assets          | -                              | -                              |
| <b>Total</b>         | <b>-</b>                       | <b>104,880,252</b>             |

(c) The movement in provision for the year ended 31st March 2016 and 31st March 2015

| Particulars            | As at 31st March 2016<br>Rupees |                                   |                  | As at 31st March 2015<br>Rupees |                                   |                  |
|------------------------|---------------------------------|-----------------------------------|------------------|---------------------------------|-----------------------------------|------------------|
|                        | Standard asset<br>provision     | Non-performing<br>asset provision | Total            | Standard asset<br>provision     | Non-performing<br>asset provision | Total            |
| Opening balance        | 1,181,211                       | -                                 | 1,181,211        | 1,408,853                       | 39,064,296                        | 40,473,149       |
| Additions              | 621,767                         | 467,507                           | 1,089,274        | -                               | -                                 | -                |
| Reversals              | -                               | -                                 | -                | (227,642)                       | (39,064,296)                      | (39,291,938)     |
| <b>Closing balance</b> | <b>1,802,978</b>                | <b>467,507</b>                    | <b>2,270,485</b> | <b>1,181,211</b>                | <b>-</b>                          | <b>1,181,211</b> |

(d) Provision for diminution in the fair value of restructured advances

During the year, the Company has made a reversal of provision (net) amounting to Rs. 905,757 (Previous Year: Rs.31,118,825) for diminution in the fair value of restructured advances in accordance with the Master Circular No.DNBR (PD) CC.No.044/03.10.119/2015-16 dated 1 July 2015 on Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.





**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to the financial statements for the year ended 31st March 2016 (continued)**

**2.31 Segment information**

The company is engaged primarily in the business of financing and all its operations are in India only. Accordingly there are no separate reportable segments as per Accounting Standard 17 - "Segment Reporting" specified under section 133 of the Companies Act, 2013.

**2.32 Leases**

Lease payments made under cancellable operating lease amounting to Rs. 446,037 (previous year: Rs.294,000) disclosed as rent and the same have been recognised as an expense in the Statement of Profit and Loss. The company has not entered into any non – cancellable operating or finance leases.

**2.33 Payment to Auditors (excluding service tax)**

| Particulars               | For the year ended<br>31st March 2016<br>Rupees | For the year ended<br>31st March 2015<br>Rupees |
|---------------------------|---|---|
| Audit fees                | 675,000   | 475,000   |
| Certification services    | 175,000   | 270,000   |
| Tax matters               | -   | 67,500  |
| Reimbursement of expenses | 36,678  | 41,615  |
| <b>Total</b>              | <b>886,678</b>                                  | <b>854,115</b>                                  |

**2.34 Related party disclosures**

**(a) Names of related party and nature of relationship**

| Names   | Nature of relationship                         |
|---|--|
| Indian Foundation for Inclusive Growth - trust                            | Ultimate Controlling entity                    |
| Vijayalakshmi Das – Managing Director                                     | Key Management Personnel ("KMP")               |
| Friends of WWB, India (FWWB) – a trust registered under the Bombay Public | Entity in which KMP have significant influence |

**(b) Particulars of related party transactions**

| Name of the related party | Nature of transactions                           | For the year ended<br>31st March 2016<br>Rupees | For the year ended<br>31st March 2015<br>Rupees |
|---------------------------|--|---|---|
| Friends of WWB, India     | Interest expense                                 | 220,965   | 2,907,586                                       |
|                           | Other borrowing costs                            | 873,152   | 1,379,812                                       |
|                           | Principal repayments of borrowings               | 18,332,000                                      | 64,481,000                                      |
|                           | Bank charges reimbursed to FWWB                  | 13,431  | 29,570  |
|                           | Rent paid  | 446,037   | 294,000   |
|                           | Electricity Expenses paid                        | 155,704   | -   |
|                           | Consultancy fees for training                    | 233,000   | -   |
|                           | Reimbursement received for the remuneration paid | 2,145,002                                       | 4,638,020                                       |
| Vijayalakshmi Das         | Remuneration paid*                               | 4,290,004                                       | 3,960,024                                       |

\*The managing director is covered by the Company's gratuity policy along with other employees of the Company. The proportionate amount of gratuity cost pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are not determined on an individual basis.





Ananya Finance for Inclusive Growth Private Limited  
Notes to the financial statements for the year ended 31st March 2016 (continued)

2.34 Related party disclosures (continued)

(c) The Company has the following amounts dues to / receivable from related parties

| Name of the related party               | Nature of receivables / (payables)            | Amount receivable / (payable) as at 31st March 2016 Rupees | Amount receivable / (payable) as at 31st March 2015 Rupees |
|---|---|--|--|
| Friends of Women's World Banking, India | Receivable/(Payable) on account of borrowings | (32,881,958)   | (50,340,808)   |
| Friends of Women's World Banking, India | Rental deposit                                | 73,500   | 73,500   |
| Friends of Women's World Banking, India | Others  | 48,214   | 166,610  |

2.35 Break up of loan portfolio

| Loan Portfolio                                 | For the year ended 31st March 2016 Rupees | For the year ended 31st March 2015 Rupees |
|--|---|---|
| Opening Loan outstanding                       | 472,484,363                               | 436,924,015                               |
| Loans disbursed during the Year                | 782,465,000                               | 444,500,000                               |
| <b>A</b>                                       | <b>1,254,949,363</b>                      | <b>881,424,015</b>                        |
| Loans recovered during the year                | 530,667,750                               | 304,059,400                               |
| Loan portfolio written off                     | -   | 104,880,252                               |
| <b>B</b>                                       | <b>530,667,750</b>                        | <b>408,939,652</b>                        |
| Loans outstanding at the end of the year (A-B) | <b>724,281,613</b>                        | <b>472,484,363</b>                        |

2.36 a) Employee benefit plans

The company has a defined benefit gratuity plan. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

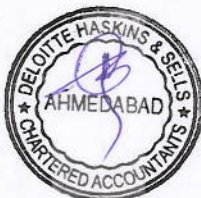
The following tables set out the status of the gratuity plan as required under AS 15 (Revised)

i) Movement in present values of defined benefit obligation

| Particulars  | For the year ended 31st March 2016 Rupees | For the year ended 31st March 2015 Rupees |
|--|---|---|
| Defined benefit obligation at the beginning of the year  | 4,034,806                                 | 3,539,075                                 |
| Current service cost                                     | 350,096                                   | 350,629                                   |
| Interest cost  | 310,680                                   | 283,126                                   |
| Actuarial losses/(gains)                                 | 98,488                                    | 103,356                                   |
| Benefits paid  | -   | (241,380)                                 |
| <b>Defined benefit obligation at the end of the year</b> | <b>4,794,070</b>                          | <b>4,034,806</b>                          |

ii) Movement in fair value of plan assets

| Particulars   | For the year ended 31st March 2016 Rupees | For the year ended 31st March 2015 Rupees |
|---|---|---|
| Fair value of plan assets at the beginning of the year  | 3,213,658                                 | 3,124,066                                 |
| Expected return on plan assets                          | 267,247                                   | 270,304                                   |
| Actuarial gains/(losses)                                | (2,921)                                   | 60,668                                    |
| Contributions paid                                      | 253,851                                   | -   |
| Benefits paid   | -   | (241,380)                                 |
| <b>Fair value of plan assets at the end of the year</b> | <b>3,731,835</b>                          | <b>3,213,658</b>                          |





2.36 a) Employee benefit plans (continued)  
iii) Expense recognised in Statement of Profit and Loss

| Particulars  | For the year ended<br>31st March 2016<br>Rupees | For the year ended<br>31st March 2015<br>Rupees |
|--|---|---|
| Current service cost                               | 350,096   | 350,629   |
| Interest on obligation                             | 310,680   | 283,126   |
| Expected return on plan assets                     | (267,247)                                       | (270,304)                                       |
| Net actuarial loss/(gain) recognised in the year   | 101,409   | 42,688  |
| <b>Total included in employee benefits expense</b> | <b>494,938</b>                                  | <b>406,139</b>                                  |

iv) Principal actuarial assumptions

| Particulars                    | For the year ended<br>31st March 2016<br>Rupees                                  | For the year ended<br>31st March 2015<br>Rupees                                  |
|--------------------------------|--|--|
| Discount Rate                  | 7.70%  | 8.00%  |
| Expected return on plan assets | 8.00%  | 9.00%  |
| Future salary increase         | 7.00%  | 7.00%  |
| Retirement Age                 | 60 Yrs   | 60 Yrs   |
| Withdrawal rate                | 5% at younger ages and reducing to 1% at older ages according to graduated scale | 5% at younger ages and reducing to 1% at older ages according to graduated scale |

**Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**Expected rate of return on plan assets:** This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

**Salary escalation rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

**Mortality Rate:** Mortality rate as given under Indian Assured Lives Mortality (2006-08) ultimate

v) Asset / (liability) recognised in balance sheet

| Particulars                                  | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|--|------------------------------------|------------------------------------|
| Present value of obligation                  | 4,794,070                          | 4,034,806                          |
| Fair value of plan assets                    | 3,731,835                          | 3,213,658                          |
| <b>Liability recognised in balance sheet</b> | <b>1,062,235</b>                   | <b>821,148</b>                     |

vi) Asset information:

| Category of Assets    | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees |
|-----------------------|------------------------------------|------------------------------------|
| Insurer managed funds | 93.30%                             | 100.00%                            |
| Bank Balance          | 6.70%                              | 0.00%                              |

vii) Amount recognised in Balance Sheet for the last five years:

| Particulars                   | As at<br>31st March 2016<br>Rupees | As at<br>31st March 2015<br>Rupees | As at<br>31st March 2014<br>Rupees | As at<br>31st March 2013<br>Rupees | As at<br>31st March 2012<br>Rupees |
|-------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Defined benefit obligation    | 4,794,070                          | 4,034,806                          | 3,539,075                          | 3,526,891                          | 3,361,096                          |
| Fair value of plan assets     | 3,731,835                          | 3,213,658                          | 3,124,066                          | 3,130,030                          | 2,631,595                          |
| <b>Deficit in the plan</b>    | <b>1,062,235</b>                   | <b>821,148</b>                     | <b>415,009</b>                     | <b>396,861</b>                     | <b>729,501</b>                     |
| Exp. Adj. On Plan Liabilities | 56,223                             | 48,405                             | (414,303)                          | (452,369)                          | (241,337)                          |
| Exp. Adj. on Plan Assets      | (2,921)                            | 60,668                             | (5,364)                            | 11,026                             | 47,950                             |

b) Defined contribution plan

| Particulars   | For the year ended<br>31st March 2016<br>Rupees | For the year ended<br>31st March 2015<br>Rupees |
|---|---|---|
| Exp. recognised in Statement of Profit and Loss towards |   |   |
| Provident fund  | 1,015,296                                       | 912,491   |
| Employee state insurance                                | 21,450  | 39,344  |
| <b>Total</b>  | <b>1,036,746</b>                                | <b>951,835</b>                                  |





Ananya Finance for Inclusive Growth Private Limited  
Notes to the financial statements for the year ended 31st March 2016 (continued)

2.37 Asset Liability Management - Maturity pattern of certain items of assets and liabilities

|                                  |   | In Rupees                             |                                      |  |                                      |                                     |                                      |                     |              |  |
|----------------------------------|---|---------------------------------------|--------------------------------------|--|--------------------------------------|-------------------------------------|--------------------------------------|---------------------|--------------|--|
| As at<br>31st March 2016         | 1 day to 30/31 day<br>(one month)         | Over one month to<br>2 months         | Over 2 months to 3<br>months         | Over 3 months<br>upto 6 months         | Over 6 months<br>upto 1 year         | Over 1 year upto 3<br>years         | Over 3 years upto<br>5 years         | Over 5 years        | Total        |  |
| <b>Liabilities</b>               |   |                                       |                                      |  |                                      |                                     |                                      |                     |              |  |
| Borrowings                       | 21,667,065                                | 52,859,725                            | 20,039,171                           | 77,386,020                             | 119,315,146                          | 286,161,350                         | -                                    | -                   | 577,428,477  |  |
| <b>Assets</b>                    |   |                                       |                                      |  |                                      |                                     |                                      |                     |              |  |
| Loans & Advances<br>Investments  | 65,842,804                                | 55,295,677                            | 70,907,679                           | 194,729,273                            | 217,438,914                          | 120,067,266                         | -                                    | -                   | 724,281,613  |  |
|                                  |   |                                       |                                      |  |                                      |                                     | 8,000,000                            |                     | 8,000,000    |  |
| <b>As at<br/>31st March 2015</b> | <b>1 day to 30/31 day<br/>(one month)</b> | <b>Over one month to<br/>2 months</b> | <b>Over 2 months to 3<br/>months</b> | <b>Over 3 months<br/>upto 6 months</b> | <b>Over 6 months<br/>upto 1 year</b> | <b>Over 1 year upto 3<br/>years</b> | <b>Over 3 years upto<br/>5 years</b> | <b>Over 5 years</b> | <b>Total</b> |  |
| <b>Liabilities</b>               |   |                                       |                                      |  |                                      |                                     |                                      |                     |              |  |
| Borrowings                       | 26,583,333                                | 30,665,333                            | 12,333,334                           | 52,750,000                             | 91,500,001                           | 226,806,425                         | -                                    | -                   | 440,638,426  |  |
| <b>Assets</b>                    |   |                                       |                                      |  |                                      |                                     |                                      |                     |              |  |
| Loans & Advances<br>Investments  | 41,853,117                                | 36,135,094                            | 30,301,776                           | 81,238,632                             | 146,486,084                          | 136,469,660                         | -                                    | -                   | 472,484,363  |  |
|                                  |   |                                       |                                      |  |                                      |                                     | 3,450,000                            |                     | 66,650,000   |  |





**Ananya Finance for Inclusive Growth Private Limited**  
**Notes to the financial statements for the year ended 31st March 2016 (continued)**

**2.38 Amounts payable to Micro, Small and Medium enterprises**

The company has not received any intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. In view of this, information required under section 22 of MSMED Act, 2006 to that extent is not given.

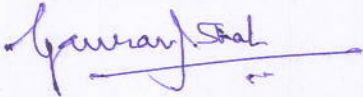
**2.39** From the current financial year, the company has changed its accounting policy for amortisation of loan processing fees received and paid. Upto the previous year, income and expense pertaining to processing fees were amortised over the tenure of the loan. However, from the current year, the same has been recognised in the profit and loss account in the year in which the amount is paid / received. Had the company followed the same accounting policy as in the previous year, the net profit for the year ended on 31st March 2016 would have been lower by Rs.2,721,917/-.

**2.40** The figures for the previous year was audited by a firm of Chartered Accountants other than M/s Deloitte Haskins & Sells.

**2.41** Previous year's figures have been regrouped / reclassified, where necessary, to confirm to current year's presentation.

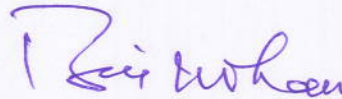
In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

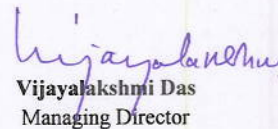


**Gaurav J Shah**  
Partner

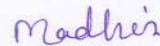
**For and on behalf of the Board of Directors**



**Brij Mohan**  
Chairman



**Vijayalakshmi Das**  
Managing Director



**Madhvi Desai**  
Chief Financial Officer



**Lavina Parikh**  
Company Secretary

Place: Ahmedabad  
Date: 17 June 2016

Place: Ahmedabad  
Date: 17 June 2016