ANANYA

Going Beyond Finance

ANNUAL REPORT

2016-17

ANANYA

Finance For Inclusive Growth Pvt. Ltd.

ANNUAL REPORT 2016-17

VISION

“To enable every poor Indian woman to have access to financial capital and enable her to be an active catalyst in the societal development.”

MISSION

“To provide a window through which donors, commercial lenders and other parties can channelise funds towards deserving MFIs. Ananya provides a well administered mechanism through which funding institutions can effectively utilise their funds in the Indian microfinance sector without directly taking exposure in the retail micro lending institutions and without having to directly monitor individual micro lending institutions.

To assist in building a powerful microfinance industry by bringing expertise along with the funds. Ananya and FWWB Trust are poised to offer their knowledge of systems, methodologies, philosophies, management, and corporate governance guidance given the fact that the microfinance sector in general, suffers from the lack of appropriate systems, technologies and management talent.”

ABOUT ANANYA

Ananya Finance for Inclusive Growth Pvt. Ltd. (Ananya) is an NBFC set up by Friends of Women's World Banking - India (FWWB) in 2009, with the objective of reaching out to a large section of microfinance institutions (MFIs) and grass root entities. Ananya is among the most responsible NBFCs in India with the urge and commitment to serve socially motivated double bottom-line enterprises.

Ananya was set up in 2009 and started operations by taking over FWWB's Wholesale Microfinance Institution lending portfolio in April 2010. The NBFC has come a long way, withstanding the Andhra Pradesh Microfinance crisis of 2010 and has a robust lending portfolio today diversified across Microfinance Wholesale, Microfinance Retail and Agribusiness segments.

Ananya started with wholesale lending to the MFIs, expanding its lending activities to Agriculture sector in January, 2015 and direct lending to individuals through MFIs in October, 2015. In the MFI space, Ananya has catered to all types of MFI clients ranging from large sized players like Bandhan, Janalakshmi, Ujjivan, Suryoday to mid sized players like Sonata, Utkarsh, Satin and to small sized players like Shikhar, Navachetana and MSM Microfinance. In Agri-finance, Ananya has had a repeat customer base of over 50%.

Ananya is among the few wholesale lenders that specializes in combining credit support with technical assistance to Microfinance Institutions. Along with support from its parent FWWB, Ananya provides Capacity building services to small, but well-managed and growing Microfinance Institutions.

CHAIRMAN'S MESSAGE

Dear Stakeholders,

This Financial Year 2016-17, Ananya has made a profitable growth across its both programs- Microfinance and Agrifinance. It has continued nurturing nascent institutions across India through its well designated programs. Efforts have also been made to support producer collectives by way of loans under Agrifinance program as well as providing Capacity Building support to various MFIs and Farmer Producer Organisations. Agriculture continues to play a key role in India's economy. As per 2011 census, over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Considering women's involvement in agricultural activities, right from sowing seeds to harvesting crop, it made sense for Ananya to explore financing opportunities to such PCs. Ananya has also imparted training to FPCs in the areas of risk management, governance, financial planning, accounts and insurance. Till date, the Company has imparted capacity building training to 52 Farmer Producer Organisations and 10 MFIs.

I am happy to share the progress made by Ananya during this Financial Year. We closed the Financial Year with a profit of Rs. 1.83 Crore and Gross Loan Portfolio (GLP) at Rs. 98 Crore, which reflects a 36% growth over the previous year. The number of Clients has also increased reasonably in the current year. The GLP is well diversified across states wherein MFI continues to contribute 85% of GLP. The Agrifinance portfolio has grown both in value and number of clients. The Total Income of the Company increased from Rs.10.65 crore in the previous year to Rs.14.60 crore in the current year.

During this year, while the sector saw regulations being implemented, the growth rates were improving and touched a new high, amidst this, one of the major move announced by the Government was Demonetisation, which acted as a reality check for the Microfinance sector. Demonetisation adversely affected the disbursements and collection rates. However, the silver lining is the fact that Demonetisation has been taken as a temporary setback and recovery from the consequential hiccups has paced up in most of the regions across India.

I have immense pleasure to share that during the year Ananya was felicitated by the Inclusive Finance India Award 2016 under the category of **Contribution to the sector by an Enabling Institution.**

In the coming year, we are looking forward for larger goals, with loan product innovations and exploring new areas and programs for support across various segments and states.

I would like to express sincere appreciation to valued shareholders, bankers and clients for their continuous support. I hope this association continues to grow in the future years. Last but not the least I extend thanks to my eminent colleagues on the Board and the team at Ananya.

Sincerely,
Brijmohan
Chairman

FROM MANGING DIRECTOR'S DESK

The financial year 2016-17 has seen good developments for Ananya. The gross loan portfolio increased to Rs. 98 Crore, registering a growth of 36% comprising of 45 MFI and 33 AGRI partners. The fresh disbursement during the year was Rs. 112 Crore adding many new relationships. Company with the support of the lenders has been able to raise a debt of Rs 56 Crore. SBI, Rabo Bank, NABKISAN and MUDRA were the new lenders besides the existing lenders like IDBI Bank, SIDBI, NABARD, Union Bank of India and Reliance Financial Services. Funding agency is the backbone for growth and Ananya's growth has happened with the unstinted support and timely financial assistance from the lenders, for which company remains thankful and seeks more support and guidance in this year too for attaining qualitative and orderly growth to meet the needs of the underserved and unreached customers focussing women. One of the important parameters of evaluation being PAR, Ananya always has put its best efforts to maintain it at the acceptable levels. Happy to share that PAR remained at less than 1% despite the odds like demonitisation, rumours of debt waiver and many socio political issues. I should thank all our partners for meeting their commitments on time without any delay. This amply exhibits their connect with the clientele and client centric beneficial policies they adopt for a sustainable business combined with robust risk management systems they have put in.

Profit is important for survival, but Ananya believes that sustainable profitable business can only be built on foundation of values and ethics. Accordingly, finance is combined with technical assistance and capacity building efforts helping smaller institutions to improve their skill sets to achieve double bottom line objective of profit and social performance. True to the objective, the profit registered was Rs.1.83 Crore with a growth of 18% over the previous year.

All the above achievements have been possible with the constant guidance and support of the Board Members, the team Ananya, investors, lenders and other stake holders. Ms. Vijayalakshmi Das, who is regarded as MOTHER OF MICROFINANCE, was Managing Director of Ananya right since inception till 31.5.2017, who has contributed for rebuilding Ananya from the shambles of Andhra Crisis post 2010 to this stage of stability. I would like to thank her through this column for her exemplary contribution to the sector and Ananya.

Having taken the reins of the organisation as Managing Director from 01.06.2017, I feel it a privilege to shoulder this responsibility with all humility and commitment to serve the unserved and unreached through microfinance institutions and farmer producer companies, following the steadfast ethics and value system of Ananya built over the years.

The Indian Microfinance Industry has seen many disruptive developments in the last many years. But every time such things have surfaced, industry has embraced innovation in the way it is doing business and adopted new practices improving efficiency. As many more disruptive developments may happen in the future, microfinance institutions should be proactive and take advantage of disruption rather than deal with it reactively.

We, in Ananya, are totally committed to the growth of microfinance and agricultural sector contributing for the overall objective of holistic financial inclusion and financial intermediation paving way for the growth of women centric grassroots level organisations.

Seeking the continued co-operation from all for a great future.

Sincerely,
S S Bhat
Managing Director

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INDUSTRY OUTLOOK

Globally, microfinance has been an important tool for poverty alleviation initiative by providing financial services to poor and vulnerable. Microfinance is about providing all financial services like savings, credit, insurance, remittances, pension and others. Millions around the globe have benefitted from microfinance movement, which is evident from the fact that the gross loan portfolio globally, in 2014, was more than 87 billlion US$[1].

In India, microfinance sector has reached an outstanding of Rs. 1 Trillion[2] (MFIs, Banks and SFBs). These numbers confirm the fact that microfinance is no more a nascent industry. However, it would also be an exaggeration to call this industry a matured one. The sector has registered growth at a pace that is hardly matched by any other sector in India. Such high growth rate has not only resulted into high profitability and increased outreach, but has also made it vulnerable to the likes of political influences, multiple lending, over indebtedness, etc. Consequently, these vulnerabilities have contibuted to various crises like those of AP, Kolar, Krishna or the recent case of demonetization. It is evident, however, that after every crisis, the sector has come up strongly and has made a comeback with further refined proceses.

DEMONETIZATION AND MICROFINANCE

On the evening of 8th November 2016, Prime Minister of India announced demonetization of Rs. 500 and Rs. 1000 notes. These two currency notes formed nearly 86% of total currency available. Microfinance being a heavily cash reliant sector, suffered severely due to demonetization drive. Repayment rate plummeted as clients did not have valid currency notes to pay. The problem was further aggravated by the fact that in certain pockets, vested political interests mis-interpreted the RBI guideline and misguided people about the RBI guideline, leading to unsolicitaed rumours, which vitiated the repayment culture temporarily, as also resulting into in willful defaults in some instances. Thanks to the intervention of MFIN and Sa-dhan in bringing the awareness among public / administration, which has led to improvement in recovery rates.

MICROFINANCE: CURENT STATUS[3]

Geogeaphical Distribution

As per current regional distribution of portfolio (GLP), South accounts for 31% of the total industry portfolio, North for 27%, West for 24%, and East for 18%. Top five states, viz. Karnataka, Tamil Nadu, Maharashtra, Uttar Pradesh and Madhya Pradesh account for 54% of GLP.

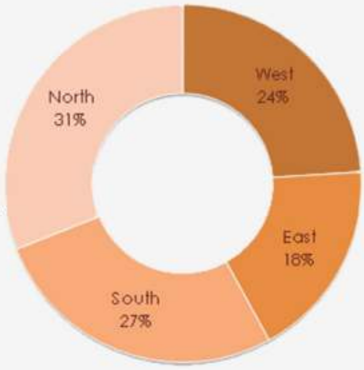

Fig: *PG-1 - GEOGRAPHICAL DISTRIBUTION*

[1] *Calculated from MIX Market Data*
[2] *MFIN Micrometer: March, 2017*
[3] *MFIN Micrometer: March, 2017*

Portfolio Quality

As can be seen in **Fig: PG-2**, portfolio quality has deteriorated in FY 2016-17. This is mainly attributed to low repayment rate especially in weeks after the announcement of demonetization by the government. Following table [**Fig: PG-3**] lists the top five states as per PAR levels:

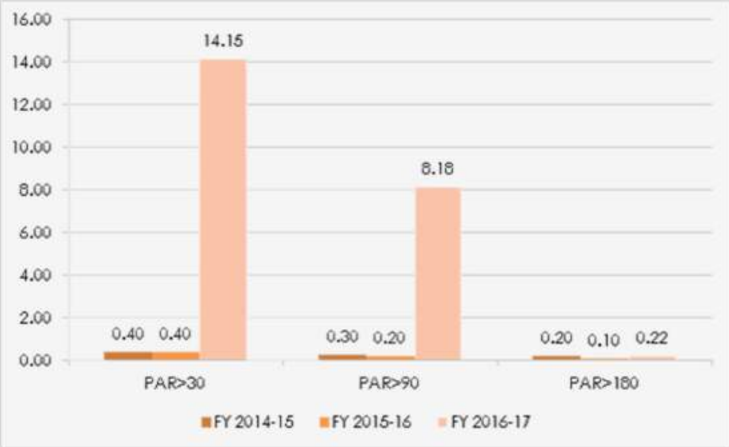

***Fig:** PG-2 - PORTFOLIO QUALITY*

State	PAR 30 (%)	PAR 90 (%)
Karnataka	18	12
Tamil Nadu	14	2
Uttar Pradesh	37	14
Maharashtra	28	37
Madhya Pradesh	17	28

***Fig**: PG-3 - STATES WITH HIGH PAR*

Though the demonetization has created repayment issues in many pockets, it has also given an opportunity to the MFIs to further refine their processes and move towards being cashless.

Cashless and Paperless: The paradigm shift

Demonetization has also brought about a positive impact on the sector by giving MFIs an opportunity to move towards cashless and paperless transactions. MFIs have now started disbursing loans directly in the bank account of clients, as also using various services like AEPS to move towards cashless repayment. This move has not only reduced the risks associated with cash handling but has also helped in enabling clients to get acquainted with banking services.

Paperless mode of operations is another inovation that has come. Here again, MFIs have started using the e-KYC facility offered by Aadhar. These modifications of processes have led to better risk management, in-time identification of fake clients, and also increased efficiency, and therefore, reduced operational costs and increased convenience and comfort for the customers. Thus, demonetization has also given an opportunity to MFIs to move towards their social mission of achieving financial inclusion.

Responsible and Inclusive microfinance: Road Ahead

Responsible and inclusive microfinance has become rather a necessity and no longer remains a choice. MFIs need to redefine themselves so as to become responsible and inclusive service providers. This redefining would not only make them more client-friendly but would also add to their profitability by decreasing their client acquisition costs, risk costs along with a range of such other ones. This redefining would entail many strategic steps:

• *Implementing Client Protection Principles[4] as championed by Smart Campaign[5] : This would help MFI to take practical steps to treat clients fairly and respectfully while avoiding practices that might harm them.*
• *Integrating Social Performance Management as one of DNAs of the organization: This would help MFI move closer towards attaining its mission and vision as also to analyze extent of achievement of its mission.*
• *Being completely transparent and following best governance practices would make MFI gain confidence among clients and general public. This would go a long way in improving image of the MFI.*
• *Imparting basic Financial Education to clients is also important for achieving responsible and inclusive microfinance. This is necessitated mainly owing to the fact that multiple lending has also been due to clients' desire to avail easy loans. Thus, by imparting basic financial literacy training, MFIs would ensure that clients themselves say "NO" to excess borrowing, thereby enabling them to take only required amount of credit and lead a more planned life, also increasing living standards.*

It would be important to note that **one of the key changes that MFIs need to bring about is change in thinking that "Social and Financial are two Mutually Exclusive Sets"**. On the contrary, moving towards social goal

[4] CGAP Guide to Implementing Client Protection Principle | [5] www.smartcampaign.org

would also enable them to become financially stronger. This would not only reduce costs but would also ensure that in case of any politically motivated crisis, clients take the side of the MFIs, thereby ensuring no further setbacks for the sector.

Moving towards responsible and inclusive microfinance is responsibility of entire sector and not just of the MFIs. This requires all the stake holders including the funding agencies and rating agencies to give more importance to social performance. Funding agencies may include the progress made by organization towards responsible finance as one of important criterion of lending. Apart from banks, rating agencies may also give due importance to responsible finance. Though, "Social Rating" has come into effect, the need of hour is to have integrated rating system whereby observations under "Social parameters" are integrated into normal credit ratings. This would ensure greater attention towards social performance by the funding and rating agencies as well.

Thus, there exists an urgent need for the sector to evolve itself into a new form, which would be more client centric and would follow a double bottom line approach towards financial and social performance.

ANANYA'S ROLE

Ananya, having taken over the portfolio of Friends of Women's World Banking [FWWB-India] in April, 2010, follows its legacy of supporting and nurturing Microfinance Institutions through not only financial, but non-financial means as well. Ananya recognizes the challenges the MFIs face in their drive for survival and growth and endeavours to address them with the expertise and experience it has inherited from FWWB-India. Unhindered fund flow is imperative for the highly sensitive microfinance operations to function smoothly, and even more so is the ability of the MFI to withstand repercussions of internal omissions and external threats. Viewing this as a vital precursor to the health of the sector as a whole, Ananya combines financing of the operations of the MFI with capacity building support and technical assistance.

Therefore, what separates Ananya from the peers is the fact that Ananya's relationship with its partners does not remain contained to the financial needs of the MFI and also caters to the other needs so as to form a holistic supportive base for the growth of the MFI, and therefore, the sector.

Having supported over 198 MFIs with total disbursement of Rs. 1381 Crore since its inception, Ananya aims to continue serving the poor by contributing to the strengthening of the sector. The social outlook of the organization makes it possible for Ananya to work on minimum possible margins so as to be able to bring the MFIs' financial costs down as much as it can on its part. Further, various non-financial services such as the ones discussed in detail in Capacity Building sub-section, attempt to, although indirectly, bring the operating costs of the MFIs down. By enabling the MFIs to keep up with the technological trends in the market and through other means such as training of the staff and management and guidance towards strengthened internal controls, Ananya endeavours to raise the quality of the operations at its partner organizations.

In a nutshell, Ananya has been playing a significant role with the active support of FWWB-India in building the Microfinance industry holistically, and is determined to take it forward as it grows further.

PROGRAMS

INDUSTRY OUTLOOK

Agriculture continues to play a key role in India's economy. As per 2011 census, over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. At 157.35 million hectares, India holds the second largest agricultural land in the world. As per the land use statistics 2013-14, net sown area of 141.4 million hectares works out to be 43% of the total geographical area of India. With 20 agri-climatic regions, all 15 major climates in the world exist in India.

The Indian agricultural ecosystem is beset with several problems which are now getting the attention of policymakers. The NITI Aayog – Government of India's apex policy think tank – has proposed various reforms in India's agriculture sector, including liberal contract farming, direct purchase from farmers by private players, direct sale by farmers to consumers, and single trader license etc in order to double farmer income by 2022, a target set during the Budget 2016-17.

At farmer level, small farm size remains a hurdle. The agricultural farm size in India, estimated at 1.15 hectares, is not favourable for mechanization and large-scale investments at individual level. Mobilization of these smallholder farmers into collectives has been widely accepted as one of the strategies to help this disadvantaged group. To foster such collectivization, Government of India amended the Companies Act in 2002-03 to create a new legal entity called a producer company (PC). Though the legal framework was in place for over a decade, the promotion of PCs has gained momentum in the last few years. Various policy interventions by the governments, both at centre and state level, are now aimed at supporting such PCs like earmarking funds for setting up PCs & routing government procurements at Minimum Support Price through these PCs. NABARD (National Bank for Agriculture and Rural Development) & SFAC (Small Farmers' Agri-Business Consortium), two government bodies, have played a key role in promoting the PCs.

ANANYA'S ROLE

Small holder farmers including women farmers make up the largest percentage of operated holdings at an estimated 83%. Their contribution to national food production is estimated to be around 40%. Thus, despite their low productivity, their contribution to household food security and poverty alleviation is quite significant. Besides this, small and marginal farmers comprise more than half of India's vulnerable and excluded population. The constraints faced by them include (i) Poor access to credit (ii) Poor access to critical inputs such as water, power, seeds and fertilizers / manure (iii) Limited market access and (iv) High production risk and little insurance coverage.

The above reasons urge the need for intervention by NBFCs like Ananya especially to address the 'poor access to credit' constraint faced by the farmers. With access to credit, the farmers, through their collectives, are able to address other constraints.

The nascent stage of the sector gives an opportunity to Ananya to play the same sector-building role that it, along with its parent organization FWWB, played in the microfinance sector. Upon exploring the financing opportunities, Ananya realized that there existed a strong demand for various financing opportunities in the entire agricultural value chain. Ananya started the agribusiness finance activities in early 2015. Ananya is proud to be the first lender to many borrowers in the Agrifinance vertical. However, this also means that these borrowers were not being served by other financial institutions. Most of these PCs are located at smaller locations, have low vintage, have almost no credit history and do not fit in the rigid lending policies set by the mainstream financial institutions. Ananya's funding helps the borrowers increase turnover, boost capacity to handle large volumes and build a credit history. Many borrowers, upon this financing-induced capacity building, graduate to higher levels and are able to borrow from mainstream financial institutions. Ananya has also imparted training to PCs in the areas of risk management, governance, financial planning, accounts and insurance.

To support other actors in the agricultural ecosystems, Ananya started lending to other agri enterprises which were not producer companies but dealt largely with small and marginal farmers. Ananya has facilitated linkage of these agri enterprises with PCs. The collaborative approach worked for both the entities – with agri enterprises finding a good sourcing base and PCs getting a marketing partner.

With positive policy interventions, structural reforms and entry of private players, the agricultural value chains in India are set to witness a phenomenal growth. Ananya intends to seize the opportunity and play a catalyzing role in the growth of the sector.

OPERATIONAL HIGHLIGHTS

EXPOSURE

Ananya witnessed another financial year with remarkable growth as its portfolio went on to grow to the tune of Rs. 98.23 Crore from the previous year closing figure of Rs. 72.43 Crore. The growth of 35.62% came with increase in the partner-base by 21.88%, most of the new additions in the list being in the form of Agribusiness partners.

As is evident from the **Fig: OH- 1**, Microfinance continues to dominate the portfolio of Ananya while having 80.96% contribution in the total figure. The share of Direct Exposure in microfinance through one branch in Tamil Nadu, has come down to 2.44% from the previous year share of 3.91%.

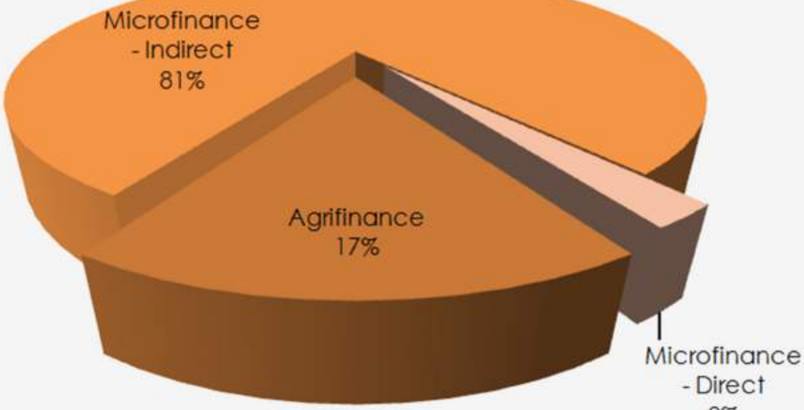

Fig: OH-1 - GROSS LOAN PORTFOLIO

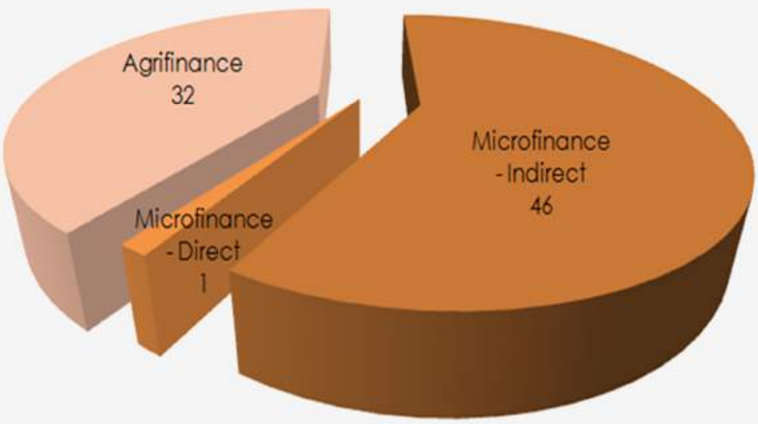

Fig: OH-2 - NO. OF BORROWERS

In terms of number of partners [**Fig: OH- 2**] as well, Microfinance continues to dominate. However, this scenario is expected to reverse as with comparatively lower average loan outstanding, Agribusiness will continue to add a higher number of partners as against Microfinance.

To support and encourage women's leadership in the economy, Ananya attempts to identify organizations that are led by women, to be its partners. While its Microfinance portfolio constitutes of only 3 such MFIs, 62.50% of the Agribusiness clients of Ananya have succeeded in qualifying for this criterion. Overall, this number being 29.49% currently, Ananya aims to continue increasing this figure through various means.

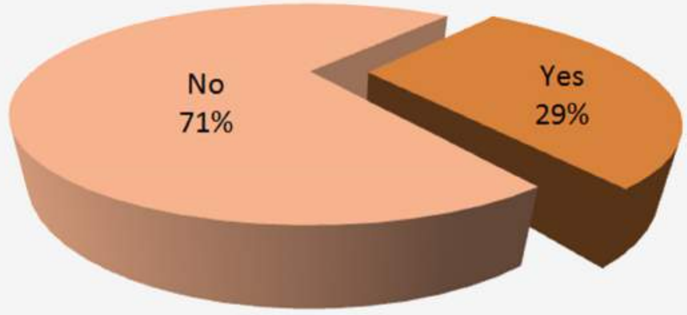

***Fig:** OH-3 - WOMEN-LED PARTNERS*

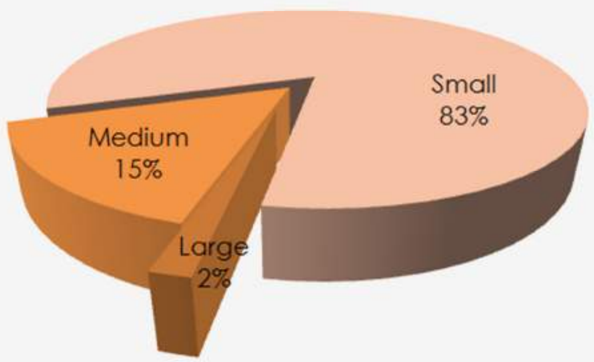

***Fig:** OH-4 - MFI CATEGORY-WISE EXPOSURE*

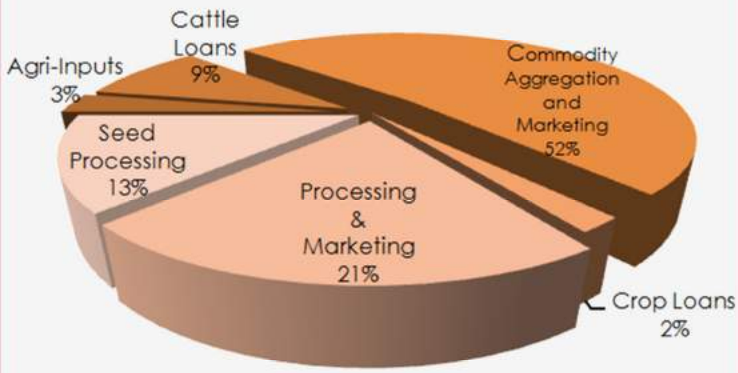

***Fig:** OH-5 - AGRI END-USE CLASSIFICATION*

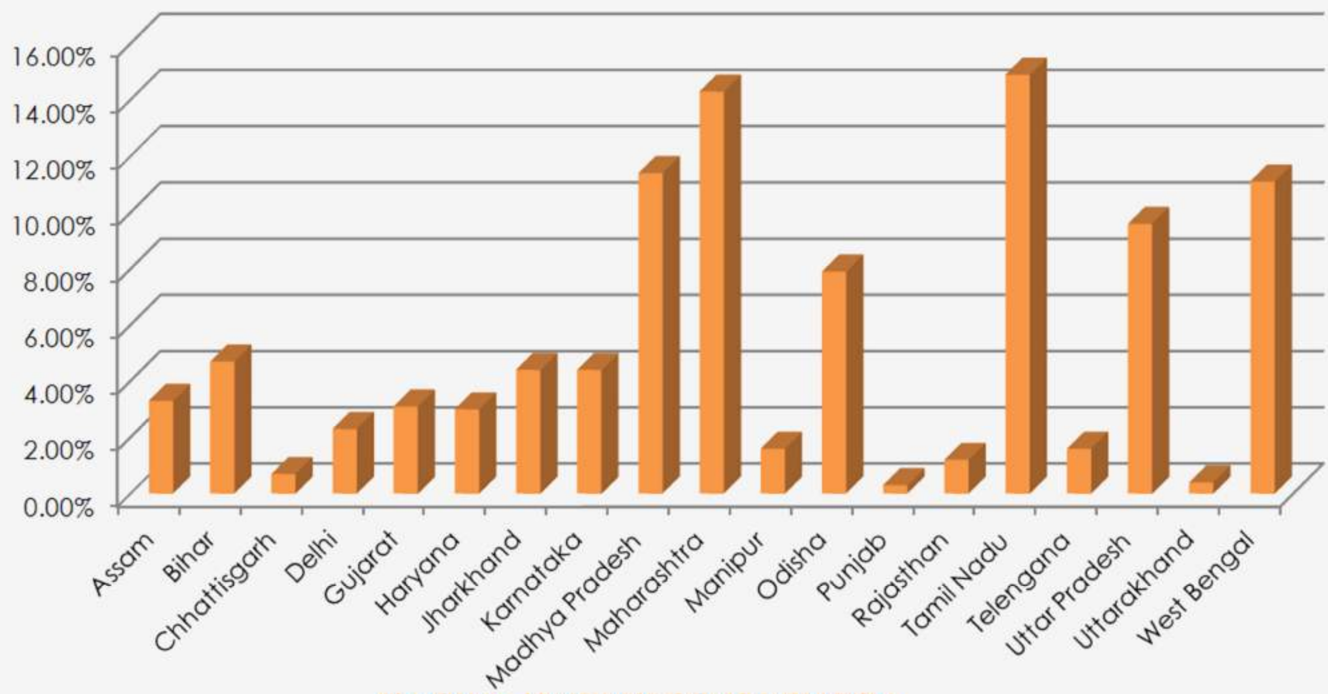

***Fig:** OH-6 - STATE-WISE CONCENTRATION*

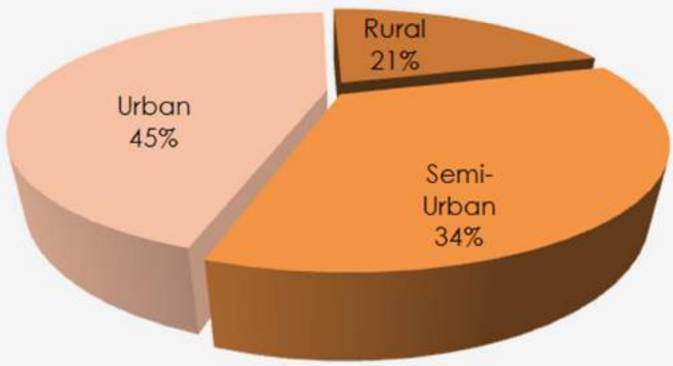

***Fig**: OH-7 - GEOGRAPHICAL PRESENCE THROUGH PARTNERS*

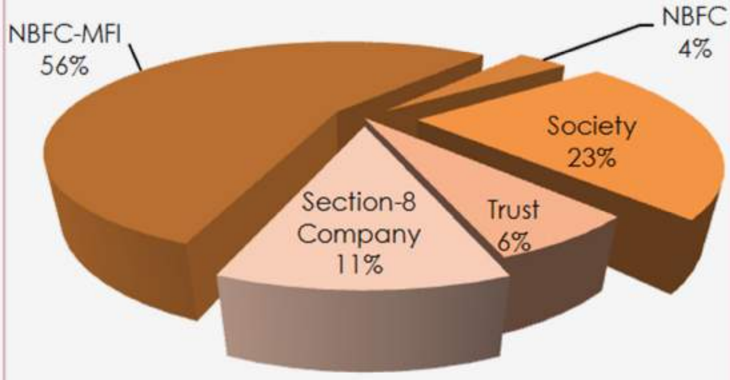

***Fig**: OH-8 - CLASSIFICATION ON THE BASIS OF LEGAL STATUS OF MFIs*

COMPARATIVE ANALYSIS

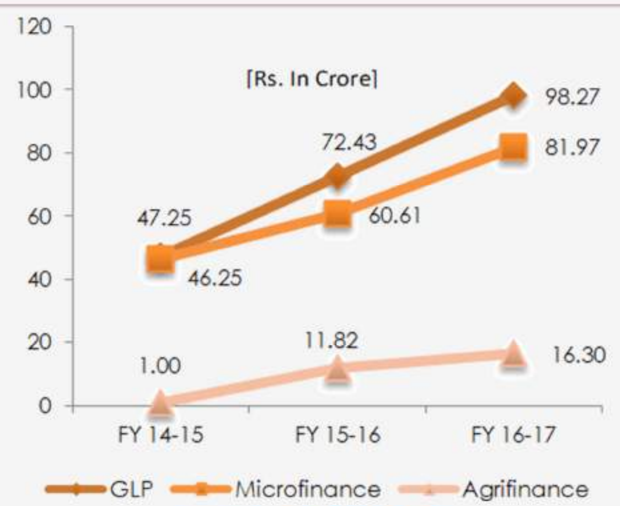

***Fig**: OH-9 - PORTFOLIO*

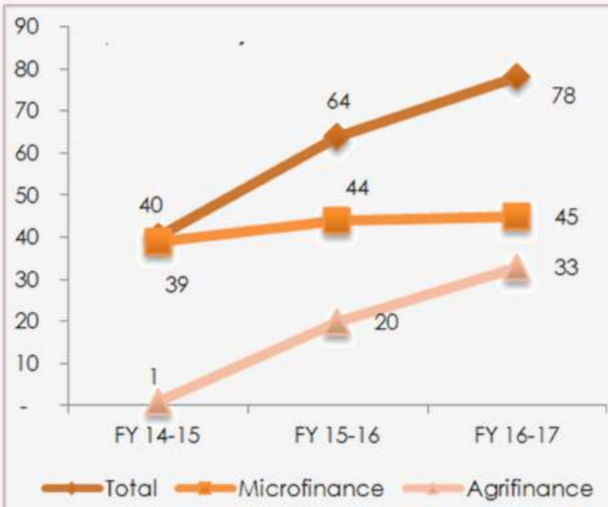

***Fig**: OH-10 - NUMBER OF PARTNERS*

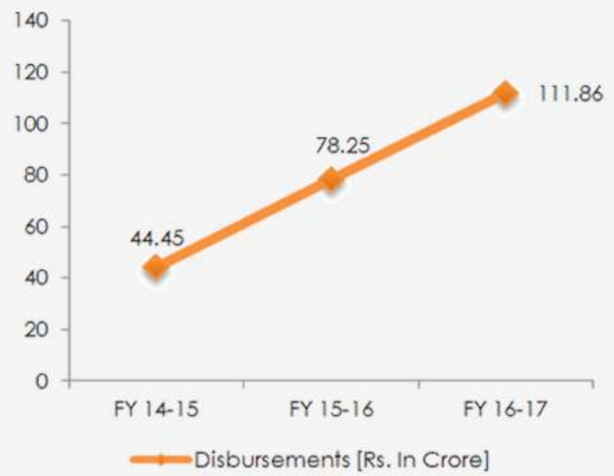

***Fig**: OH-11 - DISBURSEMENTS*

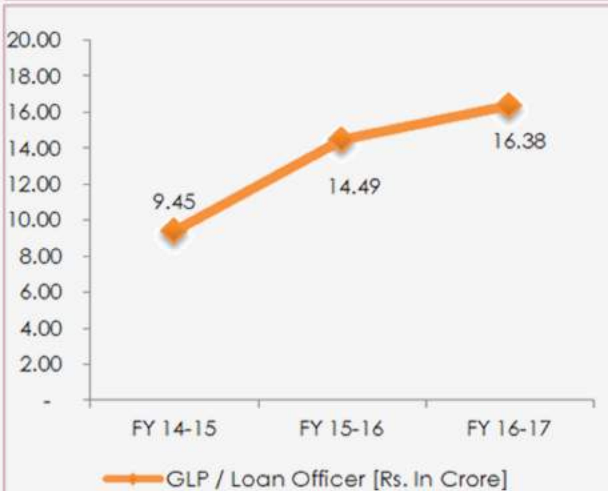

***Fig**: OH-12 - STAFF PRODUCTIVITY*

CAPACITY BUILDING INITIATIVE

While working with the MFIs, Ananya observed areas of improvement in systems and processes of well-managed small MFIs and an opportunity to intervene to strengthen these MFIs to make them sustainable. Ananya received a loan from SIDBI with the objective to build the capacities of the partner organizations under "Poorest States Inclusive Growth Program (SIDBI-PSIG)". This program aims to ensure poor and vulnerable people in low income states (especially women) benefit from economic growth through better access to financial services. This leads to improvements in social status and mobility of women clients.

In addition to providing credit support under SIDBI-PSIG program, Ananya has also undertaken task of capacity building of partner MFIs. Under capacity building, Ananya has undertaken numerous steps like organizing national level conferences, strengthening operational and HR processes, developing of training modules and imparting training etc.

STRENGTHENING RISK MANAGEMENT AND GOVERNANCE PRACTICES

National Level Workshop: Risk Management

Topics Covered

- Introduction to risks, risk management process
- Human Resource risks
- Internal control
- Financial risks
- Client protection and credit risks
- Risk management framework and action plan

Conducted by

EDA Rural Systems

Participant's profile

Senior management staff such as Finance head, Operation head, HR head, Internal Auditor

Participating MFIs

7

Strengthening Internal Audit

- Standardised IA template with checklist based approach
- Exhaustive and comprehensive covering all field level aspects
- Automatic scoring and branch grading
- Compliance report is auto-generated
- Staff and client interaction recorded
- IA report is generated easily and quickly
- Reduction in report preparation time, and hence, increase in IA frequency

Participating MFIs

7

National Level Workshop: Governance and Strategy

Topics Covered

- Introduction roles and responsibilities of board
- Risk management and integrity
- Information architecture
- Decision making and supervision
- Self-Assessment
- Action Plan

Conducted by

MCRIL

Participant's profile

Board Members, Top Management like MDs, CEOs, operation heads etc.

Participating MFIs

11

TRAINING AND INSTITUTION BUILDING

HR Processes
HR Process Revision • Linking Incentive structure to quality parameters • 360^0 performance appraisal **HR manual revision** Gender policies, disciplinary practices, etc
Operation Processes
Supervisory Visit Templates To record client knowledge, staff behaviour, branch documentation **Revision of Operational Processes** Daily cash closing and MIS up-dation **Operation manual revision** Branch opening procedure, Code of Conduct

Training Conducted	
Training Topic	**Training Contents**
National Level Workshop : Leader for the Field Program *[Participant MFIs: 7]*	Concept of leadership, emotional intelligence, mindset, leading organisation, concept of change, adapting to change
Management Development Program & Client Protection Principle *[Participating MFIs: 5]*	Managerial skills, Setting Goals and Performance Measure, Overview, evolution of CPP
Operation Staff Training *[Participating MFIs: 4]*	Emergence & overview of microfinance, operational flow, risk and mitigation strategies, team building, etc

Farmer Producer Organizations (FPOs) are collectives of farmers and may have different legal forms such as cooperatives, farmer producer companies (FPCs), farmer clubs etc. FPOs are collectively owned by the farmer members and are run by their representatives. Small and marginal farmers, which form a large per cent of membership of these FPOs, do not have large surplus to contribute towards the equity of the FPO. The low equity base restricts an FPO's ability to hire professional staff or consultants. Further, FPOs are likely to be located at places which are far from towns and therefore do not attract professionals. Lack of professionals at an FPO may hinder its ability to sustain itself. Running an FPO, after all, involves use of several basic managerial or financial concepts that are required to conduct business operations in any other enterprise. Collective ownership in FPOs also poses a challenge in decision making

which can be addressed using knowledge. Thus, it is imperative to impart some knowledge and skills to the stakeholders involved in managing the affairs of an FPO.

Well-managed FPOs not only benefit their farmer members, but they also help spur more such collectivization efforts. On the other hand, poorly managed FPOs may affect the funding to the entire FPO sector. Therefore, it is in the interest of other players of the ecosystem to build the capacities of the FPOs. Lending to FPOs gave an opportunity to Ananya to engage deeply and extensively with the FPO stakeholders. This made Ananya aware of the capacity constraints FPOs were facing.

Collaboration with IFC (International Finance Corporation) presented an opportunity to Ananya for filling the capacity building gaps for FPOs. IFC hired Microsave, a reputed organization involved in research and training especially in small-ticket financial services, to prepare training modules. Ananya arrranged for field visits of Microsave team at different FPOs so as to enable the latter to undertake need assessment. The field visits, along with inputs from Agri team of Ananya, equipped the Microsave team to prepare need-based & relevant training contents.

The following five training modules were developed by Microsave – 1. Governance, 2. Risk Management, 3. Financial Planning, 4. Financial Management and 5. Accounting. Ananya's internal resources added two more modules on 6. Micro Insurance and 7. Leadership. These modules were also shared widely with FPO promoting agencies, NGOs and other stakeholders providing any technical or capacity buiding support to FPOs. Different modules have different target audience such as directors, management and FPO members. To deliver training to FPO members, it was planned to train some functionaries of FPOs or the supporting NGOs who could act as master trainers and could cascade the training to their members.

As a risk mitigation tool both at FPO level and farmer level, and as a revenue generating avenue, Ananya promoted micro insurance among FPOs and facilitated linkage of FPOs with micro insurance companies. Producer companies, which earlier did not figure in the type of organizations eligible to become micro insurance agents (MIA), were included in the list by IRDA (Insurance Regulatory & Development Authority) after interventions by Ananya through Life Insurance Corporation of India.

Ananya conducted training for identified master trainers across 53 FPOs covering a total of 268 participants. These master trainers later conducted 22 trainings for their respective FPO members. 10 FPOs were awarded micro insurance agencies and were able to enroll over 500 farmers under different micro insurance plans.

HIGHLIGHTS	
Training Need Assessment and Module Design	Training Module was designed on six topics - Financial Management, Governance, Financial Planning, Risk Management, Leadership and Accounting
Training to FPCs	Imparted training to 53 FPCs across the four states and developed Master Trainer at FPC level. Shared the Training module with various FPCs across India
Enabling FPC to work as MIA	Convinced IRDA to permit FPCs to work as MIAs (Micro Insurance Agents). IRDA released a circular permitting FPCs to work as MIAs on the recomendation of LIC
Promoting PMFBY and Micro Insurance	Awareness building on Micro insurance and PMFBY (Pradhan Mantri Fasal Beema Yojana) was also initiated. Similar number of FPCs underwent these awareness events
Insurance linkages	More than 10 FPCs linked with MIA plan of LIC. More than 150 Members have availed Micro insurance from LIC

DRIVING FORCES

INVESTORS

Indian Foundation for Inclusive Growth [IFIG]	Indian Foundation for Inclusive Growth, a trust registered under the provisions of the Indian Trusts Act, 1882. IFIG was promoted by FWWB-India and holds majority of the issued and paid up share capital of Ananya.
Women's World Banking	A private equity limited partnership that makes direct equity investments in women-focused financial institutions. Women's World Banking Capital Partners is co-managed by WWB Asset Management and Triodos Investment Advisory & Services of the Netherlands. It is the only specifically women-focused and women-managed microfinance equity fund in the market today.
IDBI BANK	IDBI Bank is the youngest, new generation, Indian Public Sector Bank that rides on a cutting edge core banking Information Technology platform. The Bank offers personalized banking and financial solutions to its clients.
icco COOPERATION	ICCO Investment Fund is the impact Fund Manager of ICCO Cooperation. ICCO is a cooperative for development cooperation. Members are Edukans, Kerk in Actie and coPrisma. ICCO works in 44 countries in Africa, Asia and Latin America. ICCO Investments invests in social businesses which have a clear positive social and environmental impact combined with a financial return. The Capital 4 Development Fund (also known as the 'ICCO Investment Fund') targets social businesses in Asia as part of ICCO Cooperation's initiatives.

The four institutional investors stated above hold approximately 99.30% of Ananya's Equity Capital.

LENDERS

SIDBI SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	SBI	IDBI BANK	Rabobank
Union Bank of India	NABARD	mudra	
NABKISAN FINANCE LIMITED		RELIANCE Commercial Finance	

BOARD OF DIRECTORS

	Mr. Brijmohan	Chairman and Independent Director	Mr. Brijmohan is an emananet professional with an experience of over 35 years in the Microfinance sector. He served in SIDBI holding different key positions including the position of Executive Director. He was responsible for setting up and managing SIDBI Foundation for micro credit.
	Mr. S S Bhat	Managing Director	Mr. S. S. Bhat has an experience of over 37 years in Banking in various capacities up to the Top Executive position- both in Operations & Administration in Canara Bank. He brings in expertise both in microfinance and agriculture.
	Ms. Vijayalakshmi Das	Director	Ms. Vijayalakshmi Das is a veteran of the development finance sector. She has been the Trustee and CEO of FWWB-I for the past 25 years, and was the founder and MD of Ananya till May, 17.
	Ms. Jayshree Vyas	Director	Ms. Jayshree Vyas is the Chairperson of FWWB-I and is also the Managing Director of SEWA Bank. She is a CA and has been with the SEWA Group for over 25 years.
	Mr. Sidharth Sinha	Nominee Director, IFIG	Mr. Sidharth Sinha is the faculty at Indian Institute of Management Ahmedabad since 1992. Also a member of the faculty at the School of Management, University of Massachusetts, Amherst, USA.
	Mr. Babu Narayanan Nambiar	Nominee Director, IDBI Bank	Mr. B. N. Nambiar is a B.SC (Physics), CAIIB and Masters in Financial Management. He is associated with IDBI Bank since many years. Currently he is Deputy General Manager, IDBI Bank, Mumbai Branch.
	Ms. Sutapa Banerjee	Nominee Director, Women's World Banking, New York	Ms. Sutapa Banerjee is well recognized as a thought leader in the Wealth Management industry having headed and successfully built from scratch the Private Wealth businesses in ABN AMRO Bank and Ambit Capital. She is an MBA with over 25 years of banking experience.
	Mr. Arvind Agarwal	Nominee Director, Stichting Capital 4 Development (C4D)	Mr. Arvind Agarwal is a Post Graduate Diploma in Business Management (Finance). Currently he is Regional Investment Manager for ICCO Investments, South and Central Asia with more than 10 years of experience in Private Equity investing.

COMMITTEES & AUDITORS

BOARD COMMITTEES

Audit Committee
Credit Committee
Risk Management Committee
Compensation Committee

COMPANY AUDITORS

Statutory Auditors	Deloitte Haskins & Sells
Internal Auditors	M/s Alpesh Shah & Co.

ANANYA TEAM

Managing Director	Mr. Subraya Shankar Bhat *[since 1st June, 2017]*

Ms. Vijayalakshmi Das served as the Managing Director till 31st May, 2017.

Operations Team	Mr. Gaurav Gupta, Chief Operating Officer Mr. Ashish Verma Mr. Kuldip Dixit Mr. Nagendra Rajawat Mr. Neeraj Kumar Ms. Nidhi Panicker Mr. Nilay Shah Mr. Niraj Lal Ms. Priya Agrawal Mr. Ridhun VM Mr. Shrenik Shah
Finance Team	Ms. Rekha Singhal, General Manager - Finance & Accounts Ms. Anjali Shah Ms. Beena Thakar Ms. Madhvi Desai *[CFO till 31st May, 2017]*
Company Secretary	Ms. Lavina Parikh
Administrative Team	Ms. Urvi Panchal Ms. Viral Dave
Support Staff	Ms. Varsha Solanki Mr. Jitendra Brahamaniya Mr. Ram Naresh Yadav

CASE STUDIES

MICROFINANCE

Ms. Gini Dhudam hails from Imphal, Manipur and is into the business of aluminium moulding. She has, for last seven years, been associated with and borrowing from **Chanura Microfin Manipur**, an Imphal based society that has been Ananya's partner in inclusive growth since July, 2009. The borrower, who has been on-lent Ananya's funds for multiple number of times describes her journey so far in her own words:

'All the loans I have borrowed over last seven years, I have invested in my activity of manufacturing utensils, every next one enabling me to invest more. Before this financial support came in, we were being charged a very high interest rate by our lenders, while these small instalment amounts are easy to repay out of the units sold. Earlier the people involved in our business were only I and my husband, while the growth of the business led me to recruit more people with demand increasing and hence, currently, I have five persons employed under this roof, also helping me shifting the areas of focus I need to have from involving into all the manufacturing processes to managing all the employees. Additionally, in the spare time, I am able to earn a little more with my embroidery skills.

Our customer base has expanded over these years. We used to sell to only two shops in Imphal earlier, while the number has increased to more now. Thus, earning marginal profits only in early times, at present, we earn handsome returns out of which, we first pay salaries of employees and then, with the money left, we are able to solve the problems of workers' and our families. We didn't have gas, vehicle, etc. at home back then. But, now, there is no shortage as such and our children can also study nicely.'

AGRIFINANCE

Ms. Kaleru Anitha, aged 38 years, belongs to Alair Village, Nellikuduru Block, Mahabubabad district of Telangana state. She is living with her husband named Srinivas, aged 46 years, and has two children studying in class 6th & 3rd respectively. Her Husband is a small and marginal farmer. Continuous failure of crop adversely affected their income. Every year they used to take loan from local money lender at excessively high rate of interest i.e. 36%.

Having been facing financial problems, she decided to buy milch animal for earning supplementary income. Therefore, she joined village level dairy society in 2012 promoted by Pragathi Seva Samithi. **Pragathi Farm Products Producer Company Limited** (PFPPCL) availed cattle loan from Ananya Finance which they passed to members desirous to purchase milch animal. PFPPCL provided credit support for purchasing of milch animal to Mrs. Kaleru Anitha. Pragati FPC not only provided credit support but also provided veterinary services. She availed loan of an amount of Rs. 30,000 from Pragathi FPC, supported by Ananya. She started Dairy activity in full fledged manner and her dairy business grew remarkably. This helped her in increasing its number of animals from 1 in 2012 to 8 animals as on date. She now sells 16 litres of milk daily at the rate of Rs.40 and earns INR 640 per day. With growing income in dairy activities, she has purchased 20 Guntas of agriculture land and is also able to send their children to convent school for better education.

FINANCIALS

FINANCIAL HIGHLIGHTS

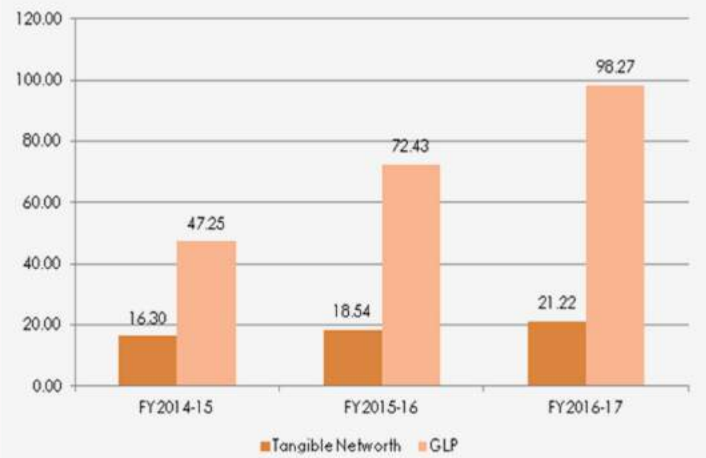

***Fig**: FH-1 - TNW | GLP*

***Fig**: FH-2 - PROFITABILITY*

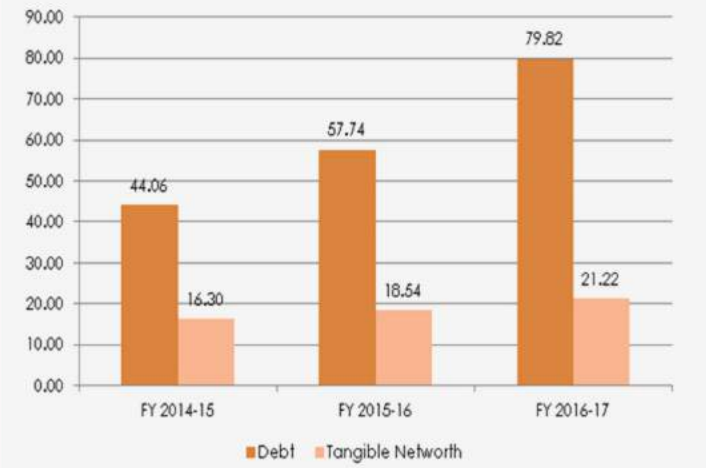

***Fig**: FH-3 - LEVERAGE*

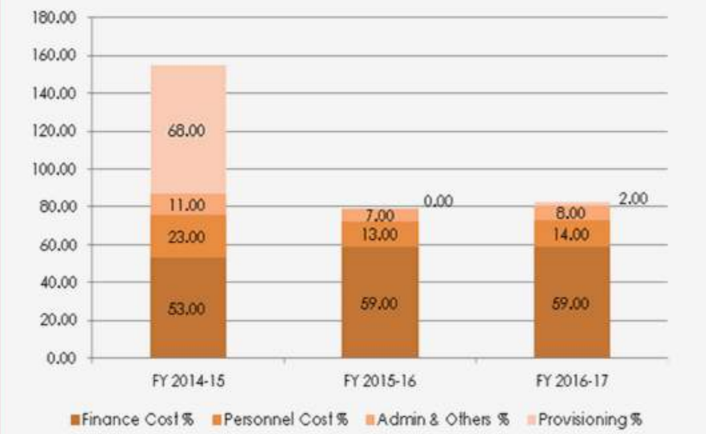

***Fig**: FH-4 - EXPENSES AS % OF REVENUES*

To,
The Members,
Your Directors have pleasure in presenting their Eighth Annual Report on the Business and Operations of the Company together with Audited Statement of Accounts and Auditors Report thereon for the Financial Year ended March 31, 2017.

1. Financial summary or highlights/Performance of the Company

	Rs. For the year ended 31st March 2017	Rs. For the year ended 31st March 2016
Income from Operation	13,29,18,764	9,83,82,168
Other income	1,30,99,981	80,72,324
Profit (Loss) before Depreciation & Tax	259,47,352	226,22,472
Less : Depreciation	2,87,138	1,58,366
Profit (Loss) before Tax	256,60,214	224,64,106
Less : Tax	-	-
Less : Deferred Tax (expense)/benefit	(72,70,995)	(69,44,145)
Profit (Loss) after Tax	183,89,219	155,19,961

2. Dividend

Your Directors do not recommend dividend for the year.

3. Reserves

Your Directors have transferred Rs.36, 77,844 being 20% of net profit after tax to the Statutory Reserves as per the Reserve Bank of India Act, 1934.

4. State of Company's affair and Future Outlook

The company could raise debt of Rs.56.32 crore during the year. The income of the company increased from Rs. 9.83 crore in previous year to Rs.13.29 crore during the current year.

5. Extract of Annual Return

The extract of Annual Return, in format MGT -9, for the Financial Year 2016-17 has been enclosed with this report.

6. Details of Subsidiaries Companies, Associate Company & LLP/Partnership

Sr, No.	Name of Company	Nature of Relationship	No. of Share hold/Capital Contribution
	NIL	NIL	NIL

*There is no Subsidiary, Associate & LLP/Partnership of Company hence no such information is provided

Ananya Finance for Inclusive Growth Pvt. Ltd. AHMEDABAD

7. **Number of Board Meetings**

During the Financial Year 2016-17, meetings of the Board of Directors of the company were held on the following dates:

Sr. No.	Date of Board Meeting	No. of Director Present in the Meeting
1.	19th April, 2016	All the Directors were present in the Meeting, except Ms. Jayshree Vyas and Mr. Arvind Agarwal Leave of absence was also granted.
2.	17th June,2016	All the Directors were present in the Meeting except Dr. Sudha Kothari Leave of absence was also granted.
3.	09th September,2016	All the Directors were present in the Meeting, except Dr. Sudha Kothari and Mr. Sidharth Sinha Leave of absence was also granted
4.	18th November, 2016	All the Directors were present in the Meeting, except Mr. Sidharth Sinha Leave of absence was also granted
5.	14th December,2016	All the Directors were present in the Meeting.
6.	16th January,2017	All the Directors were present in the Meeting, except Mr. Brijmohan and Mr. P.D. Yadav Leave of absence was also granted
7.	09th March,2017	All the Directors were present in the Meeting, except Ms. Jayshree Vyas Leave of absence was also granted

8. **Particulars of Loan, Guarantees and Investments under Section 186**

During the financial year 2016-17, the Company has given loans amounting to Rs.111.85 crore to 71 organisations.

The investment in other securities is within the limits prescribed under Section 186 of the Companies Act, 2013.

9. **Particulars of Contracts or Arrangements with Related Parties:**

All the transactions are at Arm's length. Your Directors draw attention of the members to Note no.2.36 to the financial statements which sets out related party disclosures.

10. **Auditor's Report:**

The Auditor's Report does not contain any qualification notes to accounts and the Auditor's Report are self explanatory and therefore do not call for any further comments.

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11. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

Your Company is taking all possible steps to conserve energy and reduce the cost of operations. Continuous efforts are being made towards technology absorption, adoption and innovation. This will result in improving the quality of the products.

During the year under review, the foreign exchange earnings were NIL & out go was NIL.

12. Risk Management Policy:

The Company has developed a very comprehensive Credit policy and Exposure policy and the same is reviewed by the Management at periodical intervals. Moreover the Board of Directors have constituted a Risk Management Committee at the corporate level, which comprises of select Directors who conduct a review of the company's operations specifically from a Risk Management perspective. Additionally, the Board has constituted a Credit committee comprising of select Directors who review every single credit proposal before a loan is sanctioned.

13. Details of Directors:

SR. NO.	NAME OF DIRECTOR	DIN	DESIGNATION	DATE OF APPOINTMENT	RESIDENTIAL ADDRESS
1	Mr. Brij Mohan	00667210	Independent Director	09/05/2009	C-4c-085 Carlton-Iv, Phase-V,, Gurgaon, 122001, Haryana, India
2.	Mr. Subraya Shankar Bhat	05155247	Joint Managing Director	01/02/2017	Flat A-4,306, Sneha appts, Godavari Block, National Games Vill, KML,Bangalore-560034
3.	Ms. Vijayalakshmi Das	00624128	Director	22/04/2009	404-J, Safal Parivesh, Prahalad Nagar, 100 Ft. Road, Ahead of 5 & 6, Vejalpur, Ahmedabad, 380051, Gujarat, INDIA
4.	Ms. Jayshree Vyas	00584392	Additional Director	30/05/2017	1, Sun view Apartment, Opp. Purnanand Ashram Ishwarbhuvan, Ahmedabad, 380014, Gujarat, India

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5.	Mr. Sidharth Sinha	01831966	Nominee Director	07/12/2012	House 402 , Indian Institute Of Management, Ahmedabad, 380015, Gujarat, India
6.	Mr. Babu Narayanan Nambiar	06697737	Nominee Director	28/04/2017	303, Purva Kores, Nakshatra Vartak Nagar, Thane-400606- IN
7.	Ms. Sutapa Banerjee	02844650	Nominee Director	13/06/2014	3003 A&B, 30th Floor, Springs I, GD Ambekar Marg,Naigaon, Dadar East, Mumbai, 400014, Maharashtra, India
8.	Mr. Arvind Kumar Agarwal	07405470	Nominee Director	19/02/2016	C-19/A, First Floor, Green Park Extension, New Delhi, India - 110016

- Mr. Subraya Shankar Bhat was appointed as Managing Director w.e.f 01st June 2017
- Mr. Babu Narayanan Nambiar was appointed as Nominee from IDBI Bank in place of Mr. P.D.Yadav w.e.f 28th April 2017
- Ms. Jayshree Vyas resigned and subsequently reappointed. W.e.f 30th May 2017 due to technical difficulties on MCA for surrendering DIN No.
- There was a change in designation of Ms. Vijayalakshmi Das from Managing Director to Director w.e.f 01st June 2017

15. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

No order has been passed by the Court/Tribunal during the financial year 2016-2017 impacting the going concern status and company's operations in future.

16. Deposits (As per the Definition under Section 2(31) of the Companies Act, 2013)

The following details of deposits, covered under Chapter V of the act:

I. Deposits Accepted during the year: Nil
II. remained unpaid or unclaimed as at the end of the year: Nil
III. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- Nil

Ananya Finance For Inclusive Growth Pvt. Ltd. AHMEDABAD

a. At the beginning of the year: Nil

b. Maximum during the year: Nil

c. At the end of the year: Nil

IV. The details of deposits which are not in compliance with the requirements of Chapter: Nil

17. Receipt of any commission by MD /WTD from a Company or for receipt of commission /remuneration from it Holding or subsidiary

Nil

18. Corporate Social Responsibility (CSR) Policy

The Company is not falling within the criteria of Section 135 of the Companies Act, 2013 and hence the Company is not required to form CSR committee.

19. Audit Committee

An Audit Committee has been in place in the company with minimum one meeting held in every financial year. It reviews the Financial Reporting process, the system of internal controls, audit process and checks whether there has been compliance with various laws and regulations. The Audit Committee consists of the following Directors.

1. Ms. Jayshree Vyas
2. Mr. Sidharth Sinha
3. Mr. B.N. Nambiar

20. Nomination & Remuneration Committee Policy

The Company has in place the Nomination Committee consisting of Ms. Vijayalakshmi Das and Ms. Jayshree Vyas. Also there is a Compensation Committee constituted by the management which includes Mr. Sidharth Sinha, Ms. Jayshree Vyas and Ms. Sutapa Banerjee. The Remuneration guidelines also have a brief description in the HR policy of the Company.

21. Disclosure on Establishment of a Vigil Mechanism

Fraud free and corruption free work culture has been core to the Company. In view of the potential risk of fraud and corruption due to rapid growth, the Company has put an even greater emphasis to address this risk.

To meet this objective, a comprehensive Whistle Blower Policy has been laid down by the Board of Directors in the HR policy of the Company itself.

Ananya Finance For Inclusive Growth Pvt. Ltd. AHMEDABAD

22. Managerial remuneration

Managerial Remuneration			
Sr. No.	**Name of Director**	**Remuneration for F.Y 2016-2017(Amount In Rs.)**	**Remuneration for F.Y 2015-2016 (Amount In Rs.)**
1.	Ms. Vijayalakshmi Das	46,38,323	42,90,004
2.	Mr. Subraya Shankar Bhat (Consultancy Fees) for February and March 17	6,66,333	-

23. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) (SHWS) Act, 2013, Ananya Finance for Inclusive Growth Pvt. Ltd has policy for Prevention of Sexual Harassment at the Workplace and the Board of Directors have unanimously adopted the same w.e.f. 17th June, 2016. The Company has appointed Ms.Vijayalakshmi Das as Presiding Officer in the Internal Complaints Committee constituted under SHWS Act, 2013

24. Statutory Auditors

Deloitte Haskin & Sells have consented and shown their eligibility for appointment as Statutory Auditors of the Company and were appointed in the sixth annual general meeting of the Company for a period of five years. The members are requested to ratify their appointment for ensuing year subject to ratification by members in every annual general meeting of the Company for their appointment.

25. Cost Auditors

Company does not fall within the purview of Section 148 of the Companies Act, 2013 and hence the Company is not required to appoint Cost Auditor for the F.Y 2016-17

26. Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

a) In the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit /loss of the Company for that period;
c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
d) The directors had prepared the annual accounts on a going concern basis;

Ananya Finance for Inclusive Growth Pvt. Ltd. AHMEDABAD

e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

f) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

27. Capacity Building Initiatives

Your Directors are pleased to inform that the Company is not only giving loans but is also involved in the area of Capacity Building support to various MFIs and FPOs. Till date the Company have imparted capacity building training to 52 Farmer Producer Companies and 10 MFIs.

28. Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support.

Date: 23/06/2017

Place: Ahmedabad

For and Behalf of the Board of Directors

(Director) **(Director)**

Ananya Finance For Inclusive Growth Pvt. Ltd. ★ AHMEDABAD

Deloitte Haskins & Sells

Chartered Accountants
19th floor, Shapath - V,
S G Highway,
Ahmedabad - 380 015,
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ANANYA FINANCE FOR INCLUSIVE GROWTH PRIVATE LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of **ANANYA FINANCE FOR INCLUSIVE GROWTH PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

DELOITTE HASKINS & SELLS AHMEDABAD Chartered Accountants

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

      ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

Deloitte Haskins & Sells Ahmedabad Chartered Accountants

iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Gaurav J Shah

Gaurav J Shah
Partner
(Membership No. 35701)

Place: Ahmedabad
Date: 28th June, 2017

DELOITTE HASKINS & SELLS AHMEDABAD Chartered Accountants

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Ananya Finance For Inclusive Growth Private Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

DELOITTE HASKINS & SELLS AHMEDABAD Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Gaurav J. Shah

Gaurav J. Shah
Partner
Membership No. 35701

Place: Ahmedabad
Date: 28th June, 2017

DELOITTE HASKINS & SELLS AHMEDABAD Chartered Accountants

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of fixed assets:

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

(b) Fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) The company does not have any immovable properties as on 31st March, 2017. Accordingly, the provisions of clause 3(i)(c) of the Order is not applicable to the company.

(ii) The company is Non-Banking Finance Company and has not dealt with any goods and the company does not hold any inventory during the period under audit. Accordingly, the provisions of clause 3(ii) of the Order is not applicable to the company.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, to the extent it is applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax which have not been deposited as on 31st March, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Income Tax Act, 1961	Income Tax	ITAT	Assessment Year 2011-12	37,342,302	8,186,257
Income Tax Act, 1961	Income Tax	ITAT	Assessment Year 2012-13	4,180,080	4,023,293
Income Tax Act, 1961	Income Tax	Commissioner Income Tax (Appeals)	Assessment Year 2013-14	8,577,261	3,801,961

There are no dues of Sales Tax, Service Tax, Excise Duty or Value Added Tax that have not been deposited as at 31st March, 2017 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) As the company is private limited company, accordingly the provisions of clause 3 (xi) of the Order is not applicable to the company.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

DELOITTE HASKINS & SELLS AHMEDABAD CHARTERED ACCOUNTANTS

(xiv) During the year company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Gaurav J. Shah
Partner
Membership No. 35701

Place: Ahmedabad
Date: 28th June, 2017

BALANCE SHEET

	Note	As at 31st March 2017 Rupees	As at 31st March 2016 Rupees
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2.1	7551,00,100	7551,00,100
Reserves and Surplus	2.2	(5138,83,933)	(5322,73,152)
		2412,16,167	**2228,26,948**
Non-current liabilities			
Long-term borrowings	2.3	2702,95,488	2861,61,353
Other long-term liabilities	2.4	688,68,696	411,65,914
Long-term provisions	2.5	28,76,933	20,97,174
		3420,41,117	**3294,24,441**
Current liabilities			
Short Term Borrowings	2.6	442,64,828	-
Trade payables :	2.7		
Total outstanding dues of micro enterprise and small enterprises		-	-
Total outstanding dues of other than micro enterprise and small enterprises		16,90,969	15,62,980
Other current liabilities	2.8	5632,39,485	3542,44,608
Short-term provisions	2.9	36,02,918	26,26,598
		6127,98,200	**3584,34,186**
Total		**11960,55,484**	**9106,85,575**
ASSETS			
Non-current assets			
Fixed assets			
(i) Tangible assets	2.10	7,09,194	4,70,482
(ii) Intangible assets	2.11	-	-
		7,09,194	**4,70,482**
Non-current investments	2.12	82,94,723	80,00,000
Deferred tax assets, net	2.13	301,10,043	373,81,038
Long-term loans and advances	2.14	2648,74,248	1539,27,626
Other non-current assets	2.15	380,38,235	381,99,563
		3413,17,249	**2375,08,227**
Current assets			
Current investments	2.16	87,86,946	-
Trade receivables	2.17	2,28,125	18,024
Cash and cash equivalents	2.18	729,36,166	641,57,427
Short-term loans and advances	2.19	7668,62,696	6047,17,009
Other current assets	2.20	52,15,108	38,14,406
		8540,29,041	**6727,06,866**
Total		**11960,55,484**	**9106,85,575**

See accompanying notes forming part of financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Gaurav J Shah
Partner

Place: Ahmedabad
Date: 28th June, 2017

For and on behalf of the Board of Directors

Brij Mohan
Chairman
(DIN 00667210)

Subrata Shankar Bhat
Managing Director
(DIN 05155247)

Lavina Parikh
Company Secretary

Place: Ahmedabad
Date: 23.06.2017

STATEMENT OF PROFIT AND LOSS

	Note	For the year ended 31st March 2017 Rupees	For the year ended 31st March 2016 Rupees
Income			
Revenue from operations	2.21	1375,56,264	983,82,168
Other income	2.22	84,62,481	80,72,324
Total revenue		**1460,18,745**	**1064,54,492**
Expenses			
Employee benefits expense	2.23	211,70,489	141,67,534
Finance costs	2.24	861,91,279	622,95,170
Depreciation and amortisation	2.25	2,87,138	1,58,366
Provisions and write offs	2.26	4,89,760	1,83,517
Other expenses	2.27	122,19,865	71,85,799
Total expenses		**1203,58,531**	**839,90,386**
Profit before tax		256,60,214	224,64,106
Tax expense / (benefits):			
- Current tax		-	-
- Deferred tax		72,70,995	69,44,145
Profit after tax		**183,89,219**	**155,19,961**
Earnings per equity share	2.28		
[nominal value of share Rs. 10 (previous year Rs.10)]			
- Basic and diluted		0.36	0.32

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

For Deloitte Haskins & Sells
Chartered Accountants

Gaurav J Shah
Gaurav J Shah
Partner

Place: Ahmedabad
Date: 28th June, 2017

For and on behalf of the Board of Directors

Brij Mohan
Brij Mohan
Chairman
(DIN 00667210)

Subraya Shankar Bhat
Managing Director
(DIN 05155247)

Lavina
Lavina Parikh
Company Secretary

Place: Ahmedabad
Date: 23.06.2017

CASH FLOW STATEMENT

	For the year ended 31st March 2017 Rupees	For the year ended 31st March 2016 Rupees
Cash flows from operating activities		
Net Profit before tax	256,60,214	224,64,106
Adjustments :		
Depreciation and amortisation	2,87,138	1,58,366
Provisions and write offs on loan portfolio	4,89,760	1,83,517
Profit / Loss on write off of fixed asset	-	1,978
Income from mutual fund investments	(9,55,395)	(21,41,709)
Interest income on fixed deposit and others	(59,00,934)	(59,28,827)
Finance Cost	861,91,279	622,95,170
Operating cash flows before working capital changes	**1057,72,062**	**770,32,601**
(Increase) / decrease in loans and advances	(2581,36,922)	(2517,97,040)
(Increase) / decrease in trade receivables	(2,10,101)	(18,024)
(Increase) / decrease in other assets	3,50,070	31,98,699
Increase / (decrease) in long term liabilities	277,02,782	88,88,336
Increase / (decrease) in other liabilities and provisions	103,04,728	492,20,551
Cash used in operations	**(1142,17,381)**	**(1134,74,877)**
Finance Cost Paid	(785,07,113)	(515,44,094)
Income taxes (paid) / refunded, net	(149,55,386)	(164,85,390)
Net cash used in operating activities (A)	**(2076,79,880)**	**(1815,04,361)**
Cash flows from investing activities		
Purchase of fixed assets	(5,25,851)	(3,02,000)
Purchase of units of mutual funds	(6835,25,001)	(4791,60,000)
Proceeds from sale of units of mutual funds	6753,98,727	5445,01,709
Investment in preference shares	-	(45,50,000)
Interest recived on Fixed Deposit	48,11,490	46,86,956
Bank balance to the extent not considered in cash and cash equivalent	(90,48,709)	(277,23,421)
Net cash generated from / (used in) investing activities (B)	**(128,89,344)**	**374,53,244**
Cash flows from financing activities		
Proceeds from short-term borrowings	442,64,828	-
Proceeds from long-term borrowings	5190,00,000	3650,00,000
Repayment of long-term borrowings	(3424,65,574)	(2282,09,949)
Net cash generated from financing activities (C)	**2207,99,254**	**1367,90,051**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**2,30,030**	**(72,61,066)**
Cash and cash equivalents at the beginning of the year	242,42,362	315,03,428
Cash and cash equivalents at the end of the year (Refer note 2.18a)	**244,72,392**	**242,42,362**

DELOITTE HASKINS & SELLS AHMEDABAD CHARTERED ACCOUNTANTS

Ananya Finance For Inclusive Growth Pvt. Ltd. AHMEDABAD

	For the year ended 31st March 2017 Rupees	For the year ended 31st March 2016 Rupees
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 2.18(a))	244,72,392	242,42,362
	244,72,392	**242,42,362**

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

Gaurav J Shah
Partner

Place: Ahmedabad
Date: 28th June, 2017

For and on behalf of the Board of Directors

Brij Mohan

Brij Mohan
Chairman
(DIN 00667210)

Subraya Shankar Bhat
Managing Director
(DIN 05155247)

Lavina

Lavina Parikh
Company Secretary

Place: Ahmedabad
Date: 23.06.2017

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.

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.

DELOITTE HASKINS & SELLS AHMEDABAD Chartered Accountants

Ananya Finance for Inclusive Growth Pvt. Ltd. AHMEDABAD

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.

DELOITTE HASKINS & SELLS
AHMEDABAD
Chartered Accountants

Ananya Finance For Inclusive Growth Pvt. Ltd.
AHMEDABAD

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.

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.

DELOITTE HASKINS & SELLS AHMEDABAD Chartered Accountants

Ananya Finance For Inclusive Growth Pvt. Ltd. AHMEDABAD

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 flow from operating, investing and financing activities of the Company are segregated.

DELOITTE HASKINS & SELLS
AHMEDABAD
Chartered Accountants

Ananya Finance For Inclusive Growth Pvt. Ltd.
AHMEDABAD

Ananya Finance for Inclusive Growth Private Limited

Notes to the financial statements for the year ended 31st March 2017 (continued)

		As at 31st March 2017 Rupees	As at 31st March 2016 Rupees
2.1	**Share Capital**		
	Authorised:		
	150,000,000 (Previous year: 150,000,000) equity shares of Rs. 10 each Class A	15000,00,000	15000,00,000
	10,000,000 (Previous year: 10,000,000) equity shares of Rs. 10 each Class B	1000,00,000	1000,00,000
	40,000,000 (Previous year: 40,000,000) preference shares of Rs. 10 each	4000,00,000	4000,00,000
		20000,00,000	20000,00,000
	Issued, subscribed and paid-up:		
	51,510,020 (Previous year: 51,510,020) equity shares of Rs. 10 each 'class A', fully paid-up	5151,00,200	5151,00,200
	10,000,000 (Previous year: 10,000,000) 6% compulsorily convertible cumulative preference shares of Rs.10 each, fully paid up	1000,00,000	1000,00,000
	9,000,000 (Previous year: 9,000,000) 8% optionally convertible cumulative preference shares of Rs.10 each, fully paid up	900,00,000	900,00,000
	4,999,990 (Previous year: 4,999,990) 8% compulsorily convertible cumulative preference shares of Rs.10 each, fully paid up	499,99,900	499,99,900
		7551,00,100	7551,00,100

2.1.1 **Reconciliation of shares outstanding at the beginning and at the end of the reporting period:**

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Class A				
At the commencement of the year	515,10,020	5151,00,200	335,10,020	3351,00,200
Converted from Class B			90,00,000	900,00,000
Issue of bonus shares			90,00,000	900,00,000
At the end of the year	515,10,020	5151,00,200	515,10,020	5151,00,200
Class B				
At the commencement of the year	-	-	-	-
Preference shares converted into Equity shares during the year	-	-	90,00,000	900,00,000
Less: Converted into Class A	-	-	(90,00,000)	(900,00,000)
At the end of the year	-	-	-	-
At the end of the year	**515,10,020**	**5151,00,200**	**515,10,020**	**5151,00,200**
6% compulsorily convertible cumulative preference shares				
At the commencement of the year	100,00,000	1000,00,000	100,00,000	1000,00,000
At the end of the year	**100,00,000**	**1000,00,000**	**100,00,000**	**1000,00,000**
8% optionally convertible cumulative preference shares				
At the commencement of the year	90,00,000	900,00,000	90,00,000	900,00,000
At the end of the year	**90,00,000**	**900,00,000**	**90,00,000**	**900,00,000**
8% compulsorily convertible cumulative preference shares				
At the commencement of the year	49,99,990	499,99,900	139,99,990	1399,99,900
Issued during the year	-	-	-	-
Preference shares converted into Equity shares during the year	-	-	90,00,000	900,00,000
At the end of the year	**49,99,990**	**499,99,900**	**49,99,990**	**499,99,900**

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2.1 **Share capital** (continued)

2.1.2 a) Rights, preferences and restrictions attached to equity shares

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 A equity shares of the company are having all the rights and privileges available to an ordinary equity shareholder. Class B equity shares entitles its holders, over and above all rights and privileges available to an ordinary equity shareholder, also to a special right with respect to the bonus equity shares allotted by the company from time to time. These 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.

b) Rights, preferences and restrictions attached to preference shares

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 (CCPS) of Rs.10 each, fully paid up

The Company has issued 10,000,000 6% CCPS of Rs. 10 each at par to Indian Foundation for Inclusive Growth. The agreement provides for optional conversion after 3 years from the allotment date in the event the preference shareholders give a conversion notice.These preference shares were 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. With the mutual consent of the Company and IFIG, the said conversion has been postpond

2) 4,999,990 8% compulsorily convertible cumulative preference shares (CCPS) of Rs. 10 each, fully paid up

The Company has issued 4,999,990 8% 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 (OCCPS) of Rs. 10 each, fully paid up

The Company has issued 9,000,000 8% 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 5th Year 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:

	As at 31st March 2017 Rupees		As at 31st March 2016 Rupees	
Name of the equity shareholder	**Number of shares**	**% of holding**	**Number of shares**	**% of holding**
Class A				
Sudha Kapurchand Kothari - as a trustee of Indian Foundation for Inclusive Growth	330,00,000	64.07%	330,00,000	64.07%
Womens World Banking Capital Partner, LP (formerly WWB ISIS Fund, LP)	180,00,010	34.94%	180,00,010	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:

	As at 31st March 2017 Rupees		As at 31st March 2016 Rupees	
Name of the preference shareholder	**Number of shares**	**% of holding**	**Number of shares**	**% of holding**
6% compulsorily convertible cumulative preference shares held by Sudha Kapurchand Kothari - as a trustee of Indian Foundation for Inclusive Growth	100,00,000	100%	100,00,000	100%

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Notes to financial statements for the year ended 31st March 2017 (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:

	As at 31st March 2017 Rupees		As at 31st March 2016 Rupees	
Name of the preference shareholder	Number of shares	% of holding	Number of shares	% of holding
8% compulsorily convertible cumulative preference shares held by Stichting Capital 4 Development	49,99,990	100%	49,99,990	100%

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

	As at 31st March 2017 Rupees		As at 31st March 2016 Rupees	
Name of the preference shareholder	Number of shares	% of holding	Number of shares	% of holding
8% optionally convertible cumulative preference shares held by IDBI Bank Ltd	90,00,000	100%	90,00,000	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 31st March 2017	Aggregate No. of share as at 31st March 2016
Fully paid up Equity shares issued as bonus shares	90,00,000	90,00,000

2.2 Reserves and surplus

	As at 31st March 2017 Rupees	As at 31st March 2016 Rupees
Securities Premium Account		
At the commencement of the year	577,61,737	1477,61,737
Less: amount utilised towards issue of bonus shares	-	(900,00,000)
Closing balance	**577,61,737**	**577,61,737**
Statutory Reserve (created under Section 45-IC of RBI Act, 1934)		
At the commencement of the year	64,13,114	33,09,122
Add: Transferred from surplus	36,77,844	31,03,992
Closing balance	**100,90,958**	**64,13,114**
Surplus in the Statement of Profit and Loss		
At the commencement of the year	(5964,48,003)	(6088,63,973)
Add: Net Profit for the year	183,89,219	155,19,961
Less: Transferred to Statutory Reserve	(36,77,844)	(31,03,991)
Closing balance	**(5817,36,628)**	**(5964,48,003)**
Total Reserves and Surplus	**(5138,83,933)**	**(5322,73,152)**

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		As at 31st March 2017 Rupees	As at 31st March 2016 Rupees
2.3	**Long-term borrowings**		
	Secured		
	Term loans from banks *	844,19,056	707,61,918
	Term loans from others *	1858,76,432	636,49,435
	Unsecured		
	Term loans from financial institution*	-	1517,50,000
		2702,95,488	**2861,61,353**
	*Refer note 2.29 for terms of borrowings.		
2.4	**Other long-term liabilities**		
	Security deposit from borrowers	674,00,000	404,23,700
	Interest accrued but not due on security deposits	14,68,696	7,42,214
		688,68,696	**411,65,914**
2.5	**Long-term provisions**		
	Contingent provision against standard assets*	5,32,420	2,92,442
	Provision for non performing assets*	4,67,507	4,67,507
	Provision for diminution in the fair value of restructured advances*	1,45,727	3,01,743
	Provision for employee benefits		
	Gratuity (funded) (Refer note 2.38)	7,36,569	2,74,773
	Compensated absences	9,94,710	7,60,709
		28,76,933	**20,97,174**
	*Refer note 2.32		
2.6	**Short-term borrowings**		
	Secured		
	Cash Credit From Bank	442,64,828	-
		442,64,828	**-**
	*Refer note 2.29 for terms of borrowings.		
2.7	**Trade Payables**		
	Micro enterprise and small enterprises (Refer Note 2.40)	-	-
	Other than micro enterprise and small enterprises		
	Acceptances	-	-
	Other then Acceptance	16,90,969	15,62,980
		16,90,969	**15,62,980**
2.8	**Other current liabilities**		
	Current maturities of long-term debt		
	-Term loans from banks - Secured*	1519,42,862	1622,85,706
	-Term loans from others - Secured*	1799,74,553	860,99,460
	-Term loans from financial institution - Unsecured*	1517,50,000	100,00,000
	-Term loans from related party - Unsecured*	-	328,81,958
	Interest accrued but not due on borrowings	22,04,767	20,97,452
	Security deposit from borrowers	573,45,200	505,00,000
	Interest accrued but not due on security deposits	41,36,233	37,47,559
	Unspent amount of Poorest State Intiative Growth project	138,90,543	63,13,692
	Statutory liabilities	19,95,327	3,18,781
		5632,39,485	**3542,44,608**
	*Refer note 2.29 for terms of borrowings		
2.9	**Short-term provisions**		
	Contingent provision against standard assets*	19,16,334	15,10,536
	Provision for employee benefits		
	Gratuity (funded) (Refer note 2.38)	16,54,678	7,87,462
	Compensated absences	31,906	3,28,600
		36,02,918	**26,26,598**
	*Refer note 2.32		

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2.10 Tangible Assets

In Rupees

Particulars	Gross block				Depreciation				Net block	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	As at 1st April 2016	For the year	Disposals	As at 31st March 2017	As at 31st March 2017	As at 31st March 2016
Furniture and fixtures	26,546	49,680	-	76,226	26,546	5,002	-	31,548	44,678	-
Vehicles	6,15,141	-	-	6,15,141	6,15,141	-	-	6,15,141	-	-
Office equipment	3,68,792	1,28,316	-	4,97,108	2,56,909	42,510	-	2,99,419	1,97,689	1,11,883
Computers	10,21,014	3,47,855	-	13,68,869	6,62,415	2,39,627	-	9,02,042	4,66,827	3,58,599
Total	**20,31,493**	**5,25,851**	-	**25,57,344**	**15,61,011**	**2,87,138**	-	**18,48,150**	**7,09,194**	**4,70,482**
Previous year	**18,87,853**	**3,02,000**	**1,58,360**	**20,31,493**	**15,59,027**	**1,58,366**	**1,56,382**	**15,61,011**	**4,70,482**	

2.11 Intangible Assets

Particulars	Gross block				Amortisation				Net block	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	As at 1st April 2016	For the year	Disposals	As at 31st March 2017	As at 31st March 2017	As at 31st March 2016
Software	12,60,000	-	-	12,60,000	12,60,000	-	-	12,60,000	-	-
Intangible assets*	3032,00,000	-	-	3032,00,000	3032,00,000	-	-	3032,00,000	-	-
Total	**3044,60,000**	-	-	**3044,60,000**	**3044,60,000**	-	-	**3044,60,000**	-	-
Previous year	**3044,60,000**	-	-	**3044,60,000**	**3044,60,000**	-	-	**3044,60,000**	-	

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

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		As at 31st March 2017 Rupees	As at 31st March 2016 Rupees
2.12	**Non-current investments**		
	(valued at cost, unless stated otherwise)		
	Trade Investments (Unquoted)		
	Investments in preference shares (fully paid-up)		
	455,000 (previous year 800,000) 0% Non - convertible cumulative redeemable preference shares of Rs. 10 each of Access Livelihood Consulting India Limited	45,50,000	80,00,000
	327,250 (previous year 327,250) 0.001% optionally convertible cumulative redeemable preference shares of Rs.10 each of Asmitha Microfin Limited	32,72,500	32,72,500
	385,000 (previous year 385,000) 0.001% optionally convertible cumulative redeemable preference shares of Rs.10 each of Share Microfin Limited	38,50,000	38,50,000
	Less Provision for permanent dimunition in the value of investments	(71,22,500)	(71,22,500)
	Trade Investments (Quoted)		
	Investment in mutual funds (fully paid-up)		
	286,112.40 (previous year Nil) units of Reliance corporate bond fund - direct plan-growth	37,44,723	-
		82,94,723	**80,00,000**
	Aggregate amount of unquoted non-current investments	45,50,000	80,00,000
	Aggregate amount of quoted non-current investments	37,44,723	-
2.13	**Deferred tax assets, net**		
	Tax effect of items constituting deferred tax assets		
	Disallowances under Section 43B of Income Tax Act, 1961	11,82,855	6,98,068
	Disallowances under Section 36 of Income Tax Act, 1961	83,31,887	51,93,932
	Timing Difference between book and income tax depreciation	144,30,036	179,89,599
	Unabsorbed depreciation caried forward*	61,65,265	134,99,439
		301,10,043	**373,81,038**

* Deferred tax asset on unabsorbed depreciation has been recognised to the extent of future expected profit estimated considering the planned level of business operations and borrowings that will generate sufficient future taxable income

2.14	**Long-term loans and advances**		
	Secured		
	Loan portfolio considered good*	2129,67,909	1169,76,673
	Other non-performing assets**	30,90,593	30,90,593
	Unsecured, considered good		
	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)]	487,42,246	337,86,860
		2648,74,248	**1539,27,626**

*Represents standard assets in accordance with classification of assets as per RBI Prudential norms for NBFCs (Refer note 2.32)
**Represents Non Performing Assets in accordance with classification of assets as per RBI Prudential norms for NBFCs (Refer note 2.32)

2.15	**Other non-current assets**		
	Unsecured, considered good		
	Bank deposit (with more than 12 months maturity)*	370,00,000	365,00,000
	Interest accrued on bank deposits	10,38,235	16,99,563
		380,38,235	**381,99,563**

* Represents deposit Rs 37,000,000 (Previous Year Rs 36,500,000) held as margin money against loans availed by the Company

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		As at 31st March 2017 Rupees	As at 31st March 2016 Rupees
2.16	**Current investments**		
	Trade Investments (Unquoted)		
	Current portion of Long Term Investment		
	Investments in preference shares (fully paid-up)		
	345,000 (previous year: NIL) 0% Non - convertible cumulative redeemable preference shares of Rs. 10 each of Access Livelihood Consulting India Limited	34,50,000	-
	Investment in mutual funds (fully paid-up) - quoted*		
	263,837.524 (previous year: Nil) units of Reliance corporate bond fund - direct plan-growth	32,80,846	-
	65,712.464 (previous year: Nil) units of Reliance short term fund - direct plan-growth	20,56,100	-
		87,86,946	**-**
	*There is a lien on above Mutual Funds against a loan obtained from Reliance Capital Limited (For Security refer Note 2.29)		
	Aggregate amount of unquoted investments	34,50,000	-
	Aggregate amount of quoted investments	53,36,946	-
	Aggregate market value of quoted investments	55,35,786	-
2.17	**Trade Receivables**		
	Unsecured, considered good	2,28,125	18,024
		2,28,125	**18,024**
2.18	**Cash and cash equivalents**		
	(a) Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
	Cash on hand	3,419	46,489
	Balances with banks		
	- in current accounts	244,68,973	241,95,873
		244,72,392	242,42,362
	(b) Other bank balances		
	- in bank deposits (with less than 12 months maturity)*	484,63,774	399,15,065
		729,36,166	**641,57,427**

* Represents deposits of Rs.484,63,774/- (Previous Year: Rs.25,472,119) held as margin money against loans availed by the Company.

Below are the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

	SBNs	Other Denomination Notes	Total
Closing Cash on Hand as on 08/11/2016	13,92,000	5,072	13,97,072
(+) Permitted Receipts	-	65,73,279	65,73,279
(-) Permitted Payments	-	91,671	91,671
(-) Deposited in Bank	13,92,000	64,85,076	78,77,076
Closing Cash on Hand as on 30/12/2016	-	1,604	1,604

2.19	**Short-term loans and advances**		
	Secured		
	Loan portfolio considered good*	7665,33,712	6042,14,348
	Unsecured, considered good		
	Prepaid expenses	2,56,231	4,85,617
	Advances to others	1,200	10,098
	CENVAT Credit receivable	71,553	6,946
		7668,62,696	**6047,17,009**

*Represents standard assets in accordance with classification of assets as per RBI Prudential norms for NBFCs (Refer note 2.32)

2.20	**Other current assets**		
	Interest accrued on bank deposits	44,47,925	26,97,154
	Interest accrued and due on loan portfolio	44,429	1,63,588
	Interest accrued but not due on loan portfolio	3,37,700	5,90,898
	Receivable for the payments made on behalf of a party	3,85,054	3,14,552
	Receivable from related party	-	48,214
		52,15,108	**38,14,406**

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			For the year ended 31st March 2017 Rupees		For the year ended 31st March 2016 Rupees
2.21	**Revenue from operations**				
	Interest income on loan portfolio		1215,55,682		865,00,807
	Income from business facilitation		5,07,410		8,85,419
	Processing fees on loan portfolio		108,55,672		104,58,181
	Other operating revenues		46,37,500		12,761
	Recoveries from previous write off		-		5,25,000
			1375,56,264		**983,82,168**
2.22	**Other income**				
	Interest income on fixed deposit		59,00,934		59,28,827
	Net gain on sale of current investment		9,55,395		21,41,709
	Interest on Income Tax refund		15,04,582		-
	Miscellaneous income		1,01,570		1,788
			84,62,481		**80,72,324**
2.23	**Employee benefits expense**				
	Salaries, wages and bonus	205,04,456		147,14,669	
	Less Reimbursements	23,19,157	181,85,299	19,86,106	127,28,563
	Contribution to provident and other funds (Refer note 2 38)	29,10,588		14,52,410	
	Less Reimbursements	1,85,543	27,25,045	1,58,896	12,93,514
	Staff welfare expenses		2,60,145		1,45,457
			211,70,489		**141,67,534**
2.24	**Finance costs**				
	Interest expenses on term loans		533,76,254		368,98,028
	Interest expenses on Security Deposit		78,65,733		45,42,460
	Other borrowing cost		108,59,552		72,80,794
	Expenditure for Poorest State Intiative Growth Project		140,89,740		135,73,888
			861,91,279		**622,95,170**
2.25	**Depreciation and amortisation**				
	Depreciation on tangible sssets		2,87,138		1,58,366
			2,87,138		**1,58,366**
2.26	**Provisions and write offs**				
	Provision on standard assets		6,45,776		6,21,767
	Provision on non performing assets		-		4,67,507
	Provision/reversal for diminution in the fair value of restructured advances		(1,56,016)		(9,05,757)
			4,89,760		**1,83,517**
2.27	**Other expenses**				
	Power and fuel		1,43,755		1,55,704
	Rent (Refer note 2 34)		15,24,850		4,46,037
	Repairs and maintenance				
	- others		3,10,282		2,18,716
	Insurance		3,82,902		3,29,258
	Rates and taxes		1,17,202		43,281
	Communication expenses		3,74,740		3,70,312
	Printing and stationery		54,952		55,173
	Travelling and conveyance		18,51,298		14,20,144
	Legal and professional fees		32,65,664		21,93,317
	Payment to Auditors (Refer note 2 35)		10,22,408		10,11,021
	Directors' sitting fees		5,12,500		3,32,500
	Office expenses		4,73,328		3,01,717
	Membership fees		2,98,950		2,58,128
	Training and workshop expenses		18,65,027		47,971
	Write off of Fixed Assets		-		1,978
	Miscellaneous expenses		22,007		542
			122,19,865		**71,85,799**

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		For the year ended 31st March 2017 Rupees	For the year ended 31st March 2016 Rupees
2.28	**Earnings per share**		
	Profit for the year attributable to equity shareholders	183,89,219	155,19,961
	Shares		
	Number of equity shares at the beginning of the year	515,10,020	335,10,020
	Add: Equity shares issued during the year	-	-
	Add: conversionof Preference shares	-	90,00,000
	Add: Issue of bonus shares	-	90,00,000
	Total number of equity shares outstanding at the end of the year	515,10,020	515,10,020
	Weighted average number of equity shares outstanding during the year	515,10,020	488,96,321
	Earnings/(Loss) per share in Rupees at Par value of Rs.10 per share		
	Basic and diluted	0.36	0.32

*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.

2.29 Terms of borrowings

Name of the lender	31-Mar-17 Amount outstanding		31-Mar-16 Amount outstanding		Maturity date	Frequency	No. of installments due	Rate of Interest
	Long term maturity	Current maturity	Long term maturity	Current maturity				
Secured term loans from banks								
IDBI Bank *	-	-	-	500,00,002	30-Sep-16	Monthly	0	13.00%
IDBI Bank *	-	214,28,576	214,28,576	285,71,424	30-Nov-17	Monthly	9	13.00%
IDBI Bank *	-	285,71,432	285,71,432	214,28,568	28-Feb-18	Monthly	12	13.00%
IDBI Bank *	476,19,056	523,80,944	-	-	31-Dec-18	Monthly	21	12.80%
Union Bank of India **	-	207,61,910	207,61,910	622,85,712	31-Jul-17	Monthly	4	11.65%
State Bank of India*****	368,00,000	288,00,000	-	-	30-Jun-19	Monthly	27	12.15%
Rabo Bank @	-	442,64,828	-	-		CC		11.50%
Total	**844,19,056**	**1962,07,690**	**707,61,918**	**1622,85,706**				
Unsecured loan from financial institutions								
NABARD	-	-	-	65,00,000	31-Mar-17	Half yearly	0	7.50%
NABARD	-	17,50,000	17,50,000	35,00,000	30-Apr-17	Half yearly	1	7.50%
SIDBI	-	1000,00,000	1000,00,000	-	31-Mar-18	Monthly	10	Interest free
SIDBI	-	500,00,000	500,00,000	-	31-Mar-18	Monthly	10	Interest free
Total	-	**1517,50,000**	**1517,50,000**	**100,00,000**				
Secured loan from others								
Nabkisan Finance Ltd ***	134,89,994	180,00,000	315,00,000	135,00,000	31-Oct-18	Quarterly	7	11.50%
Nabkisan Finance Ltd ***	59,95,741	80,00,000	140,00,000	60,00,000	31-Dec-18	Quarterly	7	11.50%
Nabkisan Finance Ltd ***	124,96,307	100,00,000	-	-	31-May-19	Quarterly	9	11.50%
Nabkisan Finance Ltd ***	69,99,935	30,00,000	-	-	30-Nov-19	Quarterly	10	11.50%
Reliance Capital Ltd ****	-	181,49,433	181,49,435	665,99,460	1-Jun-17	Monthly	3	14.00%
Reliance Capital Ltd ****	140,74,172	516,45,403	-	-	1-Jun-18	Monthly	15	14.00%
Reliance Capital Ltd ****	533,51,125	466,48,875	-	-	1-Mar-19	Monthly	24	13.50%
Reliance Capital Ltd ****	74,69,158	65,30,842	-	-	5-Mar-19	Monthly	24	13.50%
Mudra ******	720,00,000	180,00,000			10-Mar-20	Monthly	30	12.30%
Total	**1858,76,432**	**1799,74,553**	**636,49,435**	**860,99,460**				
Unsecured loan from other								
FWWB^	-	-	-	328,81,958	25-May-16	Yearly	0	1.00%
Total	-	-	-	**328,81,958**				
Grand total	**2702,95,488**	**5279,32,243**	**2861,61,353**	**2912,67,124**				

* Secured by way of hypothecation of book debts and pledge of Rs.38,463,773 (previous year: Rs. 35,472,119) 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.10,000,000 (previous year: Rs.6,500,000) term deposit.

****Secured by way of hypothecation of book debts and pledge of Rs.5,000,000 (previous year: Rs.5,000,000) term deposit and Rs.9,081,669.08 in mutual fund (previous year : nil)

*****Secured by way of hypothecation of book debts and pledge of Rs.8,000,000 (previous year: Rs.nil) term deposit.

******Secured by way of hypothecation of book debs and pledge of Rs.9000000(previous year:Rs.nil) term deposit.

[illegible] way of hypothecation of book debts

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

2.30 Expenditure in foreign currency

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Travelling expenses	-	62,143
Membership Fees	-	1,45,844

2.31 Contingent liability

Particulars	As at 31st March 2017 Rupees	As at 31st March 2016 Rupees
Accumulated dividend on Preference Shares not provided	626,69,117	454,69,125
Claims against the company not acknowledge as debt - Income Tax*	418,43,877	480,84,469

* Rs. 9,200,000 (Previous year Rs.9,200,000) paid under protest for income tax litigations and Rs.24,888,142 (Previous year Rs. 20,012,677) TDS adjusted against demand.

2.32 Loan portfolio classification and provisioning

(a) Provision for outstanding loan portfolio

Asset classification	As at 31st March 2017 Rupees		As at 31st March 2016 Rupees	
	Loan Portfolio	Provision	Loan Portfolio	Provision
Standard Assets	9795,01,621	24,48,754	7211,91,020	18,02,978
Sub standard Assets	29,14,540	2,91,454	29,14,540	2,91,454
Doubtful Assets	-	-	-	-
Loss Assets	1,76,053	1,76,053	1,76,053	1,76,053
Total	**9825,92,214**	**29,16,261**	**7242,81,613**	**22,70,485**

(b) The movement in provision for the year ended 31st March 2017 and 31st March 2016

Particulars	As at 31st March 2017 Rupees			As at 31st March 2016 Rupees		
	Standard asset provision	Non-performing asset provision	Total	Standard asset provision	Non-performing asset provision	Total
Opening balance	18,02,978	4,67,507	22,70,485	11,81,211	-	11,81,211
Additions	6,45,776	-	6,45,776	6,21,767	4,67,507	10,89,274
Closing balance	**24,48,754**	**4,67,507**	**29,16,261**	**18,02,978**	**4,67,507**	**22,70,485**

(c) 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. 156,016 (Previous Year: Rs.905,757) 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.

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2.33 Segment information

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

2.34 Leases

Lease payments made under cancellable operating lease amounting to Rs. 1,524,850 (previous year: Rs.446,037) 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.

2.35 Payment to Auditors (excluding service tax)

Particulars	For the year ended 31st March 2017 Rupees	For the year ended 31st March 2016 Rupees
Audit fees	7,42,500	6,75,000
Certification services	1,97,500	1,75,000
Reimbursement of expenses	9,101	36,678
Total	**9,49,101**	**8,86,678**

2.36 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 Charitable Trust Act, 1950	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 31st March 2017 Rupees	For the year ended 31st March 2016 Rupee6
Friends of WWB, India	Interest expense	35,273	2,20,965
	Other borrowing costs	7,74,535	8,73,152
	Principal repayments of borrowings	328,81,958	183,32,000
	Bank charges reimbursed to FWWB	10,156	13,431
	Rent paid	15,24,850	4,46,037
	Electricity Expenses paid	1,43,755	1,55,704
	Consultancy fees for training	1,35,000	2,33,000
	Reimbursement received for the remuneration paid	25,04,700	21,45,002
Vijayalakshmi Das	Remuneration paid*	46,38,323	42,90,004

*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.

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2.36 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 2017 Rupees	Amount receivable / (payable) as at 31st March 2016 Rupees
Friends of Women's World Banking, India	Receivable /(Payable) on account of borrowings	-	(328,81,958)
Friends of Women's World Banking, India	Rental deposit	73,500	73,500
Friends of Women's World Banking, India	Others	-	48,214

2.37 Break up of loan portfolio

Loan Portfolio	For the year ended 31st March 2017 Rupees	For the year ended 31st March 2016 Rupees
Opening Loan outstanding	7242,81,613	4724,84,363
Loans disbursed during the Year	11185,75,000	7824,65,000
A	**18428,56,613**	**12549,49,363**
Loans recovered during the year	8602,64,399	5306,67,750
B	**8602,64,399**	**5306,67,750**
Loans outstanding at the end of the year (A-B)	**9825,92,214**	**7242,81,613**

2.38 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 2017 Rupees	For the year ended 31st March 2016 Rupees
Defined benefit obligation at the beginning of the year	47,94,070	40,34,806
Current service cost	6,43,333	3,50,096
Interest cost	3,28,394	3,10,680
Actuarial losses/(gains)	6,05,591	98,488
Benefits paid	(2,56,185)	-
Defined benefit obligation at the end of the year	**61,15,203**	**47,94,070**

ii) Movement in fair value of plan assets

Particulars	For the year ended 31st March 2017 Rupees	For the year ended 31st March 2016 Rupees
Fair value of plan assets at the beginning of the year	37,31,835	32,13,658
Expected return on plan assets	2,72,488	2,67,247
Actuarial gains/(losses)	(34,934)	(2,921)
Contributions paid	10,752	2,53,851
Benefits paid	(2,56,185)	-
Fair value of plan assets at the end of the year	**37,23,956**	**37,31,835**

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Notes to the financial statements for the year ended 31st March 2017 (continued)

2.38 a) Employee benefit plans (continued)

iii) Expense recognised in Statement of Profit and Loss

Particulars	**For the year ended 31st March 2017 Rupees**	**For the year ended 31st March 2016 Rupees**
Current service cost	6,43,333	3,50,096
Interest on obligation	3,28,394	3,10,680
Expected return on plan assets	(2,72,488)	(2,67,247)
Net actuarial loss/(gain) recognised in the year	6,40,526	1,01,409
Total included in employee benefits expense	**13,39,765**	**4,94,938**

iv) Principal actuarial assumptions

Particulars	**For the year ended 31st March 2017 Rupees**	**For the year ended 31st March 2016 Rupees**
Discount Rate	6.85%	7.70%
Expected return on plan assets	7.55%	8.00%
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 31st March 2017 Rupees**	**As at 31st March 2016 Rupees**
Present value of obligation	61,15,203	47,94,070
Fair value of plan assets	37,23,956	37,31,835
Liability recognised in balance sheet	**23,91,247**	**10,62,235**

vi) Asset information:

Category of Assets	**As at 31st March 2017 Rupees**	**As at 31st March 2016 Rupees**
Insurer managed funds	93.31%	93.30%
Bank Balance	6.69%	6.70%

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

Particulars	**As at 31st March 2017 Rupees**	**As at 31st March 2016 Rupees**	**As at 2015 Rupees**	**As at 31st March 2014 Rupees**	**As at 31st March 2013 Rupees**
Defined benefit obligation	61,15,203	47,94,070	40,34,806	35,39,075	35,26,891
Fair value of plan assets	37,23,956	37,31,835	32,13,658	31,24,066	31,30,030
Deficit in the plan	**23,91,247**	**10,62,235**	**8,21,148**	**4,15,009**	**3,96,861**
Experience Adjustment On Plan Liabilities	4,33,315	56,223	48,405	(4,14,303)	(4,52,369)
Experience Adjustment on Plan Assets	(34,934)	(2,921)	60,668	(5,364)	11,026

b) Defined contribution plan

Amount recognised in Statement of Profit and Loss towards	**For the year ended 31st March 2017 Rupees**	**For the year ended 31st March 2016 Rupees**
i) Provident fund	13,21,104	10,15,296
ii) Employee state insurance	12,265	21,450
Total	**13,33,369**	**10,36,746**

Ananya Finance for Inclusive Growth Private Limited
Notes to the financial statements for the year ended 31st March 2017 (continued)

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

In Rupees

As at 31st March 2017	1 day to 30/31 day (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months upto 1year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities									
Borrowings	327,80,791	339,56,377	486,21,955	1217,05,445	2908,67,675	2702,95,488	-	-	**7982,27,731**
Assets									
Loans & Advances	713,55,008	701,49,017	613,91,057	1975,17,198	3661,21,433	2160,58,501	-	-	**9825,92,214**
Investments	-	-	13,39,627	12,87,177	61,60,142	82,94,723	-	-	**170,81,669**

As at 31st March 2016	1 day to 30/31 day (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months upto 1year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities									
Borrowings	216,67,065	528,59,725	200,39,171	773,86,020	1193,15,146	2861,61,350	-	-	**5774,28,477**
Assets									
Loans & Advances	658,42,804	552,95,677	709,07,679	1947,29,273	2174,38,914	1200,67,266	-	-	**7242,81,613**
Investments	-	-	-	-	-	80,00,000	-	-	**80,00,000**

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Ananya Finance for Inclusive Growth Private Limited
Notes to the financial statements for the year ended 31st March 2017 (continued)

2.40 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.

2.41 Disclosure as required in terms of Paragraph 13 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions. 2007.

(In Rs.)

Liability Side			
Sr no	**Particulars**	**Amount outstanding**	**Amount overdue**
1	**Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:**		
a	Debentures : Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits*)		
b	Deferred Credits	Nil	Nil
c	Term Loans	7539,62,903	Nil
d	Inter-corporate loans and borrowing	Nil	Nil
e	Commercial Paper	Nil	Nil
f	Public Deposits*	Nil	Nil
g	Other Loans	Nil	Nil
	Cash Credit from Bank	442,64,828	Nil
	* Please see Note 1 below		
2	**Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):**		
a	In the form of Unsecured Debentures	Nil	Nil
b	In the form of Partly Secured debentures i.e.debentures where there is a shortfall in the value of security	Nil	Nil
c	Other Public deposits	Nil	Nil
	*Please see note 1 below		

(In Rs.)

Assest Side		
Sr no	**Particulars**	**Amount Outstanding**
3	**Break up of Loans and advances including bills receivables[other than those included in (4) below]:**	
a	Secured	9825,92,214
b	Unsecured	Nil
4	**Break up of Leased Assets and stock on hire and other assests counting towards AFC activities**	
i	Lease assets including lease rentals under sundry debtors:	
	a. Financial Lease	Nil
	b. Operating Lease	Nil
ii	Stock on hire including hire charges under sundry debtors:	
	a. Assests on hire	Nil
	b. Repossessed Assests	Nil
iii	Other Loans counting towards AFC activities	
	a. Loans where assests have been repossessed	Nil
	b. Loan other than (a) Above	Nil

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Notes to the financial statements for the year ended 31st March 2017 (continued)

5	**Break up of Investments**	
	Current Investments	
1)	**Quoted**	
i	Shares	
	a. Equity	Nil
	b. Preference	Nil
ii	Debentures and Bonds	Nil
iii	Units of Mutual Funds	53,36,946
iv	Government Securities	Nil
v	Others(please specify)	
2)	**Unquoted**	
i	Shares	
	a. Equity	Nil
	b. Preference	34,50,000
ii	Debentures and Bonds	Nil
iii	Units of Mutual Funds	Nil
iv	Government securities	Nil
v	Others(Please specify)	Nil
	Long Term Investments	
1)	**Quoted**	
i	Shares	
	a. Equity	Nil
	b. Preference	Nil
ii	Debentures and Bonds	Nil
iii	Units of Mutual Funds	37,44,723
iv	Government Securities	Nil
v	Others(please specify)	Nil
2)	**Unquoted**	
i	Shares	
	a. Equity	Nil
	b. Preference	116,72,500
ii	Debentures and Bonds	Nil
iii	Units of Mutual Funds	Nil
iv	Government securities	Nil
v	Others(Please specify)	Nil

6	**Borrowers group wise classification of assests financed as in (3) and (4) above**			
	Please see note 2 below			
	Category	**Amount net of Provisions**		
		Secured	**Unsecured**	**Total**
1	Related Parties**			
	a. Subsidiaries	Nil	Nil	Nil
	b. Companies in the same group	Nil	Nil	Nil
	c. Other Related parties	Nil	Nil	Nil
2	Other than related parties	9796,75,953	Nil	9796,75,953
	Total	**9796,75,953**	**Nil**	**9796,75,953**

7	**Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**		
	Please see note 3 below		
	Category	**Market Value/Break up or FAIR Value or NAV**	**Book Value(Net of Provisions)**
1	**Related parties****		
	a. Subsidiaries	Nil	Nil
	b. Companies in the same group	Nil	Nil
	c. Other Related parties	Nil	Nil
2	**Other than related parties**	246,06,610	242,04,169
	Total	**246,06,610**	**242,04,169**
	** [illegible]ting Standard of ICAI(Please see Note 3)		

Ananya Finance for Inclusive Growth Private Limited

Notes to the financial statements for the year ended 31st March 2017 (continued)

8	**Other Information**	
	Particulars	**Amount**
i	Gross Non-Performing Assests	
	a. Related Parties	Nil
	b. Other than related parties	30,90,593
ii	Net Non performing Assests	
	a. Related parties	Nil
	b. Other than related parties	26,23,086
iii	Assets acquired in satisfaction of Debt	71,22,500
Notes:		
1	As defined in point xix of paragraph 3 of chapter 2 of these Directions.	
2	Provisioning norms shall be appliable as prescribed in these Directions.	
3	All Accounting standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt.However market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investment shall be disclosed irrespective of whether they are classified as long term or current in (5) above	

2.42 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

Gaurav J Shah
Partner

Place: Ahmedabad
Date: 28th June, 2017

For and on behalf of the Board of Directors

Brij Mohan

Brij Mohan
Chairman
(DIN 00667210)

Subraya Shankar Bhat
Managing Director
(DIN 08155247)

Lavina

Lavina Parikh
Company Secretary

Place: Ahmedabad
Date: 23 June 2017

ANANYA

Finance For Inclusive Growth Pvt. Ltd.

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