



ANNUAL REPORT

2021-22

www.lightmicrofinance.com

COMPANY OVERVIEW

Board of Directors

Mr Deepak Amin
Promoter & Managing Director

Executive Directors

Mr Rakesh Kumar
Mr Aviral Saini

Non-Executive Independent Directors

Mr Anuj Kumar
Mr Mukesh Shah
(from 31.07.2020 to 06.10.2021)
Mr Chandan Sinha
Mr Parveen Kumar Gupta

Chief Executive Officer

Mr Rakesh Kumar

Chief Financial Officer

Mr Aviral Saini

Company Secretary & Compliance Officer

Ms Madhavi Gajjar

Auditors

Statutory Auditor

M/s CNK and Associates LLP

Internal Auditor

M/s Sorab S. Engineer & Co.

Secretarial Auditor

M/s Paliwal and Co.

Information System Auditor

M/s Sorab S. Engineer & Co.

Corporate Identity Number

U67120DL1994PTC216764

RBI Registration number

B-14.03244

Registered Office

308 Aggarwal Tower,
Plot No.2 Sector – 5,
Dwarka, New Delhi - 110075

Corporate Office

310- Pinnacle Business park,
Corporate Road,
Pralhad Nagar,
Ahmedabad - 380015
Tel: 079-40050059
Email: compliance@lightmicrofinance.com
Website: www.lightmicrofinance.com

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd
247 Park , C 101 1st Floor, LBS Marg,
Vikhroli (W), Mumbai – 400 083
Toll-free number: 1800 1020 878
(from 10:00 AM to 4:00 PM)
Website: www.linkintime.co.in

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MESSAGE

Dear Shareholders,

We are proud to share the excellent progress made by the company during what was a turbulent year for the entire industry and the Indian economy. Light's resilience and flexibility were much in evidence and it successfully navigated both challenges and opportunities arising from the pandemic, inflation and global challenges. In addition to excellent performance, the company also built foundations for sustainable growth and future outperformance with enhanced competence and innovations.

We are proud to share that the company – achieved quite a few fantastic feats in one of the most challenging years. In such vulnerable times, Light's Asset Under Management (AUM) crossed a remarkable figure of ₹1,000Cr. The company displayed an incredible Y-O-Y growth of about 71% as the AUM stood at ₹1,064 Cr as compared to ₹623Cr in the previous year in comparison to the industry comprising of Banks, Small Finance Banks (SFBs) and NBFCs registering AUM growth in 5-10% range. Disbursement also showed a sharp Y-O-Y growth of 117% as the company lend ₹985Cr against ₹453Cr in the previous year. This was the result of sharper execution, expanded capacity, better customer service and continually improving digital capabilities. All of these have helped to deliver strong underlying performance across all states.

During the financial year 2022, our approach has always remained people-centric, technology-driven and focused on optimisation. Despite Haryana branches being very new (opened in Feb-Mar'21) and resulting in higher expenses in difficult times, the team was retained. Appraisals with good increments were closed in April during Covid's second wave, business was planned and executed meticulously to ensure the motivated team is enabled to deliver on plans. The approach worked and our customer base grew from 2.17 lakh to 3.09 lakh.

Raising capital during an uncertain time was a herculean task, however, the company completed its first capital infusion round successfully with its strong fundamentals, focus and consistent performance over several past quarters. In July 2021 Light received a ₹47.36Cr series-A funding from three marquee European impact investors Incofin (Belgian), Nordic Microfinance Initiative (Norwegian) and Triple Jump B V (Dutch). The investment was undertaken to boost Light's expansion plans in Haryana, Rajasthan and Madhya Pradesh. It was an exemplary achievement by Light keeping in mind how critical this year was in terms of capital raising for any company in the industry. The funding will strengthen the company's balance sheet and enable further expansion.

The company is very proud of its culture and values and it is a huge differentiator company believes that people must experience it is important. The company introduced several initiatives for its employees to experience how much it values and care for them. The company organised a Covid vaccination camp at head office for employees and their families and friends. For its outstation employees, the company arranged special transportation for them and their families to take the job and a day off was also given to ensure they have enough time to recuperate from the side effects. The company conducted appraisal processes in April'2021 itself despite Covid's second wave being at its peak and partial lockdowns were imposed across the country to keep the morale up of the employees. There were no layoffs and all salaries and incentives were paid on time. The company's inclusivity model to introduce at least one-woman employee in each branch which was initiated in 2018 started yielding results and 40% of its branches now have at least one-woman employee. The company has been constantly endeavouring to make it the preferred place to work.

The company is continuously innovating and introducing new tech-based initiatives to drive more products and innovation for its customers. Technology is being used to bring efficiencies and customer convenience. In the last fiscal, the company undertook several initiatives to strengthen its technology footprint. These efforts were directed toward setting up new capabilities for growth, managing risks and keeping pace with increased compliance requirements. The company has already started working on building its own analytics platform LASer (Light Analytics Service) to enhance data-driven decision-making abilities. It will be ready by Q1 of FY 2023 and it will revolutionize the way company works.

We are also happy to share that Light's technology team has built its first Machine Learning (ML) based credit underwriting model that will significantly boost the operational efficiency and risk management at the company. All these efforts to rejuvenate microfinance processes and disbursement with the minimal human intervention will be showcased in the coming months.

The last few years including FY22 Light has invested in transformational capabilities and organising it too to become more focused, and, as noted, followed the ethos of good governance, sustainability and managing the business responsibly. As a part of it, the company forayed into its social impact programs this year. Our social impact programs are aligned with our long-term vision to make this world a better place where every individual has access to food, clothing, shelter, education, healthcare and a green environment so that they can lead their life with respect and dignity. This year we had two social impact programs – "Ek Hi Iccha, Sabko Shiksha" which focused on providing and supporting education and "Aapka Bhagya, Aapke Hath" focusing on women empowerment by providing them entrepreneurial opportunities.

Light is a performance-driven company, and the significant investment in foundational capabilities has further improved its execution and competitiveness. Light Microfinance found its place in the prestigious 4th Annual Financial Times-Statista Ranking among 500 high-growth companies in the Asia-Pacific region. The list had 97 Indian companies and Light Microfinance was ranked 29 among Indian

companies. In another feat – Light Microfinance secured 35th position in India’s Growth Champion organised by Economic Times and Statista. These rankings are true recognition of Light both in value terms and in addressing the social needs of the Indian Economy.

The Company benefits hugely from talented individuals on its Board. They are committed to Light and passionate about its future. During the year we were pleased to welcome Mr Chandan Sinha (Former central banker at RBI) and Mr Parveen Kumar Gupta (Former Head of Retail Bank and Risk Management at SBI) as additional Independent Directors. Their experience, learning and presence will help the company to emerge as a much stronger brand.

This financial year has been a momentous year for Light and we would like to express our gratitude to our clients, partners, employees and other stakeholders for reposing their trust and confidence in us. We are very excited about the progress we have made, the path we are on and confident of building on this incredible momentum.

Light today is a dynamic, integrated business with a rich heritage, big ambitions and a clear sense of direction. We will maintain our focus on optimizing our operations to do the right thing, always, and put consumers and people first. We are confident that, by doing that, we will deliver strong, sustainable performance and emerge as an industry leader in our genre.

Deepak Amin
Managing Director

Rakesh Kumar
Chief Executive Officer

Aviral Saini
Chief Financial Officer



Our Commitment



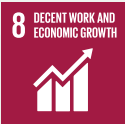
100% WOMEN BORROWERS: Empowering more than 309K rural women through economic and sustainable support.

HOSPI-CASH PRODUCT: Providing health insurance to all the women borrowers and their spouses to enable healthier life.

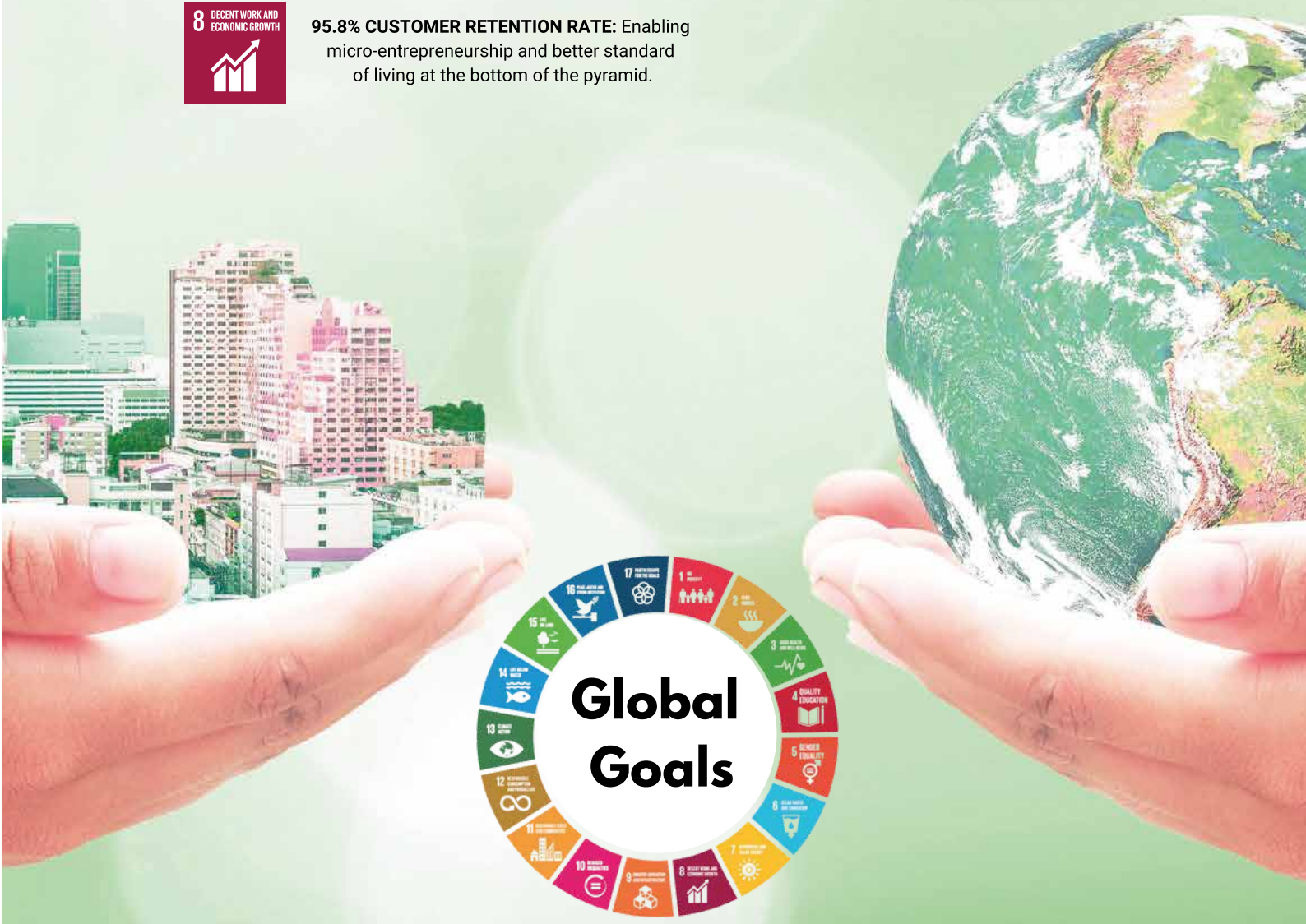


INCREASE IN HOUSEHOLD INCOME: Providing last mile access to reliable and scalable capital.

CERISE SCORE CONSUMER PROTECTION: 97%
Non-discriminatory delivery of service imbuing social cohesion.

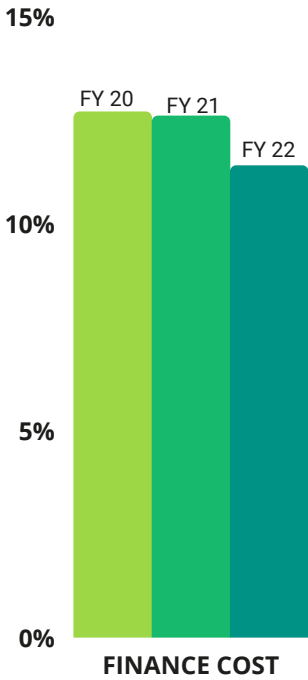
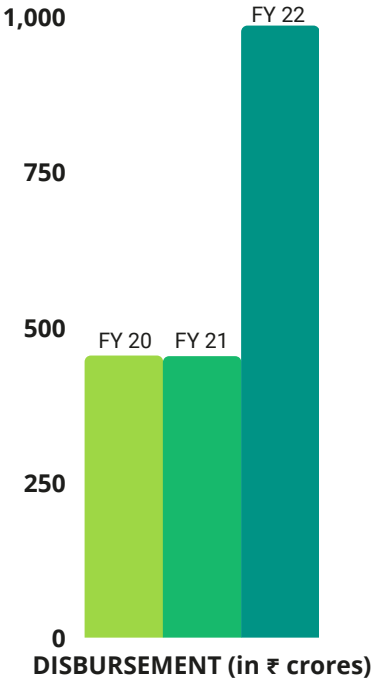
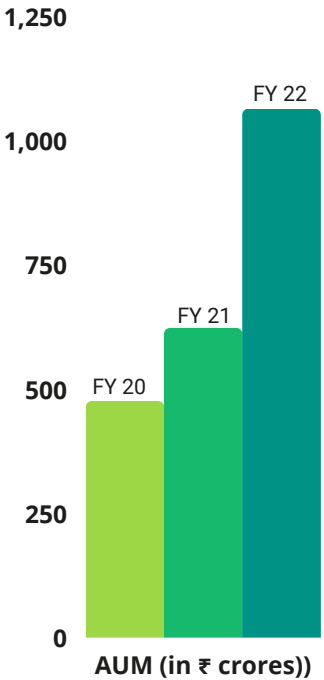


95.8% CUSTOMER RETENTION RATE: Enabling micro-entrepreneurship and better standard of living at the bottom of the pyramid.

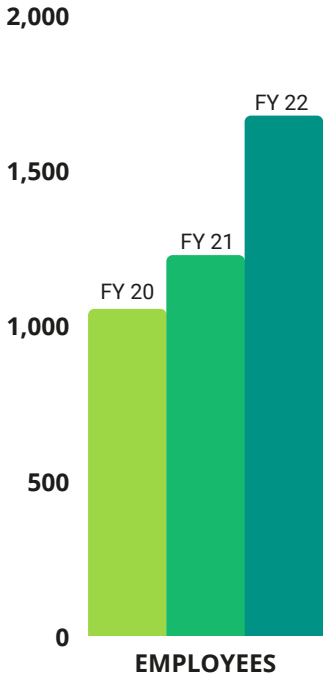
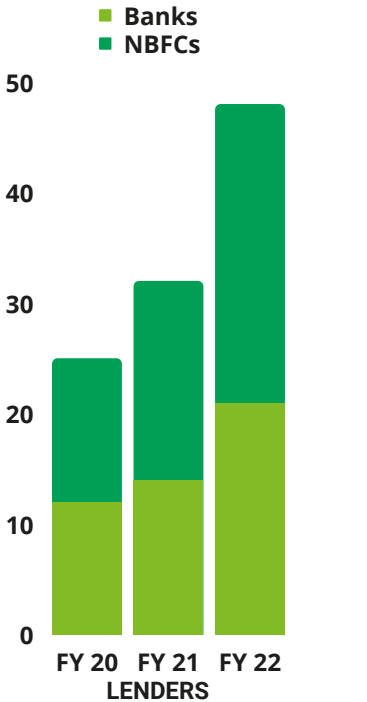
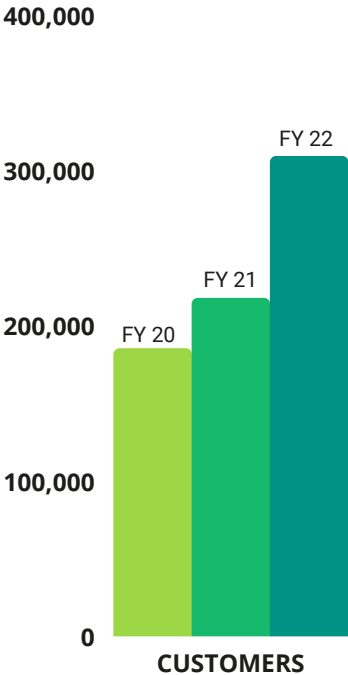




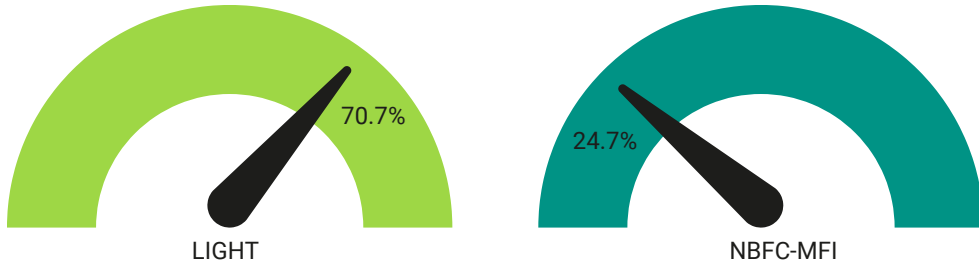
Growing on all Fronts



FY 2021-22 marked several milestones for Light Microfinance. This includes highest Asset Under Management (AUM), highest disbursement and significant reduction in finance costs.

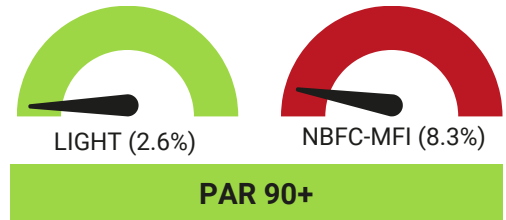
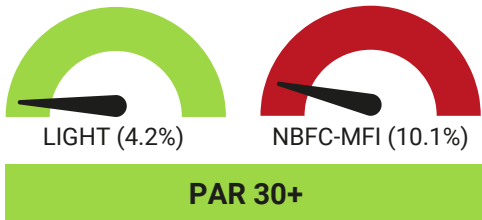


LIGHT & NBFC-MFI Industry



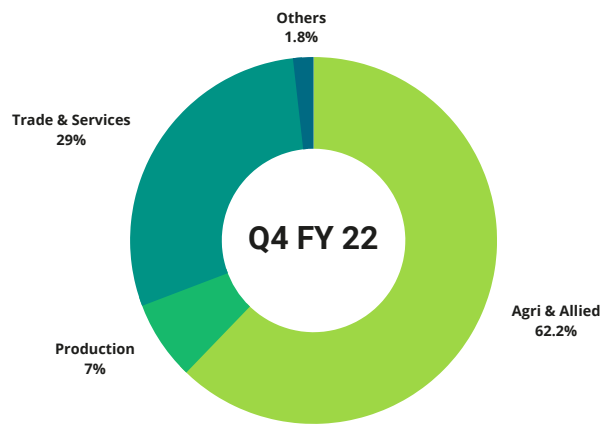
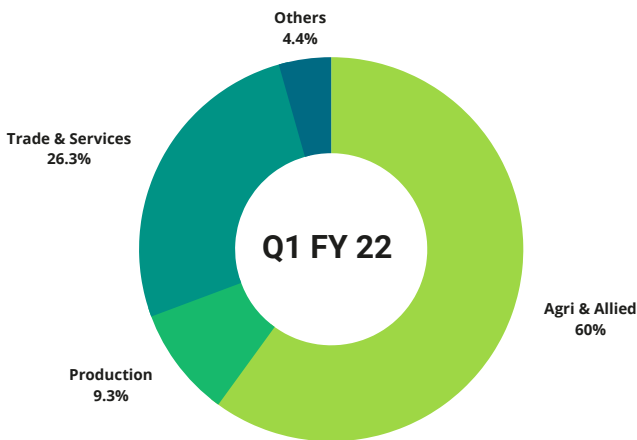
AUM GROWTH

Light Microfinance witnessed a phenomenal growth of 70.1% in its AUM in last fiscal, three times more than what the NBFC-MFI industry witnessed in India. The NBFC-MFI industry's AUM grew by 24.7%.



Despite FY 2021-22 being a Covid pandemic and economically challenging year, Light Microfinance has managed to keep its Portfolio At Risk (PAR) way below the Indian NBFC-MFI industry standards.

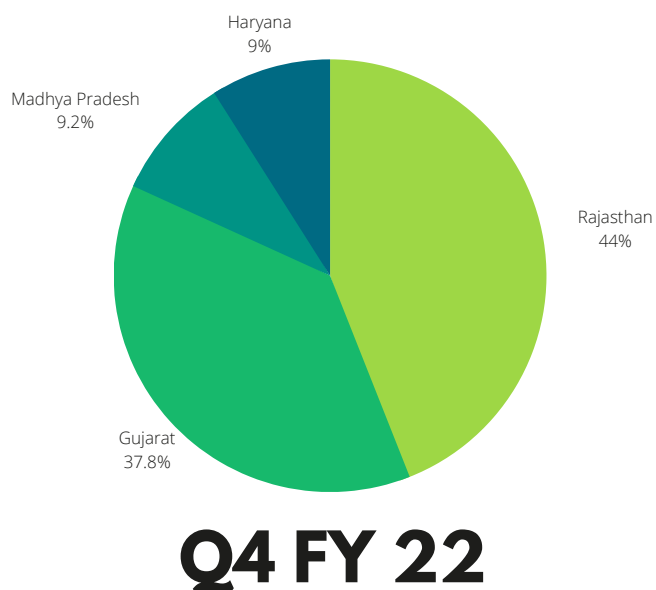
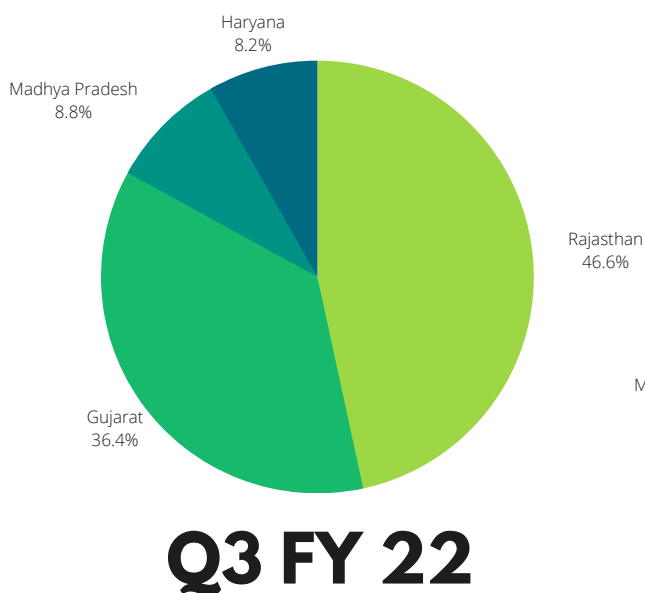
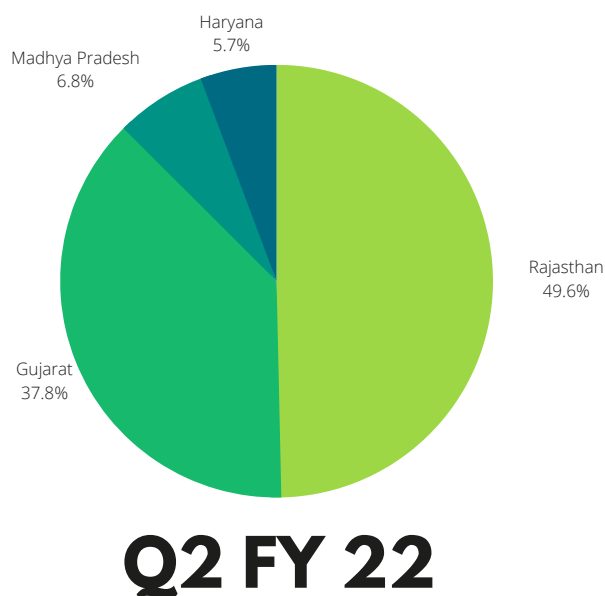
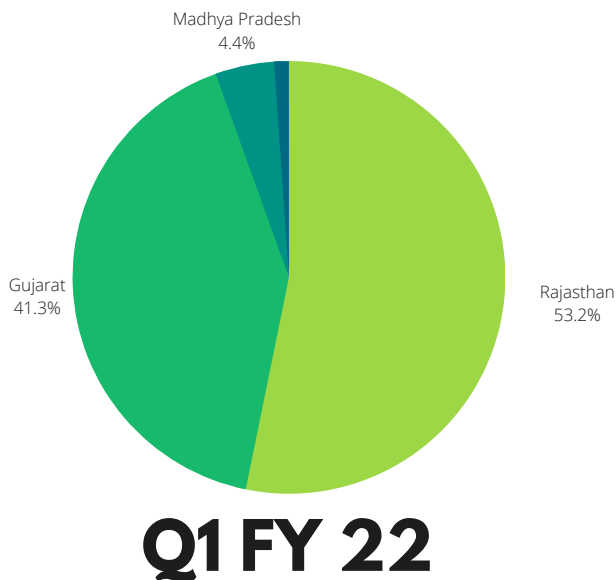
Consumer Profile



Majority of Light Customers have availed loans for Agriculture & Allied sectors, followed by Trade & Services and Production

Changing Dynamics

Major portfolio of Light Microfinance is concentrated in Rajasthan and Gujarat. The Company initiated operations in Madhya Pradesh and Haryana in 2019 and 2021, respectively. In this short span of time both - Madhya Pradesh and Haryana - have become a significant contributors in terms of portfolio share.

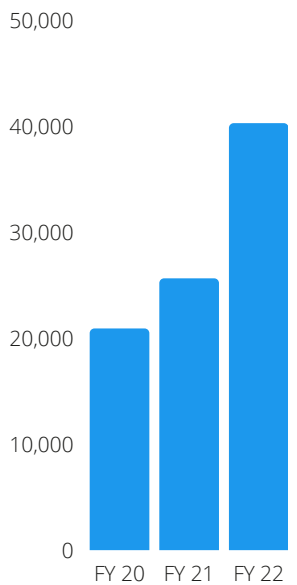


Gujarat

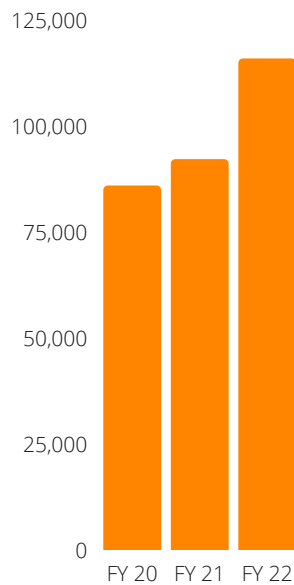


Name: Janki Ben
Place: Nadiad (Gujarat)

Janki Ben joined the Light Microfinance family earlier this year. Like millions of women in Gujarat, Janki Ben (19) has been selling milk to the dairy network in her area. She says, "We already have four milch cattle and after my son was born, I was looking for increasing our income. I had heard about Light Microfinance from the women and had attended their meetings too. I spoke to my husband and we decided to take a loan to buy another cow." She adds that she plans to keep the income from this new cow for her son's education but feels women in villages are yet to walk the road of financial independence.



AUM (in ₹ lakhs)



Customers



HIGHLIGHTS

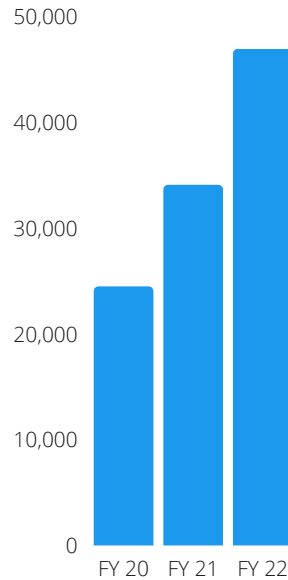
- Light initiated its operations from the western state of Gujarat in 2009.
- The company's footprint is now across 19 districts through a network of 38 branches.
- The average AUM of branches in Gujarat is around ₹10+ crores with one of the most promising customer base.
- The collection recovery from Gujarat post Covid was the strongest among all the states.

Rajasthan

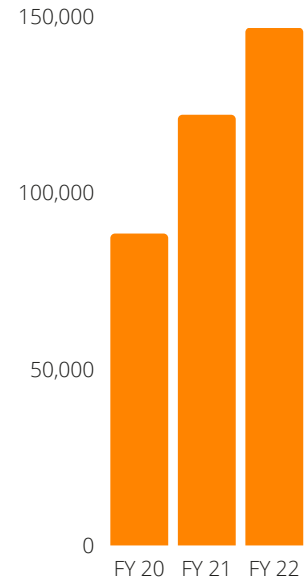


HIGHLIGHTS

- Light has a major footprint in Rajasthan as the company is present in 27 districts out of the 33 districts in the state.
- Light's most branches - 60 - are in Rajasthan across several important districts including Udaipur, Durgapur, Jaipur, and Jhunjhunu.
- A significant customer portfolio in Rajasthan is for the cattle and agriculture purposes.
- The average AUM of branch is around ₹8 crore.



AUM (in ₹ lakhs)



Customers

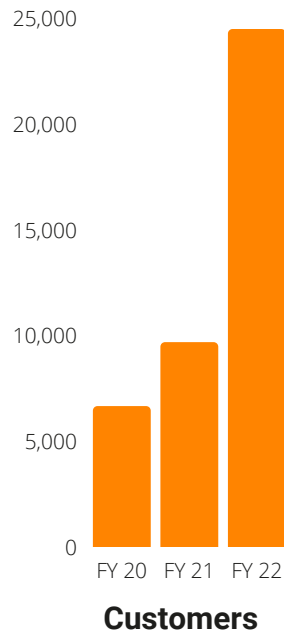
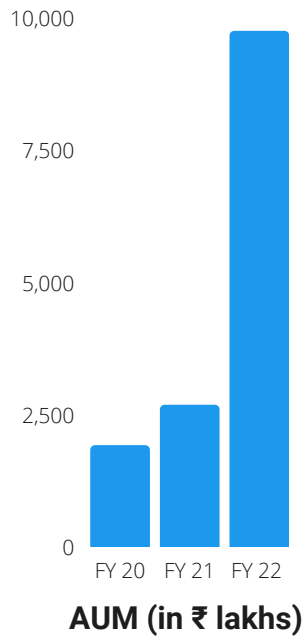
Name: Suman

Place: Bheentwal (Nagaur)

Suman took a loan from Light Microfinance to buy a cow and sell the milk to the local cooperatives and milkman. She says, "Covid pandemic had been harsh and income from agriculture is not as promising as it was earlier. So, I decided to sell milk to the local cooperatives and milkman in the near by areas to supplement my family income." She adds that this additional income has been really useful for her and her family. They plan to keep more cattle once the loan for the current cow is over.



Madhya Pradesh



HIGHLIGHTS

- Light is catering to customers in Madhya Pradesh through a network of 13 branches.
- The company's total PAR in the state is 2.7% while the industry's PAR in Madhya Pradesh is as high as 18.5% as per Equifax.
- The biggest expansion of branches in 2021 was in MP where branch number was increased from 5 to 13.
- The customer base has increased in state by 5x in last fiscal.



Name: Rekha Bai
Place: Agar Malwa district

Inflation and better education for her kids were enough reasons for Rekha Bai to do something to supplement household income. She took a loan from Light Microfinance and bought a sewing machine along with raw material to start stitching clothes. Rekha says, "The income from sewing clothes is good enough for my family to meet some of the needs. I am confident within a few years I will be able to save enough to pay for the higher education of my children." She adds that the feeling of earning and being independent has instilled confidence and hope in her.

Haryana

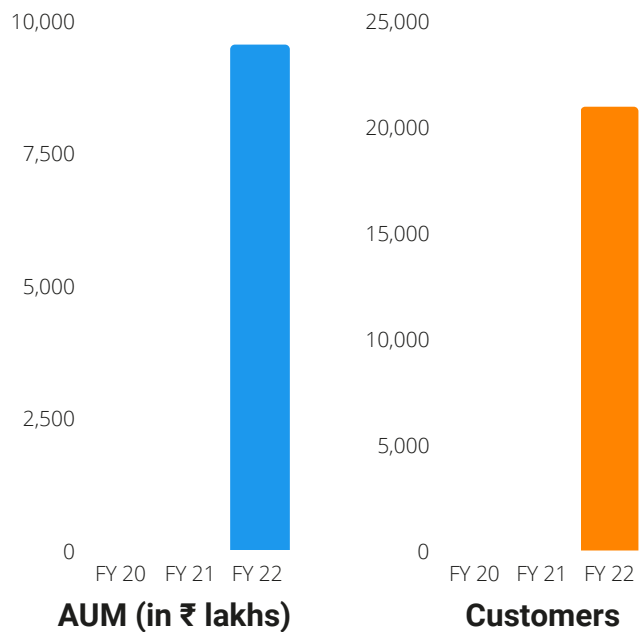
Name: Suman Bindal
Place: Panipat (Haryana)

Entrepreneurship has no age bar and Suman Bindal (49) of Panipat has walked the talk. In June 2020, when partial lockdowns were on and jobs were gone, Suman decided to start her own business. She installed a handloom in her vacant plot and started manufacturing doormats from the flannel blanket wastes. Today she has six handlooms and employs 11 people. She says, "Due to Covid-19 and lockdown business became very slow. But since October 2021 when I took a loan from Light Microfinance, the orders have been pouring in." She adds that her 70-year-old husband Rajbir Bindal has been her support to make her dream of being independent come true.



HIGHLIGHTS

- Light operations in the northern state of Haryana were initiated in April 2021.
- The company is present in 13 districts of the state and has managed a phenomenal growth in this short span of time.
- First two months of operations were lost amid Covid Second wave and lockdown.
- In just 10 months of operations the PAR in the state is zero. The feat is despite Light entering a new geography.



Haryana operations were started in April 2021

Snippets



Light Microfinance Promoter & MD Deepak Amin was invited as a spokesperson at the 3rd National Microfinance Congress held at New Delhi in February 2022. Speaking at the event, Amin said, "Lending is fundamentally the easy part and collection is difficult part in the microfinance business. But technology can help to overcome this challenge."



Light Microfinance Co-founder & CEO Rakesh Kumar participated in India Microfinance Review 20-21, organised by Microfinance Institutions Network (MFIN) in November 2021 at Mumbai. The event was attended by SIDBI chairman & MD, top executives of MFIs, investors, analysts and regulators, among others.



Light Microfinance Co-founder & CFO Aviral Saini participated in the CFO Story Awards 2022 held in July 2022 in Bengaluru. He moderated a panel discussion on Robotic Process Automation (RPA) and how it is a game changer in every industry and organization if it's implemented correctly, applied to clear processes and given the right inputs.

Snippets



In March 2022 Light Microfinance achieved a major milestone. The company's Asset Under Management (AUM) crossed the remarkable figure of ₹ 1000 crore making it a moment of pride for all of us. The feat was celebrated at the company's head office and across all branches.



The company organised a Covid vaccination camp in July 2021 at head office in Ahmedabad for employees and their families. For outstation employees and their families special transportation was arranged for them to visit their nearest job centers. A day-off was also given to ensure employees have enough time to recuperate from the side effects.



Employee engagement programs at Light are one of the most favourite among employees. But they were suspended for almost two years due to Covid pandemic. In April 2022, they were once again initiated giving employees an opportunity to bond with each other and spend quality time with fun at work too.

In News

InsightsSuccess
The way of business solutions
VOL. 00 | ISSUE. 00 | 2022
www.insightsuccess.in

The Most Trusted MICROFINANCE Companies

Lighting up lives

Ahmedabad-based Light Microfinance is leveraging its technology to drive the next generation of digital lending for Bharat.

75 moneycontrol EX-150
Bajaj Finance
Bajaj Finar

Home > News > OPINION

RBI's directive is a shot in the arm for microfinance institutions

The RBI has done a good job in allowing the industry to grow on its own with minimal restrictions. It only responsible that all stakeholders use this freedom to facilitate customer-centric growth

APRIL 07, 2022 / 02:50 PM IST



Rakesh Kumar

Microfinance in India is in its teens. As the wobbly industry learned to walk and trot, the Reserve Bank of India, has come up with a set of do's-and-don'ts for it.

The RBI's March 14 master direction declares microfinance loans as collateral-free lending for a household comprising husband, wife, and unmarried children with an annual income below Rs 3 lakh. The limit was earlier Rs 2 lakh for urban areas, and Rs 1.6 lakh for rural areas.

Outlook **Outlook** SUBSCRIBE

Outlook Money

Microfinance Is Evolving, So Should The Rules



RBI guidelines reflect the changing dynamics of the microlending industry and the future of an India of empowered women.



Rakesh Kumar

Updated: 08 Apr 2022 11:56 Am

JULY, 2021
INDIA
Forbes
GAME CHANGER
THE COVID GLOBAL
HEROES

RAKESH KUMAR
CEO & Executive Director
Light Microfinance

DEEPAK AMIN
President, Managing Director
Light Microfinance

AMRAL SAINI
CFO & Executive Director
Light Microfinance

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Network 18



High-Growth Companies Asia-Pacific 2022

Rank	In 2021 ranking	Name	Country	Category	Absolute growth rate (%)	Compound annual growth rate (CAGR) %	Revenue 2020 \$mn	Revenue 2017 \$mn	Number of employees 2020	Founding Year
162	No	Light Microfinance	India	Financial Services	393	70.2	15.15	3.50	1277	2009

2 Suryakal Daily Friday Dt.6, May, 2022

लाइट माइक्रोफाइनेंसना सहयोगधी नडियादना जानकीबेने पोतानो वेपार शुरु कर्यो

अमदावाद, बुधवार
माइक्रोफाइनेंस (लघु विराय) उद्योगे देशनी गरीब अने सुविधाओधी वंचित महिलाओ सुधी पछोयवामा अने जमिनगीरी विना माइक्रोफाइनेंस लोन्स पुरी पायी गरीब महिलाओने तेमना सपनां पुरा करवा माटे लोन लेवा प्रोत्साहित करवामा महत्वनी भूमिका भजवी छे.

लाइट माइक्रोफाइनेंस जेवी माइक्रोफाइनेंस संस्थाओ अेनुं मानवु छे के नाशाकीय अनिश्चितता गरिब भाण्डोना शिक्षणमा अवरोधो छेला करे छे अने तेमने सुखे निश्चित लाइट मापना अटकावे छे. माइक्रोफाइनेंस नामा विरोधवादीकोने नाशाकीय



आवक वधारवा माटे अेक महिलाओे शुरु करेवी अेक नानी प्रवृत्ति केवी रीते आभा परिवारनु सपनुं पूरुं करे छे. जन्की पासो पासो वार दुधाया डोर छता अने ते स्थानिक डेरी नेटवर्कने दूध बेचती छती. परंतु तेमना परिवारनी आवक अेठेवी ओछी छती के तेओे दिवसमां भे

3 अल्पविराम- अहमदाबाद

07-05-2022 शनिवार

लाइट माइक्रोफायनान्स के सहयोग से नडियाद की जानकीबेन ने अपना व्यवसाय शुरू किया



अहमदाबाद : माइक्रोफायनान्स (लघु ऋण) उद्योग ने देश के गरीब तथा सुविधाओं से वंचित महिलाओं तक पहुंचने तथा बगैर गारंटर के माइक्रोफायनान्स लोन उपलब्ध कराकर गरीब महिलाओं को उनके सपनें पुरा करने लोन लेने में प्रोत्साहित करने की महत्वपूर्ण भूमिका अदा की है। लाइट माइक्रोफायनान्स जैसी माइक्रोफायनान्स संस्थाओं का विस्थापन है कि वित्तीय अनिश्चितता गरी

उनको स्कूल नियमित उपस्थिति दर्ज कराने में दिक्कत आती है। माइक्रो फायनान्स छोटे उद्यमियों को वित्तीय स्थिरता लाने तथा परिवार की कुल आय बढ़ाने में मदद रूप होती है जिसके परिणाम स्वरूप बालकों की शिक्षा में परोक्षरूप से मदद मिलती है। गुजरात के नडियाद की जानकीबेन की वार्ता दर्शाती है। आय बढ़ाने के लिए एक महिला ने शुरू की एक छोटी सी प्रवृत्ति किस तरह पूरे परिवार के सपनें को पूर्ण करती है। जानकी के पास चार-चार दुधारू जानवर हैं तथा स्थानिय डेयरी नेटवर्क को दुध बेचने जाती है। फिर भी उनके परिवार की आमदनी इतनी कम है कि सभी को दो बक की रोटी भी नारीब नहीं होती। जानकी ने दो बच्चों के

YUG PRADESH

मध्य प्रदेश में महामारी से प्रभावित छोटे व्यवसायों को पुनर्जीवित करने में महत्वपूर्ण भूमिका निभा रहा है



युग प्रदेश, भोपाल
माइक्रोफाइनेंस उद्योग कई महत्वाकांक्षी महिलाओं के जीवन को बदलने में महत्वपूर्ण भूमिका निभा रहा है, जिससे उन्हें आय पैदा करने वाली गतिविधियों को आगे बढ़ाने और छोटे व्यवसायों का समर्थन करने में मदद मिल रही है। माइक्रोफाइनेंस महत्वपूर्ण है क्योंकि यह वित्तीय रूप से वंचित लोगों को संसाधन और सार्वजनिक मुक्त धन तक पहुंच प्रदान करता है जिससे परिवारों और छोटे व्यवसायों को संकट से निपटने

और पुनर्निर्माण में मदद मिलती है।
उज्जैन जिले के पयासा गांव की 29 वर्षीय उस्ताही युवती निर्मला चौहान का पैपर बाउल और पैपर प्लेट बनाने का एक छोटा सा व्यवसाय था। यह एक स्थिर व्यवसाय था और वह अकेले मशीन का उपयोग करके प्रति दिन लगभग 1500 कटौरी / प्लेट बनाती थी। लेकिन कोविड महामारी ने निर्मला के कारोबार को बुरी तरह बाधित कर दिया। विवाह, पार्टियों और सामूहिक समारोहों जैसे समारोहों पर प्रतिबंध था जहाँ उसके उत्पादों का उपयोग किया जाता था। दो बच्चों की मां निर्मला ने अपने पति की आमदनी बढ़ाने के लिए 2017-18 में यह कारोबार शुरू किया था। बच्चों को अच्छे स्कूल में भेजने का उसका सपना टूट गया क्योंकि उसके पति की कमाई दोनों के लिए पर्याप्त नहीं थी। जब निर्मला अपने व्यवसाय को पुनर्जीवित करने के तरीकों की तलाश कर रही थी, तब लाइट माइक्रोफाइनेंस के एक फोल्डर एक्जीक्यूटिव ने उनसे संपर्क किया। पहली बार निर्मला को उनके दरवाजे पर सख्त वित्त और सार्वजनिक मुक्त ऋण की अवधारणा से परिचित कराया गया। किना समय बर्बाद किए, निर्मला ने आगे बढ़ने का निर्णय लिया और अपना पैपर बाउल निर्माण व्यवसाय फिर से शुरू किया। उसके ईमानदार प्रयास और लचीलेपन ने जल्द ही उसे सफलता और आत्मविश्वास दिलाया। निर्मला ने खुशी-खुशी अपनी सफलता की कहानी साझा की। लाइट माइक्रोफाइनेंस के साथ अपने जुड़ाव पर टिप्पणी करते हुए, उन्होंने कहा, 'मैं लाइट माइक्रोफाइनेंस की श्रेणी हूँ क्योंकि उन्होंने मुझे बड़े सपने देखने को ताकत दी है।

METRO TIMES, BHOPAL

माइक्रो फाइनेंसना सहयोगसे नडियाद की जानकीबेन ने अपना व्यवसाय शुरू किया

अहमदाबाद, बुधवार
माइक्रोफाइनेंस (लघु विराय) उद्योगे देशनी गरीब अने सुविधाओधी वंचित महिलाओ सुधी पछोयवामा अने जमिनगीरी विना माइक्रोफाइनेंस लोन्स पुरी पायी गरीब महिलाओने ते सपनां पुरा करवा माटे लोन लेवा प्रोत्साहित करवामा महत्वनी भूमिका भजवी छे. लाइट माइक्रोफाइनेंस जेवी माइक्रोफाइनेंस संस्थाओ अेनुं मानवु छे के नाशाकीय अनिश्चितता गरिब भाण्डोना शिक्षणमा अवरोधो छेला करे छे अने तेमने सुखे निश्चित लाइट मापना अटकावे छे. माइक्रोफाइनेंस नामा विरोधवादीकोने नाशाकीय आवक वधारवामां मददरूपे छे. माइक्रोफाइनेंस नामा विरोधवादीकोने नाशाकीय आवक वधारवामां मददरूपे छे.

अहमदाबाद में माइक्रोफायनान्स उद्योग कई गरीब महिलाओं को वित्तीय स्थिरता लाने तथा परिवार की कुल आय बढ़ाने में मदद रूप होती है जिसके परिणाम स्वरूप बालकों की शिक्षा में परोक्षरूप से मदद मिलती है। गुजरात के नडियाद की जानकीबेन की वार्ता दर्शाती है। आय बढ़ाने के लिए एक महिला ने शुरू की एक छोटी सी प्रवृत्ति किस तरह पूरे परिवार के सपनें को पूर्ण करती है। जानकी के पास चार-चार दुधारू जानवर हैं तथा स्थानिय डेयरी नेटवर्क को दुध बेचने जाती है। फिर भी उनके परिवार की आमदनी इतनी कम है कि सभी को दो बक की रोटी भी नारीब नहीं होती। जानकी ने दो बच्चों के

Management Team



From (L to R sitting): Ashutosh Singh (AVP-Information Technology), Nisarg Shah (VP-Accounts), Ankur Singhal (AVP-Finance), Anuja Kochhar (AVP-HR & Admin), Nehal Shah (SVP & Business Head), Satish Dhupdale (Chief Digital Officer).
From (L to R standing): Madhavi Gajjar (Company Secretary & Compliance Officer), Jayesh Dave (AVP-Credit), Amit Sugandhi (VP-Information Technology).

Board of Directors



Deepak Amin
PROMOTER & MANAGING
DIRECTOR



Rakesh Kumar
CEO &
EXECUTIVE DIRECTOR



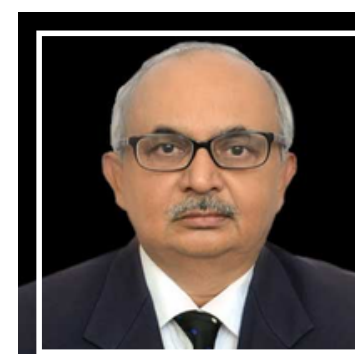
Aviral Saini
CFO &
EXECUTIVE DIRECTOR



Anuj Kumar
INDEPENDENT
DIRECTOR



Parveen Gupta
INDEPENDENT
DIRECTOR



Chandan Sinha
INDEPENDENT
DIRECTOR

Director's Report

To,

The Members,

LIGHT MICROFINANCE PRIVATE LIMITED

Your Board of Directors (the "Board") takes pleasure in presenting the 28th Directors Report of the company along with the Audited Financial Statements for the year ended March 31, 2022.

BUSINESS OVERVIEW:

Light's Asset Under Management (AUM) crossed a remarkable figure of ₹ 1,000Cr. The company displayed an incredible Y-O-Y growth of about 71% as the AUM stood at ₹ 1,064 Cr as compared to ₹ 623Cr in the previous year in comparison to the industry comprising of Banks, Small Finance Banks (SFBs) and NBFCs registering AUM growth in 5-10% range. However, the FY 2021-22 saw a decline in profitability as compared to the previous year due to increase in operational expenses. The company plan to expand its business in existing territories and new areas in the coming years to take advantage of growth and business opportunities.

FINANCIAL HIGHLIGHTS:

(All figures in INR)

Particulars	F.Y. 2021-22	F.Y. 2020-21
Revenue from Operations	1,63,59,61,218	1,12,25,78,619
Other Income	2,91,57,206	2,72,37,438
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	85,03,53,547	65,84,36,178
Less: Depreciation/ Amortisation/ Impairment	2,30,13,904	98,54,813
Profit/loss before Finance Costs, Exceptional items and Tax Expense	82,73,39,643	64,85,81,365
Less: Finance Costs	76,26,03,012	48,91,64,118
Profit/loss before Exceptional items and Tax Expense	6,47,36,631	15,94,17,247
Add/(less): Exceptional items	-	-
Profit/loss before Tax Expense	6,47,36,630	15,94,17,248
Less: Tax Expense (Current & Deferred)	1,04,78,510	3,21,28,753

Particulars	F.Y. 2021-22	F.Y. 2020-21
Profit/loss for the year (1)	5,42,58,121	12,72,88,495
Total Comprehensive Income/loss (2)	-	-
Total (1+2)	5,42,58,121	12,72,88,495
Balance of profit/loss for earlier years	-	-
Less: Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to Reserves	1,08,51,624	2,54,57,699
Less: Dividend paid on Equity Shares	-	-
Less: Dividend paid on Preference Shares	89,75,342	-
Less: Dividend Distribution Tax	-	-
Balance carried forward	3,44,31,155	10,18,30,796
Earnings per share:		
1. Basic	2.17	5.08
2. Diluted EPS	1.20	3.78

Particulars	March 31, 2022	December 31, 2021	March 31, 2021
Shareholders' Fund	1,27,23,70,963	1,25,21,34,076	86,03,93,589
Non-current Liabilities	4,07,82,81,743	3,94,17,24,124	2,27,94,18,612
Current Liabilities	4,86,74,73,434	4,56,67,04,523	2,77,54,96,707
Non-Current Assets	4,05,86,77,988	3,40,25,24,930	2,35,10,47,920
Current Assets	6,15,94,48,152	6,35,80,37,793	3,56,42,60,988
Income	1,66,51,18,424	1,17,49,26,426	1,14,98,16,057
Expense	1,60,03,81,793	1,13,09,05,146	99,03,98,810

RESULTS OF OPERATIONS:

► **Revenue:**

During the year under review, the turnover of the Company has been increased by Rs 51,53,02,367 an increase of 44.81% as compared to previous financial year. Your Company posted a turnover of Rs 1,66,51,18,424 /- in the year ended on March 31, 2022, as compared to Rs 1,14,98,16,057 /- in the previous year.

► **Profit:**

During the year under review, profit of the Company has been decreased by Rs 7,30,30,375 an decrease of 57.37% as compared to previous financial year. Your Company's profit after tax for the year ended on March 31, 2022, was recorded at Rs 5,42,58,120 / - as compared to Rs 12,72,88,495/- in the previous year.

► **Other Financial Highlights:**

- Other income was at Rs 2,91,57,206 as against Rs 2,72,37,438 in the previous year, primarily on account of interest income.
- Finance Cost was at Rs 76,26,03,012 as against Rs 48,91,64,118 in the previous year, primarily on account of the higher loan balances and other finance costs.
- Depreciation and amortization were higher by Rs 1,31,59,091 as compared to previous year. The actual cost was at Rs 2,30,13,904 as compared to Rs 98,54,813 in the previous year.
- Basic Earnings Per Share (EPS) for the year ended March 31, 2022, was at Rs 2.17 as against Rs 5.08 in previous year. Diluted Earnings Per Share (EPS) for the year ended March 31, 2022, was at Rs 1.20 as against Rs 3.78 in previous year.
- The Board of Directors of the Company is confident that the Management of the Company is capable of taking the company forward in the coming financial year.

COMPANY AFFAIRS:

Your Company proudly announces that during the year under review the Company has crossed the asset size of Rs. 1000 crore and as per RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Companies Act, 2013 and The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, following committees have already been constituted by the company:

Sr. No.	Name of Committee
1.	Audit Committee
2.	Nomination and Remuneration Committee
3.	Risk Management Committee
4.	IT strategy Committee
5.	Asset liability committee
6.	Internal investigation committee
7.	Corporate Social Responsibility committee
8.	Internal Investigation Committee [IIC]
9.	Share Transfer Committee
10.	Securities Allotment Committee

OPERATIONAL PERFORMANCE FOR THE FISCAL YEAR 2021-22 IS SUMMARIZED IN THE FOLLOWING TABLE:

Particulars	2021-22	2020-21
No. of Branches	127	135
Number of Members	309,241	217,875
Number of Employees	1,686	1222
Number of States	4	4
Amount disbursed (Rs. in crores)	985.10	453.04
Portfolio Outstanding (Rs. in crores)	1064.33	623.00

CHANGES IN SHARE CAPITAL

- **Authorised Share Capital**

During the year, the Authorised share capital was increased as mentioned below:

Board Meeting/Circular Resolution Date	AGM/EGM Date	Old Authorised Capital	Increase in Authorised Share Capital (Equity)	Increase in Authorised Share Capital (Preference)	New Authorised Capital
Board Meeting dated 20.05.2021	EGM dated 15.06.2021	89,50,00,000	20,00,00,000	45,00,00,000	154,50,00,000

- **Paid-up Share Capital:**

The changes in the paid-up share capital during the year are shown as under:

Meeting date	Increase in Paid-up Share Capital		Total issued Share Capital as on March 31, 2022
	Equity	Preference	
Securities Allotment Committee meeting dated 26.06.2021 for allotment of Compulsorily Convertible Preference Shares Series AI	-	9,02,22,090	52,33,80,090
Board dated 30.06.2021 for redemption of Non-Convertible Redeemable Preference Shares	-	(10,00,00,000)	42,33,80,090
Securities Allotment Committee meeting dated 19.07.2021 for allotment of Compulsorily Convertible Preference Shares Series AI	-	3,53,93,630	45,87,73,720

DIVIDEND AND RESERVES:

In view of the fact that your Company is a rapidly growing company and constantly in need of capital to fuel its growth, your directors recommended against giving any dividend for the financial year 2021-22.

The Company has transferred Rs 1,08,51,624 / - to the reserves during the Financial Year ended March 31, 2022, in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934.

The Board of Director approved declaration of interim dividend of Rs 89,75,342/- in the board meeting dated 30th June 2021 issued to WAAO Partners LLP- Non-Convertible Redeemable Preference Shareholder.

As per RBI circular RBI/2021-22/59 DOR.ACC.REC.No.23/21.02.067 /2021-22 dated June 24, 2021, we hereby provide following information regarding dividend declared during the financial year.

Accounting Period	Net Profit [in INR.]	Rate of Dividend (in%)	Amount of Dividend [in INR.]	Dividend Pay-out Ratio
Oct-20 to June-21	6,99,12,507.85	12 p.a.	89,75,342/-	12.84%

DETAILS OF NON-CONVERTIBLE DEBENTURES ISSUED:

Company has issued Non-Convertible Debentures through private placement during the year

Sr. No	No. of NCD	No of Allottees	Date of Board of Directors Approval	Date of Members Approval	Date of Allotment
1	3900	1	12.04.2021	13.07.2020	06.05.2021
2	2200	1	20.05.2021	15.06.2021	20.08.2021
3	150	1	20.05.2021	15.06.2021	25.03.2022

The details of debenture trustee for all the above mentioned Non-Convertible debentures issued by the Company during FY 2021-22 is as under:

Name of Debenture trustee	Beacon Trusteeship Limited
Registered office	4 C & D Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Club, Bandra (East), Mumbai – 400 051
CIN	U74999MH2015PLC271288

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Company during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES:

During the year under consideration, the Company has not granted any Loans, guarantees or has made any investment which requires disclosures under Section 186 of Companies Act, 2013.

INTERNAL FINANCIAL CONTROLS AND INTERNAL CONTROL SYSTEMS

The Board of Directors confirms that the Company has laid down a set of standards, processes and structure which enables it to implement Internal Financial Controls across the organisation with reference to Financial Statements and that such controls are adequate and are operating effectively. During the financial year under review, no material or serious observation has been made regarding inefficacy or inadequacy of such controls. Assurance on the effectiveness of Internal Financial Controls is obtained through management reviews, continuous monitoring by functional expenses as well as testing of the Internal Financial Control systems by the statutory auditor and internal auditors during the course of their audits. During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls. The Company maintains an adequate and effective internal control system, commensurate with its size and complexity. The Company

believes that these internal control systems provide a reasonable assurance that the Company's transactions are executed with management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of the Company are adequately safeguarded against significant misuse or loss.

DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received necessary declarations from each independent director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

The Company has received following documents as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and deposit taking company (reserve bank) Directions, 2016, [RBI/DNBR/2016-17/45 master direction DNBR. pd. 008/03.10.119/2016-17] September 01, 2016 updated from time to time and Corporate Governance Policy of the Company.

1. Declaration in the format mentioned in the Corporate Governance Policy of the Company approved vide Board meeting held on February 11, 2022.
2. Executed the deed of covenant as per point 72. Fit and Proper Criteria of Chapter – IX Specific directions applicable to Non-Banking Finance Company – Micro Finance Institutions (NBFC-MFIs) on page 60 of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, [RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17] September 01, 2016 updated as on February 17, 2020, in the format given in Annex XV of the RBI directions.

CORPORATE GOVERNANCE:

The Company believes in the philosophy of conducting the business through fair and ethical means and has set the best of corporate governance practice in its day to day operations, aimed at building trust with all its stakeholders.

As per RBI Master Circular – “Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 [RBI/2014-15/632 DNBR (PD) CC No.040/03.01.001/2014-15] dated June 03, 2015, the company has constituted following committees:

Sr. No.	Name of Committee
1	Audit Committee
2	Nomination and remuneration committee
3	Risk Management Committee

The Corporate Governance Report of the Company for Financial Year 2021-22 is attached herewith as “Annexure -A”.

The Company has displayed policy on corporate governance on its website [<https://lightmicrofinance.com/wp-content/uploads/2022/06/Final-Corporate-Governance-Policy-18.02.2021.pdf>]

DETAILS OF BOARD OR DIRECTORS AND KEY MANAGEMENT PERSONNEL:

During the year under review, following changes occurred in the Board of the Company:

- **Appointment of Mr. Chandan Sinha as an Additional Independent Director**

Mr. Chandan Sinha was appointed as Additional Independent Director of the Company vide Board Meeting held on 20th May 2021. Necessary filing for the same with Ministry of corporate affairs was done by the company on 27th May 2021.

- **Regularization of Mr. Chandan Sinha as Independent Director**

Mr. Chandan Sinha was regularized in the Annual General Meeting of the Company Held on 23rd September 2021 as "Independent Director" of the Company pursuant to the provisions of Section 161 of Companies Act, 2013. Necessary filing for the same with Ministry of corporate affairs was done by the company on 27th September 2021.

- **Resignation of Mr. Mukesh Shah as Independent Director**

Mr. Mukesh Shah had resigned as Independent Director of the company vide resignation letter dated 06th October 2021. Necessary filing for the same with Ministry of corporate affairs was done by the company on 19th October 2021.

- **Appointment of Mr. Praveen Kumar Gupta as an Additional Independent Director**

Mr. Praveen Kumar Gupta was appointed as Additional Independent Director of the Company vide circular resolution passed by the Company on 11th February 2022. Necessary filing for the same with Ministry of corporate affairs was done by the company on 17th February 2022.

In accordance with Section 203 of the Companies Act, 2013, the Company has following Key Management Personnel as on date of the Board Report:

Sr. No.	NAME	DESIGNATION
1	Mr Deepak Amin	Managing Director
2	Mr Rakesh Kumar	Chief Executive Officer
3	Mr Aviral Saini	Chief Financial Officer
4	Ms Madhavi Gajjar	Company Secretary and Compliance Officer

PERFORMANCE EVALUATION:

The Board of Directors have carried out an annual performance evaluation of Board, Board Committees and Individual Directors pursuant to the provisions of Schedule VI of Companies Act, 2013.

- The performance of the Board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The Board of Directors carried out the evaluation on the basis of different criteria i.e. participation of Directors at Board/ Committee meetings, managing relationship, knowledge and skill, ethics and contribution, composition and quality of Board, Board meeting and its procedures, Board strategy and risk management, composition and duties of Committees.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 134 (5) of the Companies Act, 2013, the Directors hereby confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the directors have prepared the annual accounts for the FY 2022, on a going concern basis;
5. That 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; and
6. That 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.

INFORMATION ON MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There are no material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CHANGE IN NATURE OF BUSINESS, IF ANY:

Your Company continues to operate as a microfinance business and during the year under review, there was no change in nature of the business of the Company.

EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2022 made under the provisions of Section 92(3) of the Act is attached as "**Annexure B**" attached herewith and which forms part of this Report and annual return uploaded on the Company's Website can be assessed at <https://www.lightmicrofinance.com/>

NUMBER OF MEETINGS OF THE BOARD:

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the routine and special business of the Company. The Board meetings are generally held at the corporate office of the Company.

During the year under review, Board of Directors of the Company met 5 (Five) times. The names of the members of the Board, their attendance at the Board Meetings are as under:

Sr. No	Day and Date of BM	Rakesh Kumar	Aviral Saini	Deepak Amin	Anuj Kumar	Mukesh Shah	Chandan Sinha
1	Thursday, 20.05.2021	✓	✓	✓	✓	✓	-*
2	Wednesday, 30.06.2021	✓	✓	✓	✓	✓	✓
3	Thursday, 19.08.2021	✓	✓	✓	✓	✓	✓
4	Thursday, 18.11.2021	✓	✓	✓	✓	-*	✓
5	Friday, 11.02.2022	✓	✓	✓	✓	-*	✓

* Mr Chandan Sinha has been appointed as Additional Independent Director w.e.f. 20th May 2021. Therefore, he was present in the Board meeting held on 20th May 2021 as an Invitee, not as Director.

* Mr. Mukesh Shah has resigned as Independent Director of the company with effect from 06th October 2021. Therefore, he was not present in the Board meeting held on 18.11.2021 & 11.02.2022.

NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:

During the year under review, Members of the Audit Committee of the Company met 4 (Four) times. The names of the members of the Committee, their attendance at the Audit Committee Meetings are as under:

Sr. No	Day and Date of Meeting	Anuj Kumar	Deepak Amin	Mukesh Shah	Chandan Sinha
1	Thursday, 20.05.2021	✓	✓	✓	-*
2	Thursday, 19.08.2021	✓	✓	✓	-*
3	Thursday, 18.11.2021	✓	✓	-*	-*
4	Friday, 11.02.2022	✓	✓	-*	✓

* Mr. Mukesh Shah has resigned as Independent Director of the company with effect from 06th October 2021. Therefore, he was not present in the Audit Committee meeting held on 18.11.2021 & 11.02.2022.

* Mr. Chandan Sinha was not a member of Audit Committee. Therefore, he was not present in the Audit Committee meeting held on 20.05.2021, 19.08.2021 & 18.11.2021.

NUMBER OF MEETINGS OF THE NOMINATION & REMUNERATION COMMITTEE (NRC):

During the year under review, Members of the Nomination and Remuneration Committee (NRC) of the Company met 02 (two) times. The names of the members of the Committee, their attendance at the Nomination and Remuneration Committee Meetings are as under:

Sr. No	Day and Date of Meeting	Anuj Kumar	Mukesh Shah	Deepak Amin	Chandan Sinha
1	Thursday, 20.05.2021	✓	✓	-	-*
2	Friday, 11.02.2022	✓	-*	✓	✓

* Mr. Chandan Sinha was not a member of NRC Committee. Therefore, he was not present in the NRC meeting held on 20.05.2021.

* Mr. Mukesh Shah has resigned as Independent Director of the company with effect from 06th October 2021. Therefore, he was not present in the NRC meeting held on 11.02.2022.

NUMBER OF MEETINGS OF THE RISK MANAGEMENT COMMITTEE (RMC):

During the year under review, Members of the Risk Management Committee (RMC) of the Company met 04 (Four) times. The names of the members of the Committee, their attendance at the Risk Management Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Deepak Amin	Rakesh Kumar	Aviral Saini	Anuj Kumar
1	Thursday, 20.05.2021	✓	✓	✓	✓
2	Thursday, 19.08.2021	✓	✓	✓	✓
3	Thursday, 18.11.2021	✓	✓	✓	✓
4	Friday, 11.02.2022	✓	✓	✓	✓

NUMBER OF MEETINGS OF THE SECURITIES ALLOTMENT COMMITTEE (SAC):

During the year under review, Members of the Securities Allotment Committee (SAC) of the Company met 04 (Four) times. The names of the members of the Committee, their attendance at the Share Allotment Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Rakesh Kumar	Aviral Saini	Deepak Amin
1	Thursday, 06.05.2021	✓	✓	✓
2	Saturday, 26.06.2021	✓	✓	✓
3	Monday, 19.07.2021	✓	✓	✓
4	Friday, 20.08.2021	✓	✓	✓
5	Friday, 25.03.2022	✓	✓	✓

NUMBER OF MEETINGS OF THE SHARES TRANSFER COMMITTEE (STC):

No share transfers were registered during the financial year - 2021-22.

NUMBER OF MEETINGS OF THE INTERNAL COMPLAINTS COMMITTEE (ICC):

During the year under review, Members of the Internal Complaints Committee (ICC) of the Company met 04 (Four) times. The names of the members of the Committee, their attendance at the Internal Complaints Committee Meetings is as under:

Sr. No.	Day and Date of Meeting	Mrs. Anuja Kochhar HR Head [Presiding Officer]	Mrs. Madhavi Gajjar Company Secretary	Mrs. Vrunda Rawal Assisting Company Secretary	Dr. Rajeshwari Narendran [External Member]	Gujarat State Head	Rajasthan State Head	Madhya Pradesh & Haryana State Head
1	Tuesday, 20.04.2021	✓	✓	✓	✓	-*	-*	-*
2	Thursday, 22.07.2021	✓	✓	✓	✓	-*	-*	-*
3	Wednesday, 20.10.2021	✓	✓	✓	-*	-*	-*	-*
4	Friday, 21.01.2022	✓	✓	✓	✓	✓	✓	✓

* State Heads were granted a leave of absence. Therefore, they were not present in the ICC Committee meeting held on 20.04.2021, 22.07.2021 & 20.10.2021.

* Dr. Rajeshwari Narendran was granted leave of absence. Therefore, she was not present in the ICC Committee meeting held on 20.10.2021.

NUMBER OF MEETINGS OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC):

During the year under review, Members of the Corporate Social Responsibility Committee (CSRC) of the Company met 01 (One) time. The names of the members of the Committee, their attendance at the Corporate Social Responsibility Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Rakesh Kumar	Aviral Saini	Deepak Amin	Mukesh Shah
1	Thursday, 20.05.2021	✓	✓	✓	✓

Details of Amount spent by the Company as Corporate Social responsibility Expenditure as per section 135 of the companies Act 2013:

(a) CSR amount spent or unspent for the financial year 2020-21 in FY 2021-22: **Rs 15,64,923. There was no amount unspent.**

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable as there is no ongoing project.**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr.No.	Name of project	Item from the list of activities in schedule VII to the Companies Act, 2013.	Local area (Yes/No)	Location of the project	Amount spent for the project (Amt Rs. In Lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency.
1	Tribal Child Education School	(ii)	YES	Ahmedabad (Gujarat)	Rs 15,64,923	NO	Ahmedabad Women's action Group [AWAG]
2	Women Empowerment	(iii)	YES	Ahmedabad (Gujarat)		NO	CSR No. CSR00000709
TOTAL					Rs. 15,64,923		

Considering the explanation provided in section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company had constituted a Corporate Social Responsibility [CSR] Committee. The Board of Directors of the Company have constituted the Corporate Social Responsibility Committee consisting of the following members as on date:

1. Mr. Deepak Amin, Managing Director
2. Mr. Rakesh Kumar, CEO & Executive Director
3. Mr. Aviral Saini, CFO & Executive Director

The Board of Directors of the Company has approved a CSR Policy based on the recommendation of the CSR Committee. The Company has initiated activities in accordance with the said Policy.

The CSR Policy of the Company is available on the Company's website and can be accessed at link:
<https://lightmicrofinance.com/wp-content/uploads/2022/06/Corporate-Social-Responsibility-Policy.pdf>

The report on CSR activities is annexed herewith marked as **"Annexure C"**
[\[https://lightmicrofinance.com/wp-content/uploads/2022/06/Light-Microfinance-csr.pdf\]](https://lightmicrofinance.com/wp-content/uploads/2022/06/Light-Microfinance-csr.pdf).

NUMBER OF MEETINGS OF THE ASSET LIABILITY COMMITTEE (ALCO):

During the year under review, Members of the Asset Liability Committee (ALCO) of the Company met 04 (Four) times. The names of the members of the Committee, their attendance at the Asset Liability Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Rakesh Kumar [CEO]	Aviral Saini [CFO]	Deepak Amin [MD]	Madhavi Gajjar [CS]
1	Wednesday, 30.06.2021	✓	✓	✓	-*
2	Thursday, 30.09.2021	✓	✓	✓	-*
3	Friday, 31.12.2021	✓	✓	✓	-*
4	Thursday, 31.03.2022	✓	✓	✓	-*

* Due to pre-occupancy, the Company Secretary was granted leave of absence. Therefore, Madhavi Gajjar was not present in all the Asset Liability Committee meeting.

NUMBER OF MEETINGS OF THE EXTRA-ORDINARY GENERAL MEETING [EGM]:

During the year under review, Members of the Extra-Ordinary General Meeting (EGM) of the Company met 02 (Two) times:

Sr. No	Day and Date of EGM
1	Tuesday, 15.06.2021
2	Tuesday, 20.07.2021

PARTICULARS OF CONTRACT AND ARRANGMENT WITH RELATED PARTIES:

During the year ended 31st March 2022, the Company has not entered into any related party transactions under Section 188 of the Companies Act, 2013. Thus, disclosure in Form AOC-2 is not required. However, the disclosures of transactions with related party for the financial year, as per Accounting Standard - 18 Related Party Disclosures is given in Note. No 22 (I) to the Balance Sheet as on March 31st, 2022.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Your Company is an equal opportunity employer and is committed to ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It strongly believes in upholding the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

The Company has in place an appropriate policy in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to prevent sexual harassment of its employees.

Your Company is in compliance with the provisions relating to Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is having Committee named "Internal Complaints Committee" which was created as per the regulatory requirements. The details of the Committee and their members are as under:

Members	Designation
Mrs. Anuja Kochhar	AVP HR & Admin
Dr. Rajeshwari Narendran	External Member
Ms. Madhavi Gajjar	Company Secretary
Mrs. Vrunda Rawal	Assistant Company Secretary
Mr. Pankaj Rai	State Head- Gujarat
Mr. Jaiprakash Sharm	State Head- Rajasthan/Madhya Pradesh
Mr. Omprakash Sharma	State Head- Haryana

The designated email id for registering complaints for sexual harassment at workplace is help@lightmicrofinance.com

The Company did not receive any complaints for the F.Y 2021-22.

The Company has also filed Annual Report for the calendar year ending 31st December 2021 as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act on 12th January 2022.

AUDITORS:

1. Statutory Auditor:

M/S CNK and Associates LLP, appointed as the Statutory Auditors of the Company in the Board meeting held on 19th August, 2021 as per Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any enactment or modification thereof, to hold the office from the conclusion of this 27th Annual General Meeting held on 23rd September 2021, till the conclusion of 30th Annual General Meeting of the Company, at a remuneration, decided by the Board of Directors in consultation with the auditors plus applicable, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory service tax and reimbursement of traveling and out of pocket expenses incurred by them for the purpose of the audit.

M/ s. CNK and Associates LLP have conducted statutory audit for the FY 2021-22 and have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

The Auditors' Report on the accounts of the Company for the accounting year ended 31st March 2022 is self-explanatory and do not call for further explanations or comments and may be treated as adequate compliance of Section 134 of the Companies Act, 2013.

2. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Paliwal & Co., Practicing Company Secretary (COP No. 12119), Ahmedabad, to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report for FY 2021-22 is annexed herewith as '**Annexure - D**'.

The Board of Directors has duly reviewed the Secretarial Auditors' Report and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation/clarification by the Board of Directors as provided under section 134 of the Act.

3. Internal Auditor:

Pursuant to provisions of Section 138 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Sorab S. Engineer & Co., Chartered Accountants re-appointed as Internal Auditors of the Company for the F.Y. 2021-22 in the board meeting held on 20th May, 2021. The Internal Auditor is appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports its findings on the internal audit of the Company to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

4. Cost Auditor:

The provision of Cost Audit as per Section 148 is Not Applicable on the Company.

5. Information System Auditor:

The Company had appointed M/S Sorab S. Engineer and Co. as Information system auditor of the Company for FY 2021-22, as per RBI Master Direction - Information Technology framework for the NBFC sector [Master Direction dnbs.ppd.no.04/66.15.001/2016-17] dated June 08, 2017, at a remuneration, decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of traveling and out of pocket expenses incurred by them for the purpose of the audit, in the board meeting held on 20th May 2021.

ENERGY CONSERVATION/TECHNOLOGY ABSORPTION/FOREIGN EXCHANGES

EARNING & OUTGO:

(A) ENERGY CONSERVATION:

(i) The steps taken or impact on conservation of energy:

The operations of your Company are not energy intensive. However, adequate measures have been initiated to reduce energy consumption.

One such step is:

Replacement of conventional lighting with Light Emitting Diode (LED) lighting:

The Company has installed LED lighting in Branch Offices of the Company during the year under review.

(ii) The steps taken by the Company for utilizing alternate sources of energy: Nil.

(iii) The capital investment on energy conservation equipment: Nil.

(B) TECHNOLOGY ABSORPTION:

(i) The efforts made towards technology absorption: Not Applicable

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): Not Applicable.

(a) Details of Technology Imported;

(b) Year of Import;

(c) Whether the Technology has been fully absorbed;

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

(iv) Your Company has not incurred any expenditure on Research and Development during the year under review.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the period under review, the company has made below mentioned foreign expenses and income:

Particulars	Currency	FY 2021-22
Expenditure in Foreign Currency MIS Infrastructure Expenses	US Dollars	1,805
	Indian Rupees	1,36,468
Expenditure of Processing Fees on NCD	US Dollars	-
	Indian Rupees	-
Earning in Foreign Currency		-

RISK MANAGEMENT POLICY & FRAMEWORK:

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

During the year under review, there is no change in the constitution of Risk Management Committee. Following are the members of the Risk Management Committee throughout the year:

1. Anuj Kumar
2. Deepak Amin
3. Rakesh Kumar
4. Aviral Saini

NOMINATION AND REMUNERATION POLICY:

The Company has, in order to attract, motivate and retain manpower in competitive market and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013, devised a policy for Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management. Key points of the Policy are:

A.) Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel:

- The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and Senior Management personnel and recommend to the Board for his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

B.) Policy on remuneration of Director, key managerial personnel and senior management personnel:

The Company's remuneration policy is driven by the success and performance of the Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them and provide adequate compensation with the Objective of the Company so that the compensation is used as a strategic tool that helps it to attract, retain and motivate highly talented individuals who are committed to the core values of the Company.

The Company has displayed Nomination and Remuneration Policy on website of the company.[
<https://lightmicrofinance.com/wp-content/uploads/2022/06/Final-Nomination-and-Remuneration-Policy.pdf>]

CONSOLIDATED FINANCIAL STATEMENTS:

Company doesn't have any subsidiaries so there is no need to prepare Consolidated Financial Statement for the F. Y. 2020-21.

MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed discussion on the Company's operational and financial performance are given in Management Discussion and Analysis Report which is annexed to this report as "**Annexure E**".

DEPOSITS:

The Reserve Bank of India in exercise of its powers under The Reserve Bank of India, 193, has granted NBFC-MFI (Registration no. B-14.03244) status to the Company. During the FY 2021-22, the Company has not accepted any public deposits and the Board of Directors has passed the resolution that the Company will not accept or hold any public deposits in FY 2021-22.

The Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made there under. There were no deposits, which were claimed and remained unpaid by the Company as on 31st March 2021.

RESERVE BANK OF INDIA (RBI) DIRECTIONS:

The Company is registered with RBI as a NBFC-MFI via Registration No. 14.01513. The Company continues to comply with the requirements prescribed by the RBI as applicable to it. RBI via notification RBI/2021-22/112DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on Framework for Scale Based Regulation for Non-Banking Financial Companies, bifurcated the Regulatory structure of NBFCs in four layers i.e. NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFC-ML), NBFC - Upper Layer (NBFC-UL) and NBFC - Top Layer (NBFC-TL) based on their size, activity, and perceived riskiness. Your Company being a NBFC - Middle Layer (NBFC-ML), endeavors to ensure the compliance with this notification.

RBI via notification RBI/DOR/2021-22/89 DoR.FIN.REC.95/03.10.038/2021-22 dated March 14, 2022, on Framework for Microfinance Loans) Directions, 2022, provides the framework for providing the collateral free loan irrespective of end use and mode of application processing/ disbursement either through physical or digital channels), provided to low income households having household income upto INR 3,00,000/-. Light being NBFC-MFI is complied with the aforesaid directions.

FRAUD REPORTING:

No material fraud has been found during the period under review. However, the details of fraud during the year have been referred to in Note no. 22 (PP) of the financial statements

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year of the Company and the date of this report.

VIGIL MECHANISM:

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safeguards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The Whistle Blower Policy of the Company is available on the website of the Company at www.lightmicrofinance.com. [https://lightmicrofinance.com/wp-content/uploads/2022/06/Whistle-Blower-Policyadopted-in-BM-04.09.2020.pdf]

SECRETARIAL STANDARDS:

The Company has complied with the provisions of Secretarial Standards applicable on the Company.

HUMAN RESOURCES & PARTICULARS OF EMPLOYEES:

- Your Company treats its "human resources" as one of its most important assets.
- Your Company continuously invests in attraction, retention and development of talent. Several programs that provide focused people attention are currently underway. Your Company's thrust is on the promotion of talent internally through job rotation and job enhancement.
- There is no employee of the Company covered under Sub-rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

EMPLOYEE STOCK OPTIONS [ESOP]

The Board of Directors had approved "ESOP Plan 2018" in the Board Meeting held on 19th June 2018 and the same was approved by the Members in the Extra-Ordinary Meeting held on 23rd June 2018.

The Company had granted 9,84,400 ESOP to Four employees in 2018 at an exercise price of Rs. 10.63/-.

The Board of Director amended the "ESOP Plan 2018" in the Board Meeting held on 20th May 2021 by changing the restriction on maximum number of options that may be granted to each employee to be 10,00,000 in number per eligible employee.

The Board of Directors further approved granted 5,02,000 ESOPs to Thirty-Five employees at an exercise price of Rs. 37.70/- vide Board meeting held on 20th May 2021. The same was approved by the Members in the Extra-Ordinary Meeting held on 15th June 2021.

The ESOP disclosure pursuant to Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, and the provisions under section 62 of the Companies Act 2013 and rules framed there under are enclosed as "Annexure F".

DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, there were no applications made or proceeding pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANK AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of Loans from Banks and Financial Institutions.

ACKNOWLEDGEMENTS:

Your directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, debenture holders, bankers, lenders, regulatory bodies, and other business constituents during the year under review. Your directors also wish to place on record their deep sense of appreciation for the commitment displayed by all the executives, officers and employees, resulting in the successful performance of the Company during the year.

Signing as per Board Resolution passed for and on behalf of the Board of Directors.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
LIGHT MICROFINANCE PRIVATE LIMITED**

DEEPAK AMIN
MANAGING DIRECTOR
DIN NO. 01289453

RAKESH KUMAR
CEO & EXECUTIVE DIRECTOR
DIN NO.03430670

AVIRAL SAINI
CFO & EXECUTIVE DIRECTOR
DIN NO.03534719

DATE: - _____

PLACE: - AHMEDABAD

ANNEXURES

ANNEXURE A

CORPORATE GOVERNANCE REPORT

A) MISSION

To develop products, mobilize capital and deploy technology, efficiently and innovatively, to deliver extremely reliable high touch customer service.

B) VISION

To become the leading Microfinance products and services provider in India. Light Microfinance aims to become the leading micro and meso finance products and services provider in the world. The company is driven by a high-caliber passionate team effecting innovative and efficient capital mobilization, product development and technology deployment to deliver extremely reliable high touch customer service. Light Microfinance is headquartered in Ahmedabad and has its initial focus on Gujarat with the goal of rapidly expanding to other states in India. Light Microfinance has a gender and poverty focused program, targeting rural and peri-urban areas, with a specific focus on poor women. Light Microfinance is a private limited company registered as a Non-Deposit taking Systemically Important (NBFC-ND-SI) Non-Banking Finance Company (NBFC) with the Reserve Bank of India.

C) BOARD OF DIRECTORS

To become the leading Microfinance products and services provider in India. Light Microfinance aims to become the leading micro and meso finance products and services provider in the world. The company is driven by a high-caliber passionate team effecting innovative and efficient capital mobilization, product development and technology deployment to deliver extremely reliable high touch customer service. Light Microfinance is headquartered in Ahmedabad and has its initial focus on Gujarat with the goal of rapidly expanding to other states in India. Light Microfinance has a gender and poverty focused program, targeting rural and peri-urban areas, with a specific focus on poor women. Light Microfinance is a private limited company registered as a Non-Deposit taking Systemically Important (NBFC-ND-SI) Non-Banking Finance

Sr. No.	Name	Designation
1	Mr. Anuj Kumar	Independent Director
2	Mr. Chandan Sinha	Independent Director
3	Mr. Praveen Kumar Gupta	Independent Director
4	Mr. Deepak Amin	Managing Director
5	Mr. Rakesh Kumar	Chief Executive Officer and Executive Director
6	Mr. Aviral Saini	Chief Financial Officer and Executive Director

D) MEETINGS AND ATTENDANCE:

- NUMBER OF MEETINGS OF THE BOARD:

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the routine and special business of the Company. The Board meetings are generally held at the corporate office of the Company.

During the year under review, Board of Directors of the Company met 5 (Five) times. The names of the members of the Board, their attendance at the Board Meetings are as under:

Sr. No	Day and Date of BM	Rakesh Kumar	Aviral Saini	Deepak Amin	Anuj Kumar	Mukesh Shah	Chandan Sinha
1	Thursday, 20.05.2021	✓	✓	✓	✓	✓	-*
2	Wednesday, 30.06.2021	✓	✓	✓	✓	✓	✓
3	Thursday, 19.08.2021	✓	✓	✓	✓	✓	✓
4	Thursday, 18.11.2021	✓	✓	✓	✓	-*	✓
5	Friday, 11.02.2022	✓	✓	✓	✓	-*	✓

* Mr. Chandan Sinha has been appointed as Additional Independent Director w.e.f. 20th May 2021. Therefore, he was present in the Board meeting held on 20th May 2021 as an Invitee, not as Director.

* Mr. Mukesh Shah has resigned as Independent Director of the company with effect from 06th October 2021. Therefore, he was not present in the Board meeting held on 18.11.2021 & 11.02.2022.

- NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:

During the year under review, Members of the Audit Committee of the Company met 4 (Four) times. The names of the

Sr. No	Day and Date of Meeting	Anuj Kumar	Deepak Amin	Mukesh Shah	Chandan Sinha
1	Thursday, 20.05.2021	✓	✓	✓	-*
2	Thursday, 19.08.2021	✓	✓	✓	-*
3	Thursday, 18.11.2021	✓	✓	-*	-*
4	Friday, 11.02.2022	✓	✓	-*	✓

* Mr. Mukesh Shah has resigned as Independent Director of the company with effect from 06th October 2021. Therefore, he was not present in the Audit Committee meeting held on 18.11.2021 & 11.02.2022.

* Mr. Chandan Sinha was not a member of Audit Committee. Therefore, he was not present in the Audit Committee meeting held on 20.05.2021, 19.08.2021 & 18.11.2021

• **NUMBER OF MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC):**

During the year under review, Members of the Nomination and Remuneration Committee (NRC) of the Company met 02 (two) times. The names of the members of the Committee, their attendance at the Nomination and Remuneration Committee Meetings are as under:

Sr. No	Day and Date of Meeting	Anuj Kumar	Mukesh Shah	Deepak Amin	Chandan Sinha
1	Thursday, 20.05.2021	✓	✓	-	-*
2	Friday, 11.02.2022	✓	-*	✓	✓

* Mr. Chandan Sinha was not a member of NRC Committee. Therefore, he was not present in the NRC meeting held on 20.05.2021.

* Mr. Mukesh Shah has resigned as Independent Director of the company with effect from 06th October 2021. Therefore, he was not present in the NRC meeting held on 11.02.2022.

• **NUMBER OF MEETINGS OF THE RISK MANAGEMENT COMMITTEE (RMC):**

During the year under review, Members of the Risk Management Committee (RMC) of the Company met 04 (Four) times. The names of the members of the Committee, their attendance at the Risk Management Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Deepak Amin	Rakesh Kumar	Aviral Saini	Anuj Kumar
1	Thursday, 20.05.2021	✓	✓	✓	✓
2	Thursday, 19.08.2021	✓	✓	✓	✓
3	Thursday, 18.11.2021	✓	✓	✓	✓
4	Friday, 11.02.2022	✓	✓	✓	✓

• **NUMBER OF MEETINGS OF THE SECURITIES ALLOTMENT COMMITTEE (SAC):**

During the year under review, Members of the Securities Allotment Committee (SAC) of the Company met 05 (Five) times. The names of the members of the Committee, their attendance at the Share Allotment Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Rakesh Kumar	Aviral Saini	Deepak Amin
1	Thursday, 06.05.2021	✓	✓	✓
2	Saturday, 26.06.2021	✓	✓	✓
3	Monday, 19.07.2021	✓	✓	✓
4	Friday, 20.08.2021	✓	✓	✓
5	Friday, 25.03.2022	✓	✓	✓

• **NUMBER OF MEETINGS OF THE SHARES TRANSFER COMMITTEE (STC):**

No share transfers were registered during the financial year - 2021-22.

• **NUMBER OF MEETINGS OF THE INTERNAL COMPLAINTS COMMITTEE (ICC):**

During the year under review, Members of the Internal Complaints Committee (ICC) of the Company met 04 (Four) times. The names of the members of the Committee, their attendance at the Internal Complaints Committee Meetings is as under:

Sr. No.	Day and Date of Meeting	Mrs. Anuja Kochhar HR Head [Presiding Officer]	Mrs. Madhavi Gajjar Company Secretary	Mrs. Vrunda Rawal Assisting Company Secretary	Dr. Rajeshwari Narendran [External Member]	Gujarat State Head	Rajasthan State Head	Madhya Pradesh & Haryana State Head
1	Tuesday, 20.04.2021	✓	✓	✓	✓	-*	-*	-*
2	Thursday, 22.07.2021	✓	✓	✓	✓	-*	-*	-*
3	Wednesday, 20.10.2021	✓	✓	✓	-*	-*	-*	-*
4	Friday, 21.01.2022	✓	✓	✓	✓	✓	✓	✓

* State Heads were granted leave of absence. Therefore, they were not present in the ICC Committee meeting held on 20.04.2021, 22.07.2021 & 20.10.2021.

* Dr. Rajeshwari Narendran was granted leave of absence. Therefore, she was not present in the ICC Committee meeting held on 20.10.2021.

- NUMBER OF MEETINGS OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC):**

During the year under review, Members of the Corporate Social Responsibility Committee (CSRC) of the Company met 01 (One) time. The names of the members of the Committee, their attendance at the Corporate Social Responsibility Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Rakesh Kumar	Aviral Saini	Deepak Amin	Mukesh Shah
1	Thursday, 20.05.2021	✓	✓	✓	✓

- NUMBER OF MEETINGS OF THE ASSET LIABILITY COMMITTEE (ALCO):**

During the year under review, Members of the Asset Liability Committee (ALCO) of the Company met 04 (Four) times. The names of the members of the Committee, their attendance at the Asset Liability Committee Meetings is as under:

Sr. No	Day and Date of Meeting	Rakesh Kumar [CEO]	Aviral Saini [CFO]	Deepak Amin [MD]	Madhavi Gajjar [CS]
1	Wednesday, 30.06.2021	✓	✓	✓	-*
2	Thursday, 30.09.2021	✓	✓	✓	-*
3	Friday, 31.12.2021	✓	✓	✓	-*
4	Thursday, 31.03.2022	✓	✓	✓	-*

* Due to pre-occupancy, the Company Secretary was granted leave of absence. Therefore, Madhavi Gajjar was not present in all the Asset Liability Committee meeting.

- NUMBER OF MEETINGS OF THE EXTRA-ORDINARY GENERAL MEETING [EGM]S:**

During the year under review, Members of the Extra-Ordinary General Meeting (EGM) of the Company met 02 (Two) times:

Sr. No	Day and Date of EGM
1	Tuesday, 15.06.2021
2	Tuesday, 20.07.2021

E) BOARD AGENDA

The notices of Board Meetings are given well in advance to all the Directors. The Board members are provided agendas required out the business to be transacted at the Meeting, with well-structured and comprehensive notes on agenda, to enable them to take informed decisions. Agenda papers are circulated atleast seven days prior to the date of the Meeting. Additional/ supplementary items are taken up with the permission of Chair and requisite consent of the Directors. Where it is not practicable to attach any document to the agenda, the same is circulated in the Meeting/ placed before the Meeting.

F) COMMITTEES OF THE BOARD

The composition and functioning of these Committees are in compliance with the applicable provisions of the Companies Act, 2013 and also in consonance with the RBI Master Circular – “Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 [RBI/2014-15/632 DNBR (PD) CC No.040/03.01.001/2014-15] dated June 03, 2015, the following committees were in operation as on March 31, 2022:

Sr. No	Name of Committee
1	Audit Committee
2	Nomination and remuneration committee
3	Risk Management Committee
4	Corporate Social Responsibility Committee
5	Asset & Liability Management Committee
6	IT Strategy Committee

G) RELATED PARTY TRANSACTIONS

In terms of Section 188(1) of the Companies Act. 2013, all related party transactions entered into by the Company during FY 2021-22 were duly approved by the Audit Committee and the Board of Directors. The transactions with the Related Parties are on arm's length basis and in the ordinary course of business of the Company and do not have any potential conflict with the interests of the Company at large. The policy on dealing with Related Party Transactions is disclosed on the Company' website at <https://www.lightmicrofinance.com/compliance.html>

During the year ended 31st March 2022, the Company has not entered into any related party transactions under Section 188 of the Companies Act, 2013. Thus, disclosure in Form AOC-2 is not required. However, the disclosures of transactions with related party for the financial year, as per Accounting Standard – 18 Related Party Disclosures is given in Note. No 21 (H) to the Balance Sheet as on March 31st, 2022.

H) DEBENTURES

Company has issued Non-Convertible Debentures through private placement during the year

Sr. No	No. of NCD	No of Allottees	Date of Board of Directors Approval	Date of Members Approval	Date of Allotment
1	3900	1	12.04.2021	13.07.2020	06.05.2021
2	2200	1	20.05.2021	15.06.2021	20.08.2021
3	150	1	20.05.2021	15.06.2021	25.03.2022

The details of debenture trustee for all the above mentioned Non-Convertible debentures issued by the Company during FY 2021-22 is as under:

Name of Debenture trustee	BEACON TRUSTEESHIP LIMITED
Registered office	4 C & D Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Club, Bandra (East) Mumbai – 400 051
CIN	U74999MH2015PLC271288

I) REDEMPTION DURING THE FINANCIAL YEAR 2021-22:

During the year company has redeemed Non-Convertible Redeemable Preference Shares of amount Rs 10,00,00,000/- in the Board meeting dated 30.06.2021.

J) REGISTRAR AND TRANSFER AGENT:

All activities in relation to electronic transfer facility with respect to Non-Convertible Debentures (NCDs) are maintained by our Registrar & Transfer Agent (RTA) i.e. Link Intime India Private limited having SEBI Registration No. INR000004058.

ANNEXURE B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	U67120DL1994PTC216764
ii	Registration Date	20/09/1994
iii	Name of the Company	LIGHT MICROFINANCE PRIVATE LIMITED
iv	Category / Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v	Address of the Registered office and contact details	308 Aggarwal Tower, Plot No.2 Sector – 5, Dwarka New Delhi – 110075 Contact No.: 079-40050059. Email:info@lightmicrofinance.com
vi	Whether listed company	NO

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SR. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Microfinance Loans for income generation activity	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares Held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (Equity and preference Share Capital Breakup as percentage of Total Equity and preference share capital of the Company)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	1,28,99,999	1,28,99,999	38.72%	0	1,28,99,999	1,28,99,999	28.12 %	10.60%
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	0	1,28,99,999	1,28,99,999	38.72%	0	1,28,99,999	1,28,99,999	28.12%	10.60%
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	1,28,99,999	1,28,99,999	39.72%	0	1,28,99,999	1,28,99,999	28.12%	10.60%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	1,37,97,736	1,37,97,736	-	-	2,63,59,308	2,63,59,308	-	-
ii) Overseas	-	-	-	41.41%	-	-	-	57.47%	16.06%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	0	66,18,065	66,18,065	19.86%	0	66,18,065	66,18,065	14.42%	5.44%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	0	2,04,15,801	2,04,15,801	61.27%	0	3,29,77,373	3,29,77,373	71.89%	10.62%
Total Public Shareholding(B)= (B)(1)+(B)(2)	0	2,04,15,801	2,04,15,801	61.27%	0	2,04,15,801	2,04,15,801	71.89%	10.62%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	0	3,33,15,800	3,33,15,800	100%	0	4,58,77,372	4,58,77,372	100%	-

(ii) Shareholding of Promoters:

Name	Shareholding as at April 01, 2021		Date wise Increase/Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at March 31, 2022	
	No. of Shares	% of shares	Date	No. of shares	Reason	No. of Shares	% of shares	No. of Shares	% of shares
Deepak Amin	1,28,99,999	38.72%	NIL	NIL	NIL	NIL	NIL	1,28,99,999	28.12% *
			NIL	NIL	NIL	NIL	NIL		

* The Decrease in stake is due to issuance of Compulsorily convertible preference share.

(iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) [For each of the Top 10 Shareholders]:

Name	Shareholding as at April 01, 2021		Date wise Increase/Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at March 31, 2022	
	No. of Shares	% of shares	Date	No. of shares	Reason	No. of Shares	% of shares	No. of Shares	% of shares
Kaushik Amin	58,88,065	17.67%	NIL	NIL	NIL	NIL	NIL	58,88,065	12.83%
VAR K NAL Holdings Inc.	5,531,935	16.60%	NIL	NIL	NIL	NIL	NIL	5,531,935	12.06 %
Geeta Amin	7,30,000	2.91 %	NIL	NIL	NIL	NIL	NIL	7,30,000	1.59 %
Pettelaar Effectenbewa arbedrijf N.V	27,55,267	8.27%	NIL	NIL	NIL	NIL	NIL	62,85,897	13.71%
NMI Fund IV KS	27,55,267	8.27%	NIL	NIL	NIL	NIL	NIL	82,46,846	17.98 %
agRIF Cooperatief U.A.	27,55,267	8.27%	NIL	NIL	NIL	NIL	NIL	62,94,630	13.72 %

(iv) Shareholding of Directors and Key Managerial Personnel:

Name	Shareholding as at April 01, 2021		Date wise Increase/Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at March 31, 2022	
	No. of Shares	% of shares	Date	No. of shares	Reason	No. of Shares	% of shares	No. of Shares	% of shares
Deepak Amin	1,28,99,999	38.72	-	-	-	1,28,99,999	38.72	1,28,99,999	38.72
Rakesh Kumar	-	-	-	-	-	-	-	-	-
Aviral Saini	-	-	-	-	-	-	-	-	-
Mukesh Shah*	-	-	-	-	-	-	-	-	-
Anuj Kumar	-	-	-	-	-	-	-	-	-
Chandan Sinha**	-	-	-	-	-	-	-	-	-
Parveen Kumar Gupta***	-	-	-	-	-	-	-	-	-
Madhavi Gajjar	-	-	-	-	-	-	-	-	-

*Mukesh Shah was appointed as Independent Director in the Annual General Meeting of the Company Held on 28.09.2020 and he resigned from the position of independent directors on 06.10.2021.

**Mr. Chandan Sinha has been appointed as Additional Independent Director w.e.f. 20th May 2021. He has been regularized as Independent Director vide annual general meeting held on 23rd September 2021.

***Mr. Parveen Kumar Gupta has been appointed as Additional Independent Director w.e.f. 11th February 2022.

V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment

<i>Amt in Lakhs</i>				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	45,155.41	2,268.58	-	47,423.99
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	140.51	1.01	-	141.52
iv) Short term borrowing	1,001.07	-	-	1,001.07
Total (i+ii+iii)	46,296.99	2,269.59	-	48,566.59
Change in Indebtedness during the financial year				
• Addition	70,538.55	2,000.00	-	72,538.55
• Reduction	34,633.19	-	-	34,633.19
• Reduction in short-term borrowing	1,001.07	-	-	
• Interest due but not paid	343.58	6.98	-	350.56
• Net Change	35,247.86	2,006.98	-	37,254.84
Indebtedness at the end of the financial year				
i) Principal Amount	81,060.76	4,268.58	-	85,329.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	484.09	7.99	-	492.08
iv) Short term borrowing	-	-	-	-
Total (i+ii+iii)	81,544.85	4,276.57	-	85,821.42

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

Name of MD/WTD/Manager : Mr. Deepak Amin [Managing Director]			
Sr. No.	Particulars of Remuneration	Bifurcation	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	80,00,014	80,00,014
2.	Stock Option	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.
4.	Commission - as % of profit - others, specify...	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.
	Total (A)	80,00,014	80,00,014
	Ceiling as per the Act	N.A.	N.A.

B) Remuneration to other directors:

Sr. no.	Particulars of Remuneration	Name of Directors						Total Amount
		Chandan Sinha	P.K. Gupta	Mukesh Shah (Independent Director)	Anuj Kumar (Independent Director)	Rakesh Kumar (Executive Director /CEO)	Aviral Saini (Executive Director/CFO)	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	1,30,000	0	1,15,000	2,55,000	0	0	
2.	Total (1)	1,30,000	0	1,15,000	2,55,000	0	0	5,00,000
3.	Other Non-Executive Directors • Fee for attending board/ committee meetings • Commission • Salary	0	0	0	0	0	0	5,00,000
4.	Total (2)	0	0	0	0	0	0	0
5.	Total (B)=(1+2)	1,30,000	0	1,15,000	2,55,000	0	0	0
6.	Executive Directors Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961.	0	0	0	0	80,00,000	70,00,000	5,00,000
7.	Stock Option	0	0	0	0	0	0	23000014
8.	Sweat Equity	0	0	0	0	0	0	0
9.	Commission - as % of profit - others, specify	0	0	0	0	0	0	0

10.	Others, please specify	0	0	0	0	0	0	0	
	Total	0	0	0	0	80,00,000	70,00,000	0	
11.	Total Managerial Remuneration	130000	0	1,15,000	2,55,000	80,00,000	70,00,000	23000014	

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

S. No.	Particulars of Remuneration	(Amounts in Rs.)	
		Madhavi Gajjar (Company Secretary)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	6,00,024	6,00,024
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify...	0	0
5.	Others, please specify	0	0
	Total	6,00,024	6,00,024
6.	Total Managerial Remuneration	6,00,024	6,00,024

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On behalf of the Board,
For LIGHT MICROFINANCE PRIVATE LIMITED

DEEPAK AMIN
MANAGING DIRECTOR
DIN: 01289453

RAKESH KUMAR
CEO & EXECUTIVE DIRECTOR
DIN: 03430670

Date: - _____, 2022

Place :- Ahmedabad

ANNEXURE C

CSR REPORT FOR THE FY 2021-22

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) initiative aims at having a long-term sustainable impact on the community. The CSR Policy of the Company has been designed keeping in view the company's business vision, its CSR vision and long-term social objectives that the company wants to achieve. The CSR Policy has been created with the purpose to outline its CSR focus areas, review mechanism, execution process and reporting mechanism and it also provides an overview of the projects or programs that could be undertaken by the Company from time to time.

The Corporate Social Responsibility policy of the company covers the regulatory requirements.

***VISION: Empowering communities,
transforming lives and facilitating nation building
through sustainable and inclusive growth.***



2. Composition of CSR Committee

Sr. No.	Name of Director	Designation in the Committee /Nature of Directorship	No. of Meetings of CSR Committee held during the year	No. of Meetings of CSR Committee attended during the year
1	Mr. Mukesh Shah*	Member	1	1
2	Mr. Deepak Amin	Member	1	1
3	Mr. Rakesh Kumar	Member	1	1
4	Mr. Aviral Saini	Member	1	1

** Mr. Mukesh Shah ceased to be the member of the Committee as he resigned from his directorship in the Company with effect from 06th October 2021. The same was noted by the Board of Directors in their meeting dated 18th November 2021.*

3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:
<https://www.lightmicrofinance.com/compliance.html>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):
Not Applicable for the Financial year under review

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable for the Financial year under review**

6. Average net profit of the Company as per section 135(5): **Rs. 7,82,46,128**

7. 1. (a) Two percentage of average net profit of the Company as per section 135(5): **Rs. 15,64,923**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

(c) Amount required to be set off for the financial year, if any: **NIL**

(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 15,64,923**

8. (a) CSR amount spent or unspent for the financial year 2020-21 in FY 2021-22: Rs. 15,64,923. There was no amount unspent.

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable as there is no ongoing project.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr No	Name of project	Item from the list of activities in schedule VII to the Companies Act, 2013.	Local area (Yes/No)	Location of the project		Amount spent for the project (Amt Rs. In Lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR Registration number
1	Tribal Child Education School	(ii)	YES	Gujarat	Ahmedabad	Rs. 15,64,923	No	Ahmedabad Women's Action Group [AWAG]	CSR00000709
2	Women Empowerment	(iii)	YES	Gujarat	Ahmedabad		No		
TOTAL						Rs. 15,64,923			

(d) Amount Spent in Administrative overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 15,64,923/-**

(g) Excess amount for set off, if any: **NIL**

Sl. No.	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company as per section 135(5)	Rs. 15,64,923/-
2	Total amount spent for the Financial Year	Rs. 15,64,923/-
3	Excess amount spent for the financial year [(ii)-(i)]	NIL
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the Project- Completed/ ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- Not applicable as the company has spent full amount of CSR as per the regulatory requirement.

**FOR AND ON BEHALF OF
LIGHT MICROFINANCE PRIVATE LIMITED**

**MR. RAKESH KUMAR
CEO AND EXECUTIVE DIRECTOR**

**MR. DEEPAK AMIN
MANAGING DIRECTOR**

HIGHLIGHTS



Deepak Amin, Founder & MD, Light Microfinance

"You don't have to do something big to change the world. If everyone does their bit, the world will change itself."



Rakesh Kumar, Co-founder & CEO, Light Microfinance

"Some childhood fundamentals go a long way and one of them is sharing. If you care to share, the world will become a better place."



Aviral Saini, Co-founder & CFO, Light Microfinance

"It's high time that we give women financial independence they deserve. They should have a choice to earn, save and spend."

HIGHLIGHTS



Ek Hi Iccha, Sabko Siksha

This initiative aims to provide education and uplift under-privileged children in the society.



SUPPORTING SCHOOL CHILDREN

The Covid-19 pandemic had impacted and paralyzed education in a big way. Schools were closed for over two years and online education couldn't reach everyone. As a result, many students dropped out.

At LIGHT, we understand the importance of education and decided to encourage students from the government schools who continued their education despite pandemic hardships. We supported 761 students & motivated them by providing stationary as a token of appreciation.

They were given:

- A school bag
- Notebooks
- Geometry Box
- Comic book on 'good touch-bad touch'
- Napkin, soap and masks

"Every child comes with the message that God is not yet discouraged of man."

Rabindranath Tagore



HIGHLIGHTS



Aapka Bhagya, Aapke Haath

Our empowerment programs aims to make the world a better place where every individual has access to food, clothing, shelter, education, healthcare and a green environment so that they can lead their life with respect and dignity.



WOMEN EMPOWERMENT

Women are the pillars of a society. When women are empowered, the whole world is empowered. It has been observed that poverty, illiteracy and domestic violence are major factors that hinder their empowerment.

Therefore, we seized an opportunity under our social impact program to reach out to women who were victims of domestic violence, sexual exploitation or were single with no family. We supported 123 women who chose one of the below options to start their business.

- Sewing machine
- Catering equipment
- Beauty parlor equipment
- Sale of Sanitary napkins
- Iron
- Handcart for selling vegetables/food

नारी समाजस्य कुशलवास्तुकारा।

Woman is the skilled architect of the society.



ANNEXURE D

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
LIGHT MICROFINANCE PRIVATE LIMITED
308 Aggarwal Tower,
Plot No. 2 Sector – 5,
Dwarka, New Delhi-110075, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. LIGHT MICROFINANCE PRIVATE LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956('SCRA') and the rules made thereunder;
(Not Applicable to the Company during the Audit Period)

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not Applicable to the Company during the Audit Period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2021; **(Not applicable to the Company during the Audit Period)**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the Audit Period);** and

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into by the Company with Stock Exchanges pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time. **(Not Applicable to the Company during the Audit Period)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations/qualification: **Nil**

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (a) Reserve Bank of India Act, 1932

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 06.08.2022

Place: Ahmedabad

For, Paliwal & Co.

Alpesh Paliwal

Proprietor

COP: 12119

UCN: I2013GJ1046200

Peer Review Registration Number: 1686/2022

UDIN:A032500D000754650

To,

The Members,

LIGHT MICROFINANCE PRIVATE LIMITED

308 Aggarwal Tower,

Plot No. 2 Sector – 5,

Dwarka, New Delhi-110075, India

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 06.08.2022

Place: Ahmedabad

For, Paliwal & Co.
Company Secretaries

Alpesh Paliwal

Proprietor

COP: 12119

UCN: I2013GJ1046200

Peer Review Registration Number: 1686/2022

UDIN:A032500D000754650

ANNEXURE E

Key Points of MDAR

India Economy Overview

- The FY 2021-22 witnessed some precarious times arising due to a war (Russia-Ukraine), inflation, COVID pandemic and much more. Russia's attack on Ukraine, and the levy of sanctions that followed, have upended businesses. The businesses were already reeling under disruptions in supply chain caused due to Covid pandemic and soaring labor and commodity costs impacting the world economy. The US economy which impacts global economy prominently has been following a cautious approach. For more than six years, the U.S. Federal Reserve administered round after round of Quantitative Easing (QE), and only in recent years decided to scale back its operations. If the Federal bank had not acted in 2008 financial crisis, chances were that the U.S. economy would have entered a deep depression, much worse than what was experienced. In June '22 the consumer price index, a broad measure of everyday goods and services related to the cost of living, soared 9.1% from a year ago, above the 8.8% Dow Jones estimate. Core inflation peaked at 6.5% in March'22 and has been nudging down since. According to the Bloomberg's report the world's most powerful central bank is about to find out how far it can squeeze financial markets before something breaks. Now, the monetary authority has begun to pare a USD 9 trillion balance sheet, a process known as quantitative tightening. There is a lot of uncertainty about how quantitative tightening will affect the Fed's balance sheet and treasury markets over the next six months.
- It has been over two years into the COVID-19 pandemic. The global economy still continues to be plagued by uncertainty, with resurgent waves of mutant variants, supply-chain disruptions and a return of inflation in both advanced and emerging economies. However, the businesses are returning to pre-Covid levels as the worldwide vaccination drives have ensured human health is not jeopardized.
- The Indian economy has been staging a sustained recovery since the second half of FY 20-21. Although the second wave of the pandemic in April-June 2021 was more severe from a health perspective, the economic impact was muted compared to the national lockdown of the previous year. Advance estimates suggested that GDP will record an expansion of 9.2% in 2021-22. The Indian economy expanded by 8.7% in 2021-22 against a 6.6% contraction in 2020-21. Several initiatives were undertaken by the central and state governments to address India's service sector, which accounts for more than half of the Indian economy and was the most impacted by the COVID-19 related restrictions. As per reports by CRISIL, NBFCs are likely to face borrowing cost of 7.2%-7.4% in FY23, compared to 6.4% last year. Indian economy is expected to grow 7.1% - 7.6% in the current financial year despite shifting geopolitical realities across the world.

- The last fiscal also tested the resilience of economies and businesses around the world with organizations slowly recovering from the impact of the pandemic. No doubt, the year was challenging for the banking and financial services industry too. But the biggest factor which underlined the performance of banks in 2021 and defined the industry's growth in 2022 is the ability to capitalize on technology investments and create value. Various schemes launched by the Govt of India and RBI have been put in place to ensure adequate liquidity in economy and avoid extended forbearance and risks to financial stability.
- The Reserve Bank of India (RBI) has been emphasizing on financial inclusion and digital banking models and has been adding and amending regulations in place requiring banks to be more regulatory-sensitive. The RBI has been working towards implementing technical and compliance standards for banks and financial institutions to regulate banking and lending processes and thereby ensuring a quicker economic revival. The rise in fintech companies and concepts like Buy Now Pay Later [BNPL] have revolutionized the banking ecosystem in India. As per reports, India has emerged as the third largest fintech market (in size) in the world. Indian banking system is on the path of leveraging the right technology with the help of AI and handling internal data efficiently, while maintaining safety and security. The whole landscape of Banking system in India is going to witness a rampant development both in terms of technology and service.

Industry Analysis (NBFC-MFI & Industry as a whole)

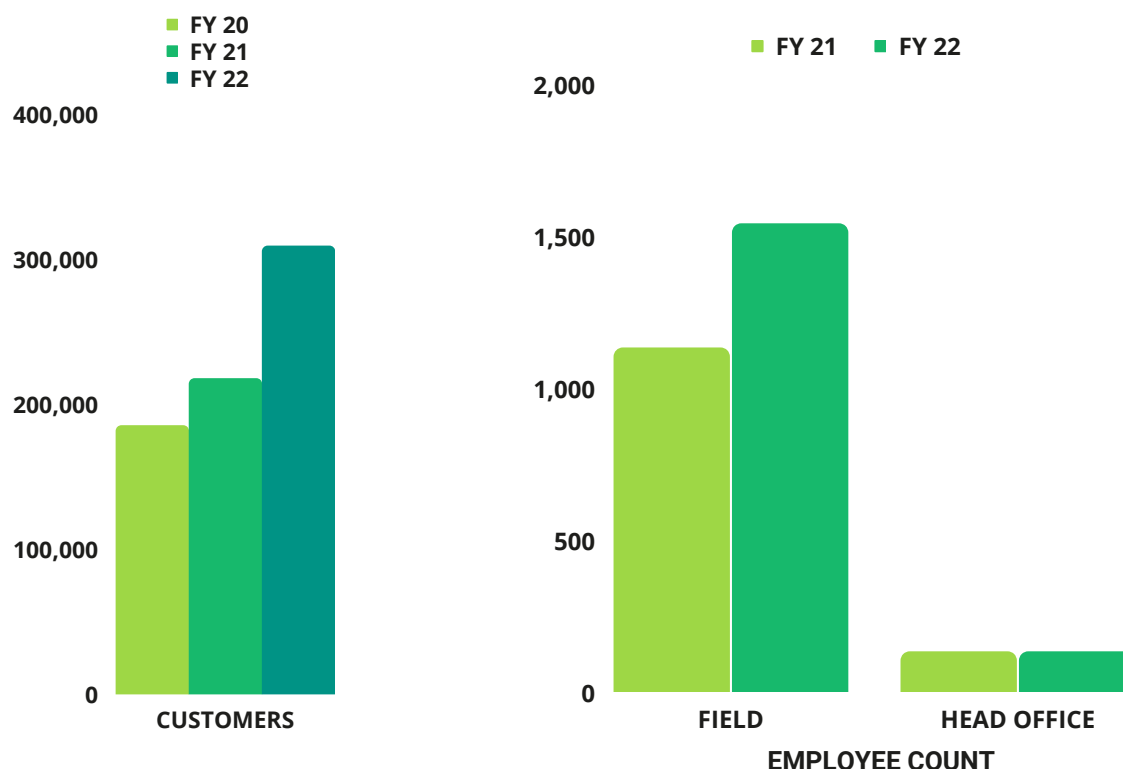
- Through the years, microfinance industry has evolved as an important financial delivery mechanism to promote financial inclusion. Due to the hardship and loss of livelihoods caused by the pandemic, the sector needs a renewed focus of all the stakeholders. In March 2022, RBI revised its guidelines for NBFC's MFI (regarding qualifying asset criteria, margin, assessment of household income etc.) to keep NBFC's at par with banks and to make microfinance segment stronger. The guidelines are intended to be positive for NBFC-MFIs, especially because it levels the playing field for them and allows the RBI to create a policy that prices the credit risk adequately. Lately with all the fluctuations and disruptions in the economy, microfinance institutions in India have developed resilience and have adapted to manage interim stress from natural disasters, social unrest, political interference and pandemics.
- According to 41st issue of Microfinance Institution Networks (MFIN's) report India's Microfinance Universe portfolio stands at Rs 2,854bn as on Mar'22 as compared to Rs 2,594bn as on Mar'21 reflecting a Y-O-Y growth of 10%. The total number of active loans accounts were Rs 11.3 Cr with 5.8 Cr unique borrowers as of Mar'22. Banks hold the largest share of portfolio in micro-credit which is 40.0% followed by NBFC-MFIs which are second largest provider of microcredit accounting for 35.2% of total industry portfolio. The total Loan amount disbursed in the current FY was reported to be Rs 2,394bn as compared to Rs 1,884bn in previous FY reflecting a growth of 27% Y-O-Y basis. Industry's PAR>30, PAR>90 and PAR>180 were at 13.09%,10.49% and 8.28%, respectively.

- According to a report of CRISIL Ratings on change in regulations for NBFC-MFI by RBI “The last two years have been extremely challenging for microfinance lenders as they grappled with high credit costs. The changes announced will help NBFC-MFIs adopt risk-based pricing and improve their profitability, expand their addressable market, and address concerns on over-indebtedness of borrowers”. With the removal of interest margin cap on lending rates, NBFC-MFIs will have the flexibility to adopt risk-based pricing, and this will support their profitability. The harmonized regulations for microfinance, near normalization of collection efficiency and Supreme Court’s verdict clearly stating that NBFC regulation is the sole purview of the RBI, are hugely positive trends. These will support good growth in FY 2022-23.

Company’s Performance w.r.t. NBFC-MFI

- The impact of the second Covid wave had raised concerns over the recovery of the microfinance (MFI) and the small NBFC sector, which was already battling the elevated credit stress and declining assets under management (AUM) in FY’21. Despite pandemic, the NBFCs have shown a lot of resilience in FY’21 as they were expected to witness continued momentum in growth in the FY’22. According to MFIN data, NBFC-MFI sector alone grew by 24.7% from Rs 805bn in previous year to Rs 1,004bn this financial year. According to a report by ICRA, AUM of NBFC-MFI is expected to grow between 18.0%-22.0% in FY’23. The steady increase in the disbursements in the industry from the second quarter of the financial year 2021-22 provides hope for better growth prospects in the current financial year.
- Light’s performance is an exemplary example of such growth. Motivated employees, customer-centric products, unique credit underwriting and massive technology intervention are key factors for Light’s growth. Another feather in the cap was Light’s AUM crossing Rs 1000cr mark. In such a vulnerable time Light’s AUM displayed an incredible Y-O-Y growth of about 71% as the AUM stood at Rs 1,064cr (P.Y. Rs 623cr). Disbursement showed a sharp Y-O-Y growth of 117% as reported figure for FY’22 was Rs 985cr. as against Rs 453cr in the previous year. The company’s portfolio delinquency PAR >30 is 4.2% and PAR> 90 is 2.6% which is very much low as compared to the industry standards. MFIN has reported NBFC-MFI’s PAR>30 as 10.1% and PAR>90 as 8.3%. The collection efficiency for Mar’22 was 96%. Borrowings of the company stood at Rs 853cr and fresh borrowings procured for the FY’22 was Rs 930cr. Profit after tax was reportedly Rs 5.42cr with EPS of 2.17. Crisil has assigned BBB Stable Credit Rating to the company. Light’s growth with one of the best asset qualities in the industry is a result of continuous and long-term investment in technology, systems and people.
- In line with RBI notification dated May 5th,2021 “Resolution Framework 2.0” the company restructured additional 2,983 loan accounts amounting to Rs 9.89cr as on Dec’21. An additional provision was created on these loan accounts amounting to Rs 98 lakhs. The total restructured pool in %age of total AUM was 1.9% as on Mar’22.

- Operational statistics reflects that no new branches have been opened during the FY'22 and the branch concentration is 125, scattered in 68 districts of 4 states of Gujarat, Rajasthan, Madhya Pradesh, and Haryana. The customer base mounted up to 3.09 Lakhs from 2.17 Lakhs. The loan Officer count was 1,086 while the total employee strength was 1,676.



Capital Raise

In July 2021 Light Microfinance completed Rs 47.36cr of series-A funding round from European impact investors Incofin (Belgian), Nordic Microfinance Initiative (Norwegian) and Triple Jump B V (Dutch). The investment was done to boost the Light's expansion plans in Haryana, Rajasthan and Madhya Pradesh. It was an exemplary achievement by light keeping in mind how critical this year was in terms of capital raising. Aditya Bhandari, Partner & Co Regional Director, Incofin, had said, "We are truly impressed with the management team and their commitment to the impact space over the last 11 years. They have identified the right trends for the industry and built a robust model. To compliment, they have planned smart technology investments which will bring significant benefits to all stakeholders."

- Incofin Investment Management:** Incofin manages funds and investments in emerging countries driven by a desire to promote inclusive progress. Founded in 2001, its investors are leading development banks, insurance companies, pension funds, alternative investment funds, HNIs and retail investors.
- Nordic Microfinance Initiative:** It was established in 2008 in Oslo, Norway as a partnership between the public sector and private investors. NMI invests in institutions building financial inclusion in Africa & Asia.
- Triple Jump:** It is an impact-focused investment manager that provides meaningful and responsible investment opportunities in emerging markets.

Strengthening of IT and fostering digital growth

- The emergence of digital technologies and increasing mobile penetration in the MFI sector especially in the last one decade has propelled growth of digitally literate communities and enabled traditional MFI borrowers to evolve into more tech savvy, social media friendly and experience driven customers. The company is also investing in multiple technology interventions like an AI-driven analytics platform and mobile applications to enhance sourcing, credit underwriting and collection capabilities through individualized mobile training modules and performance trackers.
- In the FY21-22, the company undertook several initiatives to strengthen its technology footprint. These efforts were directed towards setting up new capabilities for growth, managing risks and keeping pace with increased compliance requirements.
- IT department also undertook upgrade/deployment of key line of business applications to increase operational efficiency and provide better control. This included (i) Tele calling software, which has an automated dialer for outbound calls, workflows to assign incoming calls to first available agent, call recording (for compliance forensics, and training purpose). This is now being used by Tele calling team, HR team, IT helpdesk, with plans to deploy this to other teams in FY'23. (ii) Asset Management software – for managing physical and electronic assets. In addition to the above, in conjunction with HR team, it was decided to upgrade HRMS system and after evaluation of several systems, Zing was finalized. The planning has begun for a rollout in Q1 FY 23.
- Infosec audit – As part of its transition to systemically important NBFC, the company was required to comply to an enhanced set of guidelines under RBI master directions. Company made required changes to its policies and engaged an external auditor to review its readiness.
- Along with the platform, the company has built its first ML based credit underwriting model. This will significantly boost company's ability of machine driven credit decision making, which will eventually lead to increased efficiency and reduce risks.
- The company started working on building its analytics platform LASer (Light Analytics Service). LASer is an ambitious forward-looking platform, bringing together all of company's data from diverse data sources in a single place. Once ready, this will significantly enhance company's data driven decision making ability. In first version, expected to be ready in Q1 of FY 2023, LASer will bring data from LMS (loan management system), HRMS and Accounts with visual dashboards depicting important business KPIs. IT has been laying its pre-eminent focus on rejuvenating microfinance through digitizing end-to-end process i.e., right from disbursement till collection to ensure minimal human intervention.

Internal Control & Quality

- The Company has put in place, well defined and adequate Internal Control System, and mechanism according to size and intricacy of the business operations involved. The functioning of controls is regularly kept under surveillance to ensure their efficiency in alleviating risks. A comprehensive external audit firm functions to continuously audit and report breaches if any and ensure effective compliance of statutory regulations. The Board of Directors also secures the adequacy and effectiveness of internal financial controls. During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls. Fraud Investigation, PAR Investigation, surprise branch audits etc. are some of the quests undertaken to corroborate the proficiency of internal controls.

Internal Audit Management

- As the definition suggests Internal audits evaluate a company's internal controls, including its corporate governance and accounting processes. In addition to ensuring a company is complying with laws and regulations, internal audits also provide a degree of risk management and safeguard against potential fraud, waste, or abuse.
- The internal audit plan has been designed keeping in mind the risk profile and business activities of the Company. The internal audit is carried out by an independent external firm so that the company's transparency and authenticity is not imperiled and as a result the opinion is free from any prejudice. The Audit Committee consist of professional ingenious personnel which not only approves the audit plan but also reviews it at regular intervals to avoid any red flagships.

Talent onboarding in Management team

- Light proudly welcomes onboarding of Mr. Chandan Sinha (former central banker at R.B.I.) and Mr. Parveen Kumar Gupta (former Head of retail bank & risk management at SBI) as an additional Independent Director of the company. Mr. Sinha comes with an array of experience in supervision of banks & non-banks, debt management, foreign exchange department, financial market regulation, payment & settlement systems, information technology and management of forex reserves. Mr. Gupta, on the other hand, has a career of over 37 years in all aspects of banking including retail, risk, compliance, treasury, international banking, investment banking, private equity etc.

Any other achievement/ Awards

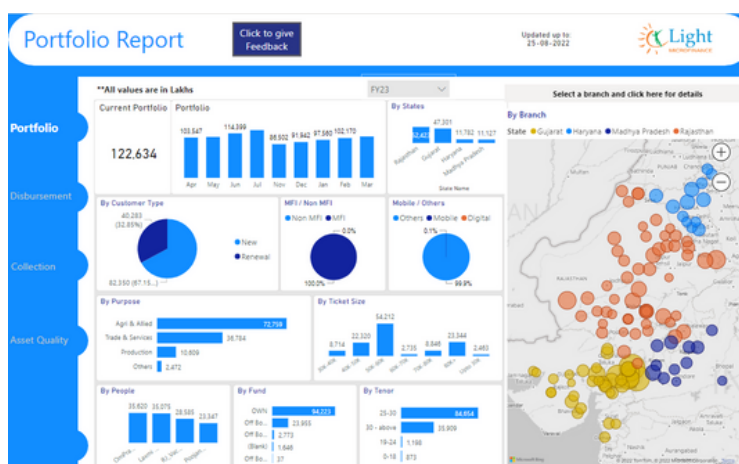
- As per the data of India's growth Champion led by Economic Times, highlighting fastest growing companies, Light microfinance managed to secure 35th Position. The Economic Times and Statista have joined hands for an ambitious initiative that aims to highlight true accelerators (both in value terms and addressing societal needs) of the Indian economy.

- In the 4th annual Financial Times (in partnership with Statista) ranking of 500 high-growth companies of the Asia-Pacific region, Light solicited 162nd position in terms of growth.
- The company also got featured in July 2021 edition of Forbes article titled “Game Changer- The Covid Global Heroes” for its contribution in transforming the Lives of Low-Income Households in India.
- Insight Success- India’s one of the leading business magazines presented Light microfinance under the caption “The most Trusted Microfinance Companies” in its May ‘2022 edition for enlightening homes and empowering rural women in India.

Opportunities: Growth Drivers

- **Bridge the Gap between Demand and Supply of Credit:** Microfinance is perhaps the only industry of similar vintage in India whose historical journey is dotted with repeated crisis, testing its business model time and again. But the sector has shown resilience, which is predicated on two major pillars – its ability to meet the byte-sized financial needs of low-income women clients at their doorstep and the proven link with development. Funding into India’s microfinance sector grew with institutional investors turning bullish as the sector regained its stability since the outbreak of Covid-19 pandemic with higher loan disbursement as well as repayment collection from the borrowers. During FY21-22, NBFC-MFIs received a total sum of Rs.479.31 bn. in Debt Funding from Banks & Other Financial Institutions. Total Equity for NBFC-MFI increased by 15.2% as compared to FY20-21 and is at Rs.214.19 bn. as of Mar’22. The notable increase in equity investments in MFI assures the viability and resilience of the microfinance business model. All the statistics contemplate wide array of opportunity available for MFIs to provide Loan aid to people in rural areas do not have easy access to institutionalized credit from commercial banks. The above investments, funding and relief schemes by Govt. provides finances at the disbursal of the MFI’s. The Indian microfinance market is expected to grow at a brisk compounded annual growth rate (CAGR) of more than 40% through 2025, predominantly on account of the increasing demand for microfinance loans from the MSME sector.
- As per the report by a leading CIC in 2021, credit penetration to women borrowers in India was only 12% (which has doubled from the 6%level five years ago) of the gender's adult population, despite them displaying better repayment rates than men. The report pegged the total number of women borrowers in India were 54 million in 2021, up from 22.5 million five years ago, at a CAGR of 3%. The data distinctly displays the possibility of increase in credit needs of the women Borrower and their unserved credit needs. Light endeavors to bridge the gap between the borrowers and finances by uniting them with adequate finances. Apart from expanding in the existing territory, it also has plans in pipeline for geographical expansion into more unserved and underserved locations to fulfil the credit need of the existing and proposed customers.

- Technology:** Microfinance Institutions and lenders disbursing in the informal segment have started leveraging technology to understand customer's risk profile and collection efficiencies thereon. Leveraging data analytics helps in building customer personas and targeted products can be offered to customers at the right time. With the help of AI the loan processes are becoming more standardized and usage of mobile app on the field itself helps us cuts down the sanction time dramatically. Customers are now able to view and manage their active loans, make payments, and download financial statements, pre-pay or foreclose loans, access information on future payments through the app itself. Implementing emerging tech to not only assess risk while underwriting loans but also results in efficient portfolio allocation & management. Fintech is playing an invaluable role in the digital transformation of the microfinance sector. Centrum Microcredit is being shifted completely to paperless disbursements with the launch of the Aadhar-based customer e-sign. Light's intent is to hit the bulls-eye mark on developing apps and company's first AI/ machine learning-based underwriting algorithm. The company holds a vision where every process and document are digitized and is continuously striving to achieve it. Building LASer, ML-based credit underwriting model, cashless collection are some of initiatives taken by information and technology department to mark its territory in technological footprint.



A screenshot of Dashboard powered by Light's LASer

- RBI New Regulations/ Schemes by Govt:** Credit Guarantee Schemes, TLTRO, RBI's Mar'22 Master Direction, Covid 2.0 resolution framework etc. are some of the supportive initiatives taken by the Govt and RBI to amplify the MFI business in India and to cushion them against liquidity crisis in the Pandemic times. Talking about the latest master circular of RBI, it liberates MFI of 10% margin cap and makes it equivalent to banks in that sense. It also reduced the Qualifying Asset limit from 85% to 75% making funds available for non-MFI sector. The idea of RBI behind it was to bring all entities – banks as well as non-banking institutions and fintech's under a common regulatory ambit. Light like other MFI's has also benefited from such initiatives and is now looking forward to work on a new set of rules towards more customer- centric approach. It has a well-documented interest rate model at par with the competitors and has aligned its growth model with minimal restrictions.

Fostering sectoral and geographical growth

- Light's emergence as the MFI with one of the best asset-class is an indicative of its unhindered expansion both in the terms of value and volume. Presently, MFI's are exploiting wide range of expansion opportunities in terms of geography, scaling up existing business, advancement of Technology, raising funds in both debt and equity forms etc. Light also aims to diversify in terms of geography, technology, and venture into new product segment. Currently Light is involved in only MFI segment with JLG model but in the coming financial year it thrives to extend its vertical in other lending sectors. Talking about boundaries the company plans to tap its foot in other states of the country. With the changing consumer needs, the Company intends to experiment with new products and business lines. Along with the diversification of existing portfolio the company is determined to experiment into new verticals, geographies and most importantly digitization.

Covid-19 Impact

- Albeit the MFI Industry was coming out of devastating impact of 1st wave of Covid-19, it suffered a major setback from 2nd wave in April and May '21. In absence of RBI moratorium, 2nd wave caused struggle on collections/repayment front. However, later in June' 21, RBI came up with Covid- Resolution Framework 2.0. Rise in unemployment and job losses due to lockdowns led to rise in defaults. The protection and wellbeing of employees was and always be the top-notch priority of the company. It pulled off vaccination drive for its employees and their relatives and encouraged them to get vaccinated. Light also faced the trash of the pandemic where its business was majorly impacted during April & May'21 which led to minimal collection & Disbursement due to lockdown. The business picked up the pace from June'21 onwards and started being normalized. The results of FY'22 are an evidence of Light's sheer dedication and undying spirit which reflects 71% growth in AUM and 117% growth in disbursement. Currently, the company is meticulously focused on surpassing the numbers of pre-Covid levels.

Risks & Concerns

- Speaking of the risk, MFI is subject to several risks such as delinquencies, frauds, staff turnover, interest rate changes, liquidity, regulatory, etc. A separate Risk Management committee on our board ensures executing risk impact assessment and risk mitigation measures to minimize its impact.
- Still as a matter of fact, Covid-19 & its variants continue to be a risk in MFI segment. It impacts disbursements, collections leading to increase in delinquencies and hampering of Collection efficiency. Due to the pandemic the small finance banks, which includes microfinance institutions, were significantly impacted in terms of growth, asset quality and profitability. Despite of the pandemic, Light displayed a good set of numbers (As mentioned earlier) with an exemplary growth avenue.

- Moreover, According to IRAC norms issued by RBI wide circular dated Nov, 2021 regarding change in classification of NPA accounts, the provision took a sharp shoot fluctuating the PAT of the companies. As opposed to the situation, Light managed to control and regularize NPA accounts to its best possible resulting in minimum fluctuation in Provision creation as compared to Previous Year.
- Limited concentration of the portfolio is still a major haul in the growth of major MFI whose portfolio is restricted to certain territory. Likewise, Light’s major portfolio is concentrated around the states of Rajasthan & Gujarat. Haryana which was opened in March last year managed to contribute 9% to the total AUM as of Mar’22. Moving forward, the company plans to extend its footprints into more states and achieve a balanced portfolio concentration.

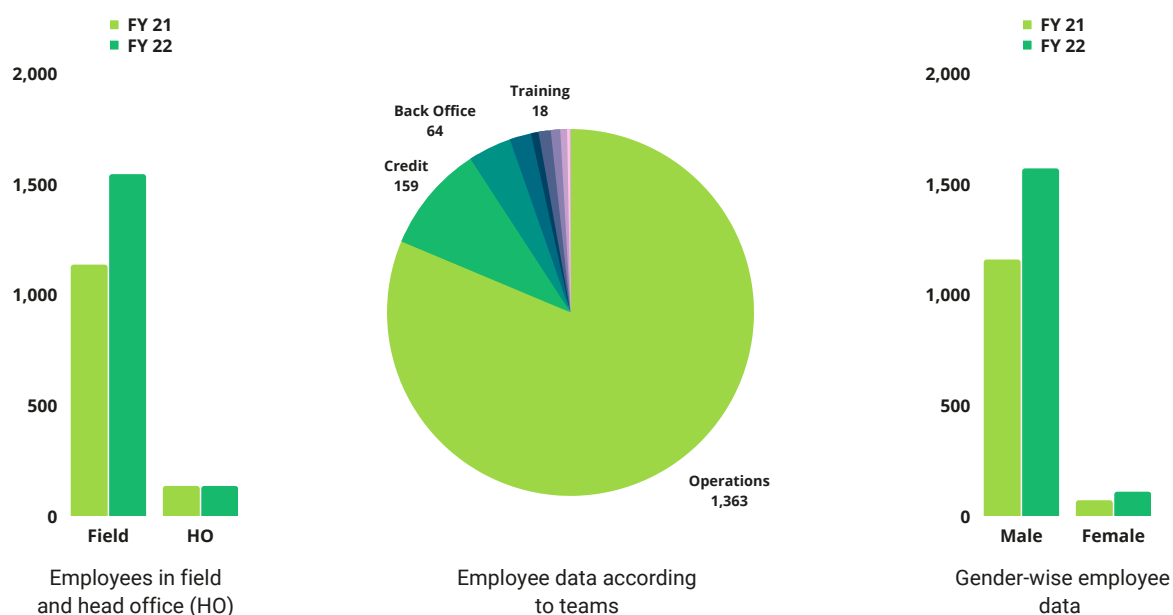
Innovation in HR, Trainings provided, Zing HR

HR

- Employee Development and well-being are the some of the core values validated by Light. In a manpower-intensive operating model, Light recognizes the need for keeping the company’s workforce engaged and motivated. Hunting and retaining the right talent are a result of tireless processes such as employee’s personal development, recognition, reasonable pay, adequate training, providing healthy working environment and most importantly maintaining a work life balance.
- The company's HR department witnessed a lot of constructive changes in its working pattern this year mostly directing towards automation. Some of noteworthy changes included introducing Lark an internal communication channel, QR Code based offer letters, conducting credit checks of employees, and categorizing them accordingly, introduction of 'Employee Referral Scheme' and Probation/Confirmation policy from Dec’21, providing separate toll-free number for any HR related concerns.
- The team also ensured taking pro-active Covid measures and organized vaccination drive in July ’21 at office premises. Moreover, Light is launching IVR (Interactive voice response) system “Zing HR” for Human Resource department from April’2022, where majority of the processes will be automated.
- A lot of fresh talent was inducted in the company taking the total strength of employees to 1,676 as of Mar’22. Loan Officers count was increased by 45%.

Employee Strength	FY 21-22	FY 20-21
No. of employees	1,676	1,227
No. of Loan Officers	1,086	749

Employee Profile



Training

- This year our training team promoted the concept of cooperative learning and growing. It proved to be an important link to help our employees feel more connected and able to collaborate more effectively. Under the program, 2,186 employees visited the head office in Ahmedabad where they got glimpses of how the company works at its head office. In addition to it, interactive sessions with each department was also held for deeper understanding of their functioning.
- The company also launched a program “Shubharambh” where 91 employees were felicitated for their exemplary achievements in their respective fields.
- The training team in collaboration with HR team also conducted 18 sessions to introduce employees to the newly launched “Zing HR” portal. Other remarkable tasks of the training team are listed below: -

Sr. No.	Name of the Training	No. of Sessions	No. of Participants
1.	Branch Induction Training	177	1,319
2.	Workshops for AM/RM/BM/Trainer (included programs like Design Thinking, Change management, Direct Dil se etc.)	4	1,018
3.	H.O. KYC (included topics like Goal setting, Know your colleague)	6	112
4.	TTT -Train the Trainer (Included topics like basic grooming, adaptability, ethical hacks, negotiation skills, Kaal kare so aaj Kar, Digital skills etc.)	10	179
5.	Orientation session for HO new joiners	21	50
6.	Virtual Training	57	148

Light's views on Industry and Company's Future Outlook

- CEO Rakesh Kumar has expressed his views on the microfinance industry in an article “The microfinance industry was born and raised upon the premise of women’s empowerment. The importance of the industry will be even more pronounced as India moves to a decade that would belong to its women. By the next decade, India will have 75 million women getting into the workforce. We have only about 27%women in the workforce, and as we take it to the global average of 48 percent, according to a World Economic Forum study, we will add over USD700 billion to the economy.” He further addressed the recent changes in RBI Mar’14 master circular direction regarding lifting of price cap on the interest rate and the margin cap. “The change will affect both the lender and the beneficiary and has fueled apprehensions among both. What impact will this have? Will it dilute microfinance’s women-centric approach? Will personal loans be now considered microfinance loans? There are grey areas which need more clarity.” The new RBI guidelines bring a more rigorous and robust framework in a level playing field for all lenders. The new microfinance directives propose to replace pricing and margin cap with a well-documented interest rate model, delineating the pricing component with reason. This directive along with frameworks such as the Scale Based Regulation, Income Recognition and Asset Classification, Prompt Corrective Action, and info-security will ensure the industry has healthy growth in a risk-mitigated manner.

ANNEXURE F

ESOP DISCLOSURE PURSUANT TO RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014, AND THE PROVISIONS UNDER SECTION 62 OF THE COMPANIES ACT 2013 AND RULES FRAMED THERE UNDER

Particulars	Details
ESOP pool	18,40,000
ESOP granted In 2018 In 2021	9,84,400 5,02,000
ESOP vested	NIL
ESOP Exercised	NIL
The total no. of shares arising as a result of exercise of option	NIL
Options lapsed	NIL
The exercise price	For ESOP granted in 2018= Rs. 10.63/- For ESOP granted in 2021= Rs. 37.70/-
Variation of terms of options	The Board of Director amended the "ESOP Plan 2018" in the Board Meeting held on 20th May 2021 by changing the restriction on maximum number of options that may be granted to each employee to be 10,00,000 in number per eligible employee.
Money realized by exercise of options	NIL
Total number of options in force	14,90,400

Employee wise details of options granted during the year to:

Key managerial personnel	<ol style="list-style-type: none"> 1. Mr Rakesh Kumar 2. Mr Aviral Saini
Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year [5% of ESOP 502000 granted in 2021]	2 employees Mr Nehal Shah= 50,000 ESOP Mr Satish Dhupdale= 30,000 ESOP
Identified employees who were granted option. during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	In 2018: <ol style="list-style-type: none"> 1. Mr Rakesh Kumar 2. Mr Aviral Saini

Independent Auditor's Report

To the members of Light Microfinance Private Limited

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of Light Microfinance Private Limited ("the Company"), which comprise the Balance sheet as at 31st March 2022, the Statement of Profit and Loss and Statement of Cash Flow and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

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 Companies Act, 2013, as amended ("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 (financial position) as at 31st March 2022, its profit and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with

the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OTHER MATTER

The financial statements of the Company for the year ended 31st March 2021 were audited by the predecessor auditor whose audit report dated 20th May 2021 expressed an unmodified opinion on those financial statements.

Our opinions not qualified in respect of this matter.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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, which have been used for the purpose of preparation of the financial statements by the Board of Directors of the Company, as aforesaid:

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"). issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 - (a) The Company being a Private Limited Company, the provisions of Section 197 read with Schedule V to the Act are not applicable to the company and hence reporting under Section 197(16) is not required
3. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) Based on the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
 - (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 does not have any pending litigations which would impact its financial position as stated in Note No. G.
- 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 were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

 - c)Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (1) and (2) contain any material misstatement.

 - d)In respect to dividend declared/ paid during the year, the company has complied with the provision of section 123 of the companies Act,2013.

For C N K & Associates
LLP Chartered Accountants
Firm Registration No: 101961W/W-100036

Hiren Shah Partner
Membership No.100052
Place: Mumbai
Date: 24th May, 2022
UDIN: 22100052AJNOSU6300

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory requirements' in the Independent Auditor's Report of even date to the members of Light Microfinance Private Limited ("the Company") on the financial statements for the year ended 31st March 2022]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that.

- I
- (a) (A) The Company has maintained proper records showing full particulars and situation of Property, Plant and Equipment, however quantitative details need to be updated.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has policy of physical verification of Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regards to the size of the company and the nature of its assets. Pursuant to this policy, Property, Plant and Equipment have been physically verified by the management during the previous year and no material discrepancies were identified on such verification.
 - (c) The Company does not hold any immovable properties and accordingly, the requirements under clause 3(i)(c) of the Order are not applicable.
 - (d) The Company has not revalued any Property, Plant and Equipment during the year, accordingly, the requirements under clause 3(i)(d) of the Order are not applicable.
 - (e) As disclosed in note P, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and accordingly the requirements under paragraph 3(i)(e) of the Order are not applicable.
- II
- (a) The Company is a service company primarily in the business of providing microfinance services, accordingly, the requirements under clause 3(ii)(a) of the Order are not applicable.
 - (b) The company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from bank on the basis of security of current assets. Copies of quarterly statements furnished to banks have also been made available to us for verification. We have verified and found the same in agreement with books of accounts.
- III
- (a) The company is service company whose principal business is to give loans, accordingly, the requirement under clause 3(iii)(a) including sub clause (A) and (B) of the order is not applicable.
 - (b) Loans and advances provided to other parties and the terms and conditions of the grant of all loans and advances in the nature of loans provided are not prejudicial to the company's interest.
 - (c) Company has stipulated the schedule of principal and payment of interest in respect of loans and advance in nature of loans and the repayments are generally regular except the cases reported under clause 3(iii)(d) of the order.
 - (d) The company has following cases where amount is overdue. The company has taken reasonable steps for recovery of such principal and interest.

No of Loan Accounts	Principal Overdue	Interest Overdue	Extent of Delay
10,379	2,73,25,347	29,77,900	1-90 Days
15,724	7,74,77,835	1,12,81,569	More than 90 Days

- (e) The company is service company whose principal business is to give loans, accordingly, the requirement under clause 3(iii)(e) of the order is not applicable
- (f) Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to any party including Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013, accordingly, requirement under clause 3(iii)(f) of the order is not applicable.

IV. There are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and accordingly, requirements under clause 3(iv) of the Order are not applicable.

V. The Company has not accepted any deposits or amounts which are deemed to be deposits to which directives issued by the RBI and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules made thereunder apply. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

VI. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable.

VII. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income tax, cess and other statutory dues applicable to it. As informed, the provisions of sales tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

- a. No undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except listed below.

Name Of Statute	Nature Of Dues	Amount (f)	Period	Due Date	Date Of Payment	Remark
The Income Tax Act, 1961	TDS u/s 1940	680	July 2021	07th August, 2021	29 April, 2022	Payment made with interest
		1,386	August 2021	or September 2021		
		1,103	September 2021	07th October 2021		

- b. There are no dues referred to in 3(vii)(a) above which have not been deposited on account of any dispute.

VIII. As disclosed by the management in note Rand verified by us there are no unrecorded transactions which have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (43 of 1961).

- IX. (a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As disclosed by the management in note O and as confirmed by us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) As represented by the company and as confirmed by us, company has applied the term loans for the same purpose for which it has been obtained.
- (d) On an overall examination of the financial statements of the Company, we report that funds raised on short term basis have prima facie not been used for long term purposes.
- (e) The Company does not have any Subsidiary company, Associate or Joint Ventures, accordingly, the provision of clause 3(ix)(e) is not applicable.
- (f) The Company does not have any Subsidiary company, Associate or Joint Ventures, accordingly, the provision of clause 3(ix)(f) is not applicable.
- X. (a) During the year Company has not raised money by way of initial public offer/further public offer (including debt instruments) and hence reporting under the clause 3(x)(a) of the Order is not applicable
- (b) During the year company has made private placement of shares, the company has complied with requirements of section 42 and section 62 of the Companies Act, 2013 and the funds raised have been used for the purposes for which the funds were raised.
- XI. (a) No fraud by the Company has been noticed or reported during the year, except as disclosed in Note 'PP', the fraud on the company has been noticed involving misappropriation of cash collected from customers and other form of embezzlement of cash by the employee involving amount aggregating 10,96,499/-. The company has terminated the services of such employees and has recovered 7,20,865/-.
- (b) No report under sub section (12) of section 143 of the Act has been filed in the form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government during the year and up to the date of this report.
- (c) There were no whistle blower complaints received by the Company during the year.
- XII. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) (a) to (b) of the Order are not applicable to the Company
- XIII. In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- XIV. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- XV. During the year, the Company has not entered any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- XVI. (a) The company being NBFC-MFI is required to be registered under section 45-IA of the Reserve Bank

- of India Act, 1934 (2 of 1934) and such registration has been obtained by the company
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (Cora) from the Reserve Bank of India as per the Reserve Bank of India Act,1934.
 - (c) The Company is not a Core Investment Company("CIC") as defined in the regulations made by the Reserve Bank of India, and accordingly requirements of clause xiv(c) of the Order is not applicable.
 - (d) There is no group entity of the company, accordingly, requirement of clause xiv(d) of the order is not applicable.

XVII. Based on overall examination of financial statements, the Company has not incurred any cash losses in current financial year and in the immediately preceding financial year.

XVIII. As per RBI circular no. RBI/2021-22/25 Ref No. DoS.CO.ARG/SEC.01/08.91.001/2021- 22 dated April 27, 2021, the Statutory Auditors have resigned upon completion of their term of appointment as per the requirement of the said circular. There are no issues, concerns or objections raised by the outgoing auditors, based on our communication with them.

XIX. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due."

XX. As disclosed by management in Note M of the financial statements and as verified by us, the gross amount required to be spent by company towards Corporate Social Responsibility (CSR) during the year has been duly spent during the year hence reporting under clause 3(xx)(a) and clause 3(xx)(b) of the Order is not applicable.

For C N K & Associates
LLP Chartered Accountants
Firm Registration No: 101961W/W-100036

Hiren Shah Partner
Membership No.100052
Place: Mumbai
Date: 24th May, 2022
UDIN: 22100052AJNOSU6300

ANNEXURE 2 to the Independent Auditor's Report of even date on Financial Statements of Light Microfinance Private Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Light Microfinance Private Limited ("the Company") as of 31st March 2022 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 the 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 with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 internal financial controls over financial reporting with reference to these financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March 2022, 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 C N K & Associates
LLP Chartered Accountants
Firm Registration No: 101961W/W-100036

Hiren Shah Partner
Membership No.100052
Place: Mumbai
Date: 24th May, 2022
UDIN: 22100052AJNOSU6300

LIGHT MICROFINANCE PVT LTD			
CIN-U67120DL1994PTC216764			
Balance Sheet as at March 31, 2022			
<i>(Amounts in Rupees unless otherwise stated)</i>			
	Notes	March 31, 2022	March 31 2021
Equity and Liabilities			
Shareholders' Funds:			
Share Capital	2	45,87,73,720	43,31,58,000
Reserves & Surplus	3	81,35,97,243	42,72,35,589
		1,27,23,70,963	86,03,93,589
Non-current Liabilities			
Long Term Borrowings	4	4,07,54,89,582	2,27,94,18,612
Long Term Provisions	5	27,92,161	-
		4,07,82,81,743	2,27,94,18,612
Current Liabilities			
Short Term Borrowings	6		
Trade Payables	7	4.45.74,44,489	2,56,30,87,363
(i) Total outstanding dues of creditors Micro enterprises and small enterprises		89.700	
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises		2,47,57,970	1,29,43,674
Other Current Liabilities	8	24,20,00,018	12,39,22,817
Short Term Provisions	9	14,31,81,257	7,55,42,853
		4,86,7 4,73,434	2,77,54,96,707
TOTAL		10,21,81,26,140	5,91,53,08,908
ASSETS			
NON CURRENT ASSETS			
Property, Plant & Equipment's Intangible assets	10	2,66,88,538	1,72.70,318
Intangible assets under development	10	74,40,098	53,67,987
Deferred Tax Asset	10	25,92,864	.
Long Term	11	3,14,59,029	1,75,67,441
Loans and Advances	12	3,80,81,22,603	2,17,85,03,957
Other Non-Current Assets	13	18,23,74,856	13,23,38,217
		4,05,86,77,988	2,35,10,47,920
CURRENT ASSETS			
Trade Receivables	14	88,63,536	76,16,652
Cash and cash equivalents Short	15	86,71,41,884	29,13,33,816
Term Loans & Advances	12	4,62,06,46,155	2,81,72.13,009
Other Current Assets	13	66,27,96,577	44,80,97,511
		6,15, 94,48,152	3,56,42,60,988
TOTAL		10,21,81,26,140	5,91,53,08,908
Notes forming part of the Financial Statements	1 to 22		

LIGHT MICRO FINANCE PVT LTD			
CIN-U67120DL1994PTC216764			
Statement of Profit & Loss for the year ended March 31, 2022			
<i>(Amounts in Rupees unless otherwise stated)</i>			
	Notes	March 31, 2022	March 31, 2021
Income			
Revenue from Operations	16	1,63,59,61,218	1,12,25,78,619
Other Income	17	2,91,57,206	2,72,37,438
Total Income (I)		1,66,51,18,424	1,14,98,16,057
Expenses	18	55,92,17,991	31,54,52,923
Employee	19	76,26,03,012	48,91,64,118
Benefit Expense Finance Costs	10	2,30,13,904	98,54,813
Depreciation & Amortization Expenses	20	20,92,77,930	12,89,95,777
Other Expenses Provisions and write offs	21	4,62,68,956	4,69,31,178
Total Expenses (II)		1,60,03,81,793	99,03,98,810
Profit before tax (III)=ffi-(II)		6,47,36,631	15,94,17,247
Tax Expenses		2,42,21,815	4,09,31,341
Current Tax		(1,38,97,587)	(88,56,743)
Deferred Tax (Asset)/Liability Expense/(Short)Provisions of earlier year		7,48,282	54,155
		1,04,78,510	3,21,28,753
Profit after tax		5,42,58,120	12,72,88,495
Earnings Per Share (of Rs. 10/- each):			
Basic	22-E	2.17	5.08
Diluted EPS	22-E	1.20	3.78
Notes forming part of the Financial Statements	1 to 22		

LIGHT MICRO FINANCE PVT LTD

CIN- U67120DL1994PTC216764

Cash flow Statement for the period ended March 31, 2022

Amounts in Rupees unless otherwise stated

	March 31, 2022	March 31, 2021
Cash flow from Operating Activities Profit Before tax	6,47,36,631	15,94,17,247
Depreciation and amortization	2,30,13,904	98,54,813
Prior Period Tax Adjustment	(1,48,282)	(54,155)
Gain on sale of units of Mutual Fund	(96,27,237)	(13,56,735)
Provision Against Portfolio Loans	4,58,93,322	3,34,07,595
Portfolio Loans Written Off		1,32,94,763
Non Cash Employee Share Base Payment Expense	20,84,354	
Loss/(Profit) on sale of Assets	3,22,302	(633)
Operating Profit before Working Capital Changes	12,62,74,994	21,45,62,895
Movements in Working Capital:		
Increase/(Decrease) in current liabilities	13,99,14,202	99,41,54,969
Increase/(Decrease) in trade payables	1,19,03,996	21,07,755
Decrease/(Increase) in trade receivables	(12,46,884)	(1,05,67,081)
Decrease/(Increase) in loans and advances	(3,43,30,51,794)	(1,87,98,28,918)
Decrease/(Increase) in Margin money deposits	(27,90,16,053)	(8,37,26,569)
Decrease/(Increase) in other current assets	6,43,16,987	3,98,57,439
Decrease//Increase in other non current asset	(5,00,36,639)	(90,27,559)
Cash Generated/(Used in) Operations	(3,42,09,41,191)	(73,24,67,069)
Direct Taxes Paid (net of refunds)	2,15,21,573	3,03,80,569
Net Cash Flow from/used in Operating Activities (A)	(3,44,24,62,764)	(76,28,47,638)
Cash flow from Investing Activities		
Purchase of property, plant and equipment	(3,02,39,435)	(1,06,35,370)
Redemption/ (Purchase) of units of Mutual Funds (Net)	96,27,237	13,56,735
Purchase of intangible asset	(46,46,670)	(17,00,729)
Intangible assets under development	(25,92,864)	-
Proceeds from disposal of property, plant and equipment	59,568	1,500
Net Cash Flow from/used in Investing Activities (B)	(2,77,92,164)	(1,09,77,864)
Cash flow from Financing Activities		
Long term Borrowings (Net)	1,79,60,70,970	65,65,77,810
Loan Repayable at demand (Net)	1,89,43,57,126	(2,92,628)
Proceeds from issuance Compulsory Convertible Preference Share (including premium)	47,35,71,264	
(Redemption) / Proceeds from issuance redeemable Preference Share	(10,00,00,000)	10,00,00,000
Payment of dividend on redeemable Preference Share	(89,75,342)	-
Expenditure on issuance of Compulsory Convertible Preference Share/		
Non Convertible Debenture	(89,61,022)	(1,41,78,111)
Net Cash Flow from/(used in) financing Activities (C)	4,04,60,62,996	74,21,07,071
Net Increase/(decrease) in cash and cash equivalents	57,58,08,067	(3,17,18,431)
Cash and Cash equivalents at the beginning of the year	29,13,33,816	32,30,52,248
Components of cash and cash equivalents		
Cash on hand	41,73,228	11,89,499
Balance with banks in current accounts	86,29,68,656	29,01,44,317
Cash and Cash equivalents at the end of the period	86,71,41,884	29,13,33,816

NOTE 1: NOTES FORMING PART OF THE FINANCIAL STATEMENTS NOTE: SIGNIFICANT ACCOUNTING POLICIES

a. Corporate Information

Light Microfinance Private Limited ("the Company") is a Private Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was registered as a Non-Banking Financial Company ("NBFC") with the Reserve Bank of India ("RBI") and has got classified as a Non-Banking Financial Company - Micro Finance Institution ("NBFC-MFI") with effect from May 27, 2014.

The Company is engaged primarily in providing microfinance services to its members for undertaking productive activities in urban/semi-urban/rural areas of India who are organized, inter alia as Joint Liability Groups ("JLGs"). The company has its operation spread across 4 states.

b. Basis of Preparation

The financial statements of the Company are prepared in accordance with generally accepted accounting policies in India ("Indian GAAP") under the historical cost convention on the accrual basis. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the RBI as applicable to NBFC-MFIs. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

c. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current Investment are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Statement of Profit and Loss. Long-term Investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Statement of Profit and Loss. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

e. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1. Interest income on loans, assigned or otherwise, is recognized on accrual basis at agreed interest rates, except in the case of Non performing Assets(NPA), where interest is recognised upon realisation in accordance with the RBI guidelines
2. Interest income on deposits with banks is recognised on a time proportion accrual basis considering the amount outstanding and the rate applicable.
3. Profit/premium arising at the time of securitization/assignment of loan portfolio is amortized over the life of the underlying loan portfolio.
4. Revenues from loan documentation charges are recognized as upfront income.
5. Profit/ premium arising at the time of securitization of loan portfolio is amortized over the life of the underlying loan portfolio / securities and any loss arising therefrom is accounted for immediately. Income from interest strip (excess interest spread) is recognized in the statement of profit and loss net of any losses when collected in cash.

6. Income from business correspondent is recognised as and when the services are rendered as per agreed terms and conditions of the contract.
7. Income in the form of commission is recognised as and when the services are rendered as per agreed terms and conditions of the contract.
8. Profit/loss on sale/redemption of investments is arrived at by applying weighted average cost and recognised on the date of actual sale/redemption.
9. All other income is recognized on an accrual basis.

f. Property Plant & Equipment

Property, plant and equipment are stated at cost of acquisition or construction (including directly attributable expenses thereto) or at revalued amounts, net of impairment loss if any, less depreciation/amortisation. The cost of property, plant and equipment includes non-refundable taxes, duties, freight and other directly/specifically attributable expenses related to the construction, acquisition and installation of the respective assets.

g. Intangible Assets

Intangible assets are recorded at the consideration paid / payable for acquisition in case the same have been purchased/acquired. Internally generated intangible assets are carried at cost incurred to generate the asset. These are reviewed for impairment as at the balance sheet date and whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. If impairment is indicated, the same is recognized in the Statement of Profit and Loss for the period.

Intangible assets under development consists of cost capitalized since the development costs are measurable reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of purchase of license, direct labour and overheads costs that are directly attributable to preparing the asset to its intended use.

h. Depreciation/ Amortization

All property, plant and equipment, except capital work in progress, are depreciated on a written down value method as per the useful lives as mentioned in Schedule II of Companies Act, 2013. Residual value is considered as 5% in which case it is considered as per Schedule II. Depreciation is charged proportionately from/to the date of acquisition/disposal.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Depreciation method and useful lives are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets are amortized over their estimated useful life, which in management's estimate represents the period during which economic benefits will be derived from their use. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication on impairment based on internal/external factors.

The estimated useful life of Computer Software has been considered 5 years.

i. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication on impairment based on internal/external factors. An impairment loss is recognized whenever the carrying amount of assets exceeds its recoverable amount. After impairment depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

j. Borrowing Costs

Interest Costs are charged to the Statement of Profit and Loss Account on accrual basis. Prepaid Loan Processing Fees and Syndication charges represent ancillary costs incurred in connection with the arrangement of borrowings and is amortized on straight line basis over the tenure of the respective borrowings. Unamortized borrowing cost, if any, is fully expensed off as and when the related borrowing is prepaid/cancelled.

k. Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and foreign currency at the date of the transaction.

Foreign currency monetary items are reported using the year end rates. Non monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

l. Retirement and Other Employee Benefits

i. Short-term employee benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, and ex-gratia. The undiscounted amount of short term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Post-employment benefits:

►Defined contributions plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. 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 benefits plans

The Company's gratuity benefit scheme is an funded defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value and the fair value of any plan assets is deducted to arrive at the net obligation.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

ii. Long-term employee benefits:

Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date.

m. Taxes

Income Tax comprises the current tax provision and the net change in the deferred tax or liability during the year. 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 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets are reviewed at each balance sheet date for their realizability.

n. Earnings Per Share

The company reports basic and diluted earnings per share ("EPS") in accordance with Accounting Standard - 20 on Earnings per Share. Basic earnings per equity share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of diluted earnings per equity share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o. Lease

Operating Lease:

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset during the lease term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Finance leases:

Lease where the lessor effectively transfers to the Company substantially all the risks and benefits incidental to ownership of the leased item, are classified as finance leases. Leases are capitalized at the lower of the fair values of the leased property and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return.

Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized. A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term.

p. Cash flow statement

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

q. Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks which are kept for original maturities of less than three months, other short term highly liquid investments with original maturities of three months or less.

r. Provisions

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined on the basis of the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

s. Current & Non - Current

The assets and liabilities reported in the balance sheet are classified on a "current/ Non current basis" with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalent, are assets that are intended to be realized or sold during the normal operating cycle of company or in the 12 months following the balance sheet date. Current liabilities are liabilities that are expected to be settled during the normal operating cycle of the company or within 12 months following the close of the financial year.

t. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

u. Segment Reporting

The Company is Non-Banking Financial Company - Micro Finance Institution, so it operates in a single reportable segment.

v. Asset Classification of Loan Provisioning

Asset Classification	Criteria
Standard Assets	The asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business
Non - Performing Assets	An asset for which, interest/principal payment has remained overdue for a period of 90 days or more. The same will remain Non-Performing Assets till the entire arrears of interest and principal are paid by the borrower.

Provision for loan portfolio

Provision for qualifying loan portfolio has been made in accordance with the provisioning requirements for NBFC-MFI issued by the RBI which requires the minimum provision to be higher of (i) 1% of the outstanding loan portfolio or (ii) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more and management estimates of future losses, whichever is higher. Loans and advances other than portfolio loans are provided for at the higher of management estimates and provision required as per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions.

Provision for other than qualifying loan portfolio has been made in accordance with the provision requirement issued by the RBI which requires the provisions for standard assets at 0.40% of the outstanding, for Sub-standard assets at 10% of the outstanding and for doubtful outstanding at 100% of outstanding.

LIGHT MICROFINANCE PVT LTD				
Notes to financial statements for the year ended March 31, 2022				
(Amounts in Rupees unless otherwise stated)				
2. Share Capital	March 31, 2022		March 31, 2021	
Authorised Share Capital				
Equity Share				
7,25,00,000 (Mar 31, 2021 5,25,00,000) Equity Shares of Rs 10 each	72,50,00,000		52,50,00,000	
Preference Share				
8,20,00,000 (Mar 31, 2021 3,70,00,000) Preference Share of Rs 10 each	82,00,00,000		37,00,00,000	
Total Authorised Share Capital	1,54,50,00,000		89,50,00,000	
Issued, Subscribed and Fully Paid-up Share Capital				
Equity Share				
2,50,49,999 (Mar 31, 2021: 2,50,49,999) Equity Shares of Rs 10 each	25,04,99,990		25,04,99,990	
Compulsory Convertible Preference Share				
82,65,801 (Mar 31, 2021 82,65,801) Compulsory Convertible Preference Shares (CCPS Series A) of Rs 10 each bearing coupon dividend rate of 0.001%	8,26,58,010		8,26,58,010	
1,25,61,572 (Mar 31, 2021 Nil) Compulsory Convertible Preference Shares (CCPS Series A1) of Rs 10 each bearing coupon dividend rate of 0.001%	12,56,15,720		-	
Redeemable Preference Share				
Nil (Mar 31, 2021 1,00,00,000) Redeemable Preference Shares of Rs 10 each (issued in Sep 2020) bearing coupon dividend rate of 12.00%	-		1,00,00,000	
Total Paid up Share Capital	45,87,73,720		43,31,58,000	
Total Issued, Subscribed and Fully Paid-up Share Capital (a) (i) Reconciliation of the number of Equity shares and amount outstanding at the beginning and at the end of the year				
	March 31, 2022		March 31, 2021	
	No. of Shares	Rs	No. of Shares	Rs
At the beginning of the year	2,50,49,999	25,04,99,990	2,50,49,999	25,04,99,990
Issued During the year	-	-	-	-
Outstanding at the end of the year	2,50,49,999	25,04,99,990	2,50,49,999	25,04,99,990
(a) (ii) Reconciliation of the number of Compulsory Convertible Preference shares and amount outstanding at the beginning and at the end of the year				
	March 31, 2022		March 31, 2021	
	No. of Shares	Rs	No. of Shares	Rs
At the beginning of the year	82,65,801	8,26,58,010	82,65,801	8,26,58,010
Issued During the year	1,25,61,572	12,56,15,720	-	-
Outstanding at the end of the year	2,08,27,373	20,82,73,730	82,65,801	8,26,58,010
a) (iii) Reconciliation of the number of Redeemable Preference shares and amount outstanding at the beginning and at the end				
	March 31, 2022		March 31, 2021	
	No. of Shares	Rs	No. of Shares	Rs
At the beginning of the year	1,00,00,000	10,00,00,000	-	-
Issued During the year	-	-	100,00,000	10,00,00,000
Redeem During the year	(1,00,00,000)	(10,00,00,000)	-	-
Outstanding at the end of the year	-	-	1,00,00,000	10,00,00,000

LIGHT MICROFINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

(b) Details of Shareholders holding more than 5% shares:

Class of shares/Name of shareholder	March 31, 2022		March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs.10 each fully paid				
Deepak I. Amin	1,28,99,998	51.50%	1,28,99,998	51.50%
Kaushik I. Amin	58,88,065	23.51%	58,88,065	23.51%
VARAK NAL Holdings Inc.	55,31,935	22.08%	5,531,935	22.08%
Compulsory Convertible preference shares (CCPS Series A) of Rs.10 each fully paid				
NMI Fund IV KS	27,55,267	13.23%	27,55,267	33.33%
Pettelaar Effectenbewaarbedrijf N.V.	27,55,267	13.23%	27,55,267	33.33%
Aarif Coooperatief UA	27,55,267	13.23%	27,55,267	33.33%
Compulsory Convertible preference shares (CCPS Series A1) of Rs.10 each fully paid				
NMI Fund IV KS	54,91,579	26.37%	-	-
Pettelaar Effectenbewaarbedrijf N.V.	35,30,630	16.95%	-	-
Aarif Coooperatief UA	35,39,363	16.99%	-	-
Redeemable preference shares of Rs.10 each fully paid				
WAAO PARTNERS LLP	-	-	1,00,00,000	100.00%

(c) Details of Shareholding of Promoters

Class of shares/ Name of shareholder	March 31, 2022		
	Number of shares held	% holding in that class of shares	% change during the year
Equity shares of Rs.10 each fully paid			
Deepak I. Amin	1,28,99,998	51.50%	0.00%
Class of shares/ Name of shareholder	March 31, 2021		
	Number of shares held	% holding in that class of shares	% change during the year
Equity shares of Rs.10 each fully paid			
Deepak I. Amin	1,28,99,998	51.50%	0.00%

(d) Compulsory Convertible Preference shares Conversion Terms :

Type of Shares	Conversion ratio	Conversion period
CCPS Series A	8 Equity shares against 10 CCPS each	At the demand of CCPS holder subject to Reserve Bank of India Approval. The conversion should be done within 20 years from the date of allotment.
CCPS Series A1	1 Equity shares against 1 CCPS each	At the demand of CCPS holder subject to Reserve Bank of India Approval. The conversion should be done within 20 years from the date of allotment.

(e) The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs 10/-. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend as and when declared. All shares rank equally with regard to the Company's residual assets.

LIGHT MICROFINANCE PVT LTD		
Notes to financial statements for the year ended March 31, 2022		
(Amounts in Rupees unless otherwise stated)		
3. Reserves and Surplus	March 31, 2022	March 31, 2021
Statutory Reserve		
Balance as per the beginning of the year	4,39,08,746	1,84,51,047
Add: Amount transferred from balance in the statement of profit and loss u/s 45 IC of Reserve Bank of India Act,1934	1,08,51,624	2,54,57,699
Closing Balance	5,47,60,370	4,39,08,746
Security Premium		
Balance as per the last financial statements	21,41,70,011	22,83,48,122
Add: Security Premium received	34,79,55,544	-
Less: Security Premium utilized under Section 52 of The Companies Act, 2013	89,61,022	1,41,78,111
Closing Balance	55,31,64,533	21,41,70,011
Share Options Outstanding Account		
Balance as per the beginning of the year		-
Add: Reserve added during the year option granted	20,84,354	-
Closing Balance	20,84,354	-
Surplus in the statement of profit & loss Surplus at the beginning of the year	16,91,56,832	6,73,26,036
Add: Surplus for the period	5,42,58,120	12,72,88,495
Less: Dividend Paid on Redeemable Preference Shares	(89,75,342)	
Less: Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act. 1934	(1,08,51,624)	(2,54,57,699)
Closing Balance	20,35,87,986	16,91,56,832
Total Reserves and Surplus	81,35,97,243	42,72,35,589
4. Long-term Borrowings	March 31, 2022	March 31, 2021
Non Convertible Debentures		
3572 Nos (March 31, 2021 3572 Nos), 13.95%(Sept 18,2019: 3572) Non Convertible Debentures of Rs 100,000/- redeemable in 4 Instalments by September, 2022 (Secured)	11,90,66,666	23,81,33,334
300 Nos, (March 31, 2021 300 Nos) 11 %(Aug 11,2020: 300) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1 Instalment by April, 2023 (Secured)	30,00,00,000	30,00,00,000
1 SO Nos (March 31, 2021 1 SO Nos), 12.40%(Aug 24,2020: 150) Non Convertible Debentures of Rs10,00,000/- redeemable in 3 Instalments by September, 2022 (Secured)	10,00,00,000	1 5,00,00,000
500 Nos (March 31, 2021 500 Nos),14.20%(Oct 12,2020: 500) Non Convertible Debentures of Rs 100,000/- redeemable in 2 Instalments by October, 2023 (Secured)	5,00,00,000	5,00,00,000
100 Nos (March 31, 2021 100 Nos), 16% (Mar 31,2021: 100) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1 Instalment by June, 2026 (Unsecured)	10,00,00,000	10,00,00,000
3900 Nos (March 31, 2021 Nil), 12.30% (Mar 31,2021: Nil) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1 Instalment by May 2024 (Secured)	39,00,00,000	
150 Nos, (Mar 31,2021: Nil) 12.30%(Mar 25, 2022: 150) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1 Instalment by March 2025 (Secured)	15,00,00,000	-
2200 Nos, (Mar 31,2021: Nil) 12.30%(Aug 20, 2021 : 2200) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1 Instalment by August 2024 (Secured)	22,00,00,000	-
Term Loans		
Indian Rupee Loan from Banks (Secured)	5,46,06,05,835	2,04,55,63,841
Indian Rupee Loan from Banks (Unsecured)	12,68,57,877	12,68,57,877
Indian Rupee Loan from NBFCs (Secured)	1,31,64,03,693	1,73,18,43,525
Indian Rupee Loan from NBFCs (Unsecured)	20,00,00,000	-
Total Borrowings (Note 4-A)	8,53 29 34 071	4,74,23,98 577
Less: Current Maturities of Loan Term Borrowings (Note 61)	(4,45,74,44,4891)	(2,46,29,79,965)
Total Long term Borrowings	4,07,54,89,582	2,27,94,18,612
The above amount includes		
Secured Borrowings	8,10,60,76,194	4,61,55,40,700
Unsecured Borrowings	42,68,57,877	12,68,57,877
	8,53,29,34,071	4,74,23,98,577
Amount disclosed under the head "Short Term Borrowings" (Note 6)	14,45,74,44,489)	(2,46,29,79,965)
TOTAL	4,07,54,89,582	2,27,94,18,612

Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Bandhan Bank Ltd	Term loan From Bank I	12,37,82,197	-	12,37,82,197	Repayble in 24 monthly installment from 19/03/2021 Rate of Interest : 12.25% Maturity Period : 2 Years No Of Installment due: 11 Months & 17 Days	Secured by hypothecation of book debts created out of the loan availed
Bandhan Bank Ltd	Term loan From Bank II	6,42,85,714	8,57,14,286	15,00,00,000	Repayble in 24 monthly installment from 30/03/2022 Rate of Interest: 11.50% Maturity Period: 2 Years No Of Installment due : 23 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
Bank of Maharashtra	Term Loan From Bank III	1,40,38,342	-	1,40,38,342	Repayblein 36 monthly installment from 19/11/2019 Rate of Interest : 12% Maturity Period : 3 Years No Of Installment due : 10 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
Bank of Maharashtra	Term Loan From Bank IV				Repayble in 36 monthly installment from 30/09/2021 Rate of Interest : MCLR + 2.00% Maturity Period: 3 Years No Of Installment due : 29 Months & 29 Days	Secured by hypothecation of book debts created out of the loan availed
Bank of Maharashtra	Term Loan from Bank V	13,60,45,463	19,99,96,507	33,60,41,970	Repayble in 36 monthly installment from 06/10/2021 Rate of Interest: MCLR + 2.00% Maturity Period: 3 Years No Of Installment due: 29 Months & 29Days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Bank of India	Term loan From Bank-VI	9,09,09,093	14,37,49,323	23,46,58,416	Repayable in 36 monthly installment from 22/10/2021 Rate of Interest : MCLR + 2.00% Maturity Period: 3 Years No Of Installment due: 30 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
Canara Bank	Term loan From Bank-VII	1,81,67,910	44,79,787	2,26,47,697	Repayable in 24 monthly installment from 30/06/2020 Rate of Interest : MCLR + 4.10% Maturity Period: 2 Years No Of Installment due: 14 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
Dhanlaxmi Bank	Term loan From Bank-VIII	7,50,00,000	6,25,00,000	13,75,00,000	Repayable in 27 monthly installment from 18/10/2021 Rate of Interest: MCLR + 2.70% Maturity Period : 27 Months No Of Installment due: 21 Months & 18 Days	Secured by hypothecation of book debts created out of the loan availed
ESAF Small Finance Bank	Term loan From Bank-IX	3,42,85,716	2,57,14,282	5,99,99,998	Repayable in 36 monthly installment from 31/12/2020 Rate of Interest : 13.50% Maturity Period: 3 Years No Of Installment due : 20 Months 10 Days	Secured by hypothecation of book debts created out of the loan availed
Federal Bank limited	Term loan From Bank-X	12,49,80,385	9,37,50,000	21,87,30,385	Repayable in 24 monthly installment from 22/10/2021 Rate of Interest : MCLR + 1.65% Maturity Period: 2 Years No Of Installment due : 18 Months & 22 Days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
HDFC Bank Limited	Term loan From Bank-XI	9,33,33,334	-	9,33,33,334	Repayable in 15 monthly installment from 23/07/2021 Rate of Interest : 9% Maturity Period : 1.25 Years No Of Installment due : 6 Months 18 Days	Secured by hypothecation of book debts created out of the loan availed
HDFC Bank Limited	Term loan From Bank-XII	5,00,00,000	-	5,00,00,000	Repayable in 15 monthly installment from 29/10/2021 Rate of Interest: 9.00% Maturity Period: 1.25 Years No Of Installment due : 9 Months 29 Days	Secured by hypothecation of book debts created out of the loan availed
ICICI Bank Limited	Term loan From Bank-XIII	4,09,09,091	-	4,09,09,091	Repayable in 24 monthly installment from 15/12/2020 Rate of Interest: MCLR + 5.00% Maturity Period : 2 Years No Of Installment due : 8 Months & 10 Days	Secured by hypothecation of book debts created out of the loan availed
ICICI Bank Limited	Term loan From Bank-XIV	2,86,36,364	-	2,86,36,364	Repayable in 24 monthly installment from 31/12/2020 Rate of Interest: MCLR+ 5.00% Maturity Period : 2 Years No Of Installment due : 8 Months & 10 Days	Secured by hypothecation of book debts created out of the loan availed
ICICI Bank Limited	Term loan From Bank-XV	1,09,09,091	9	1,09,09,100	Repayable in 24 monthly installment from 3/4/2021 Rate of Interest:MCLR + 5.00% Maturity Period : 2 Years No Of Installment due: 12 Months & 10 Days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings

Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
ICICI Bank Limited	Term loan From Bank-XVI	54,54,545	13,63,635	68,18,180	Repayble in 24 monthly installment from 30/06/2021 Rate of Interest : MCLR + 5.00% Maturity Period : 2 Years No Of Installment due : 14 months and 10 days	Secured by hypothecation of book debts created out of the loan availed
ICICI Bank Limited	Term loan From Bank-XVII	16,36,36,364	6,81,81,818	2318,18,182	Repayble in 24 monthly installment from 31/8/2021 Rate of Interest: MCLR+ 3.90% Maturity Period: 2 Years No Of Installment due : 916 months and 10 days	Secured by hypothecation of book debts created out of the loan availed
ICICI Bank Limited	Term loan From Bank-XVIII	21,81,81,818	12,72,72,727	34,54,54,545	Repayble in 24 monthly installment from 20/10/2020 Rate of Interest: MCLR + 2.00% Maturity Period : 2 Years No Of Installment due : 20 Months & 5 Days	Secured by hypothecation of book debts created out of the loan availed
ICICI Bank Limited	Term loan From Bank-XIX	16,36,36,364	12,27,27,273	28,63,63,636	Repayble in 24 monthly installment from 24/12/2021 Rate of Interest: MCLR+ 2.00% Maturity Period : 2 Years No Of Installment due : 20 Months & 5 Days	Secured by hypothecation of book debts created out of the loan availed
IDBI Bank Limited	Term loan From Bank-XX	3,43,75,000	6,56,25,000	10,00,00,000	Repayble in 36 monthly installment from 31/12/2021 Rate of Interest: MCLR + 1.70% Maturity Period : 3 Years No Of Installment due: 33 Months	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
IDFC First Bank Limited	Term loan From Bank-XXI	7,50,00,000	7,04,28,724	14,54,28,724	Repayable in 72 monthly installment from 20/02/2018 Rate of Interest : 13.75% Maturity Period : 6 Years No Of Installment due : 22 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
IDFC First Bank Limited	Term loan From Bank-XXII				Repayable in 72 monthly installment from 08/02/2018 Rate of Interest: 13.75% Maturity Period: 6 Years No Of Installment due : 22 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
IDFC First Bank Limited	Term loan From Bank-XXIII				Repayable in 72 monthly installment from 21/05/2018 Rate of Interest: 13.75% Maturity Period: 6 Years No Of Installment due : 25 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
IDFC First Bank Limited	Term loan From Bank-XXIV	3,33,33,339	4,76,00,908	8,09,34,247	Repayable in 72 monthly installment from 24/05/2018 Rate of Interest : 13.75% Maturity Period: 6 Years No Of Installment due : 25 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
IDFC First Bank Limited	Term loan From Bank-XXV	6,42,85,714	8,57,14,286	15,00,00,000	Repayable in 24 monthly installment from 29/03/2022 Rate of Interest : 11.50% Maturity Period: 2 Years No Of Installment due : 23 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
IDFC First Bank Limited	Term loan From Bank-XXVI	1,28,57,143	5	1,28,57,148	Repayable in 24 monthly installment from 30/12/2020 Rate of Interest : 12.50% Maturity Period : 2 Years No Of Installment due: 8 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
IDFC First Bank Limited	Term loan From Bank-XXVII	5,71,42,860	-	5,71,42,860	Repayable in 24 monthly installment from 05/02/2021 Rate of Interest: 12.50% Maturity Period: 2 Years No Of Installment due: 1o Months	Secured by hypothecation of book debts created out of the loan availed
Indian Bank	Term loan From Bank-XXVIII	3,65,76,640	1,09,76,453	4,75,53,093	Repayable in 36 monthly installment from 20/03/2020 Rate of Interest: MCLR + 3.75% Maturity Period: 3 Years No Of Installment due : 12 Months	Secured by hypothecation of book debts created out of the loan availed
Indian Bank	Term loan From Bank-XXIX	7,43,41,763	10,90,90,895	18,34,32,658	Repayable in 36 monthly installment from 20/03/2020 Rate of Interest: MCLR + 3.75% Maturity Period: 3 Years No Of Installment due : 12 Months	Secured by hypothecation of book debts created out of the loan availed
Indian Bank	Term loan From Bank-XXX				Repayable in 36 monthly installment from 1/10/2021 Rate of Interest: MCLR + 3.00% Maturity Period: 3 Years No Of Installment due : 29 Months & 15 Days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Indian Oversease Bank	Term loan From Bank-XXXI	7,27,23,833	6,02,15,750	13,29,39,583	Repayble in 36 monthly installment from 26/02/2021 Rate of Interest : MCLR + 4.05% Maturity Period: 3 Years No Of Installment due: 21 Months & 26 Days	Secured by hypothecation of book debts created out of the loan availed
Indian Oversease Bank	Term loan From Bank-XXXII				Repayble in 36 monthly installment from 16/04/2021 Rate of Interest: MCLR + 4.05% Maturity Period : 3 Years No Of Installment due: 21 Months & 26 Days	Secured by hypothecation of book debts created out of the loan availed
Indian Oversease Bank	Term loan From Bank-XXXIII	8,33,31,617	15,27,77,778	23,61,09,395	Repayble in 36 monthly installment from 07/01/2022 Rate of Interest : MCLR + 1.50% Maturity Period : 3 Years No Of Installment due : 34 Months	Secured by hypothecation of book debts created out of the loan availed
Jana Small Finance Bank	Term loan From Bank-XXXIV	3,20,11,321	-	3,20,11,321	Repayble in 24 monthly installment from 30/09/2020 Rate of Interest: 13.50% Maturity Period: 2 Years No Of Installment due : 6 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
Jana Small Finance Bank	Term loan From Bank-XXXV	3,27,19,083	-	3,27,19,083	Repayblein 24 monthly installment from 31/10/2020 Rate of Interest : 13.50% Maturity Period: 2 Years No Of Installment due : 7 Months & 1 day	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Kotak Mahindra Bank Limited	Term loan From Bank-XXXVI	14,99,99,121	15,00,00,000	29,99,99,121	Repayable in 27 monthly installment from 14/12/2021 Rate of Interest: MCLR + 2.00% Maturity Period : 27 Months No Of Installment due: 23 Months & 10 Days	Secured by hypothecation of book debts created out of the loan availed
Oriental Bank of Commerce	Term loan From Bank-XXXVII	5,60,37,651	-	5,60,37,651	Repayable in 36 monthly installment from 31/12/2019 Rate of Interest: MCLR + 3.75% Maturity Period: 3 Years No Of Installment due: 12 Months	Secured by hypothecation of book debts created out of the loan availed
State Bank of India	Term loan From Bank-XXXVIII	18,00,00,000	-23,30,07,103	41,30,07,103	Repayable in 36 monthly installment from 9/08/2021 Rate of Interest: MCLR+ 2.00% Maturity Period: 3 Years No Of Installment due : 26 Months & 10 Days	Secured by hypothecation of book debts created out of the loan availed
State Bank of India	Term loan From Bank-XXXIX	12,62,72,381	-	12,62,72,381	Repayable in 36monthlyinstallment from 30/09/2019 Rate of Interest: MCLR + 2.00% Maturity Period : 3 Years No Of Installment due: 8 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
State Bank of Mauritius	Term loan From Bank-XL	5,00,00,000	5,00,00,000	10,00,00,000	Repayable in 24 monthly installment from 16/03/2022 Rate of Interest: MCLR + 2.05% Maturity Period : 2 Years No Of Installment due: 23 Months & 16 Days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Small Industries Development Bank of India	Term loan From Bank-XU	22,40,00,000	-	22,40,00,000	Repayable in 12 monthly installment from 7/12/2021 Rate of Interest: 6.95% Maturity Period: 1 Years No Of Installment due : 7 Months 10 days	Secured by hypothecation of book debts created out of the loan availed
Small Industries Development Bank of India	Term loan From Bank-XLII	11,20,00,000	30,80,00,000	42,00,00,000	Repayable in 36 monthly installment from 1/2/2022 Rate of Interest: 10.50% Maturity Period: 3 Years No Of Installment due : 33 Months 10 days	Secured by hypothecation of book debts created out of the loan availed
Union Bank of India	Term loan From Bank-XLIII	5,45,45,455	7,72,72,635	13,18,18,090	Repayable in 36 monthly installment from 30/09/2021 Rate of Interest : MCLR + 2.00% Maturity Period: 3 Years No Of Installment due: 28 Months & 21 Days	Secured by hypothecation of book debts created out of the loan availed
Union Bank of India	Term loan From Bank-XLIV	2,29,10,897	-	2,29,10,897	Repayable in 24 monthly installment from 17/08/2019 Rate of Interest: MCLR + 2.75% Maturity Period : 2 Years No Of Installment due : 6 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
Union Bank of India	Term loan From Bank-XLV	1,79,57,708	-	1,79,57,708	Repayable in 36 monthly installment from 13/03/2020 Rate of Interest : MCLR + 3.40% Maturity Period: 3 Years No of Installment due: 12 Months	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
Term loans from Banks		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Yes Bank Limited	Term loan From Bank-XLVI	4,58,33,333	-	4,58,33,333	Repayable in 24 monthly installment from 15/02/2021 Rate of Interest : MCLR + 4.00% Maturity Period: 2 Years No Of Installment due : 10 Months & 15 Days	Secured by hypothecation of book debts created out of the loan availed
IDFC First Bank Ltd	Term loan From Bank-XLVII	12,50,00,000	18,57,877	12,68,57,877	Repayable in 84 monthly installment from 15/01/2016 Rate of Interest: 17.50% Maturity Period : 84 Months No Of Installment due : 9 Months & 1 Day	
Total Term Loan From Banks		3,22,94,46,650	2,35,80,17,061	5,58,74,63,711		
Term Loan From Others						
Arohan	Term Loan From NBFC-I	2,44,68,492	-	2,44,68,492	Repayable in 24 monthly installment from 02/03/2021 Rate of Interest : 13.20% Maturity Period : 2 Years No Of Installment due : 10 month and 20 days	Secured by hypothecation of book debts created out of the loan availed
Electronica	Term Loan From NBFC-II	69,40,925	-	69,40,925	Repayable in 25 monthly installment from 05/08/2020 Rate of Interest : 14.50% Maturity Period: 2.08 Years No Of Installment due : 5 months and 5 days	Secured by hypothecation of book debts created out of the loan availed
Electronica	Term Loan From NBFC-III	1,38,43,432	-	1,38,43,432	Repayable in 24 monthly installment from 26/03/2021 Rate of Interest: 13.50% Maturity Period : 2 Years No Of Installment due: 11 months and 20 days	

4-A Details of Borrowings

		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Hinduja Leyland Finance	Term Loan From NBFC-IV	7,95,64,822	-	7,95,64,822	Repayable in 24 monthly installment from 06/03/2021 Rate of Interest: 12.25% Maturity Period: 2 Years No Of Installment due: 11 months and 6 days	Secured by hypothecation of book debts created out of the loan availed
Incred Financial Services Ltd	Term Loan From NBFC-V	96,50,693	-	96,50,693	Repayable in 24 monthly installment from 27/02/2020 Rate of Interest:14.50% Maturity Period : 2 Years No of Installment due: 2 Months & 10 Days	Secured by hypothecation of book debts created out of the loan availed
Incred Financial Services Ltd	Term Loan From NBFC-VI	5,04,28,556	2,31,04,579	7,35,33,135	Repayable in 24 monthly installment from 31/07/2021 Rate of Interest: 13.50% Maturity Period: 2 Years No Of Installment due: 16 months & 10 days	Secured by hypothecation of book debts created out of the loan availed
Kissandhan Agri Financia	Term Loan From NBFC-VII	2,67,37,068	-	2,67,37,068	Repayable in 24 monthly installment from 24/03/2021 Rate of Interest : 14.00% Maturity Period: 2 Years No Of Installment due: 11 months and 24 days	Secured by hypothecation of book debts created out of the loan availed
Maanaaveeya Development and Finance	Term Loan From NBFC-VIII	5,62,50,000	-	5,62,50,000	Repayable in 24 monthly installment from 31/12/2020 Rate of Interest:13.00% Maturity Period : 2 Years No Of Installment due: 9 Months	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Maanaveeya Development and Finance	Term Loan From NBFC-IX	5,00,04,000	3,74,95,000	8,74,99,000	Repayable in 24 monthly installment from 04/12/2021 Rate of Interest : 13.00% Maturity Period: 2 Years No Of Installment due: 20 Months & 4 Days	Secured by hypothecation of book debts created out of the loan availed
MAS Financial Services Ltd	Term Loan From NBFC-X	4,99,99,992	1,25,00,014	6,25,00,006	Repayable in 24 monthly installment from 30/06/2021 Rate of Interest : 13.30% Maturity Period: 2 Years No Of Installment due : 14 Months & 23 Days	Secured by hypothecation of book debts created out of the loan availed
MAS Financial Services Ltd	Term Loan From NBFC-XI				Repayable in 24 monthly installment from 30/06/2021 Rate of Interest : 13.30% Maturity Period: 2 Years No Of Installment due : 14 Months & 23 Days	Secured by hypothecation of book debts created out of the loan availed
MAS Financial Services Ltd	Term Loan From NBFC-XII				Repayable in 24 monthly installment from 24/09/2021 Rate of Interest : 13.30% Maturity Period: 2 Years No Of Installment due : 17 Months & 25 Days	Secured by hypothecation of book debts created out of the loan availed
MAS Financial Services Ltd	Term Loan From NBFC-XIII	5,00,00,000	2,49,99,559	2,67,37,068	Repayable in 24 monthly installment from 24/09/2021 Rate of Interest : 13.30% Maturity Period: 2 Years No Of Installment due : 17 Months & 25 Days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings

		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
MAAS Financial Services Ltd.	Term Loan From NBFC-XIV	2,50,00,000	1,25,00,002	3,75,00,002	Repayable in 24 monthly installment from 01/10/2021 Rate of Interest : 13.30% Maturity Period: 2 Years No Of Installment due: 17 Months & 25 Days	Secured by hypothecation of book debts created out of the loan availed
Moneywise	Term Loan From NBFC-XV	1,61,52,663	6	1,61,52,669	Repayable in 24 monthly installment from 15/09/2020 Rate of Interest : 15.00% Maturity Period: 2 Years No Of Installment due: 6 months and 5 days	Secured by hypothecation of book debts created out of the loan availed
Mudra	Term Loan From NBFC-XVI	3,56,50,000	-	3,56,50,000	Repayable in 30 monthly installment from 10/07/2020 Rate of Interest: 5.83% Maturity Period : 30 Months No Of Installment due : 9 Months & 10 Days	Secured by hypothecation of book debts created out of the loan availed
NABARD	Term Loan From NBFC-XVII	21,00,00,000	9,00,00,000	30,00,00,000	Repayable in 18 monthly installment from 20/12/2021 Rate of Interest:7.00% Maturity Period: 1.5 Years No Of Installment due: 12 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
NABARD	Term Loan From NBFC-XVIII	7,50,00,000	-	7,50,00,000	Repayable in 18 monthly installment from 04/03/2021 Rate of Interest : 7% Maturity Period: No Of Installment due : 3 Months & 1 ° Day	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings							
			Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
NABFINS Limited	Term Loan From NBFC-XIX	2,09,74,046	-	2,09,74,046	Repayable in 24 monthly installment from 19/03/2020 Rate of Interest : 14.25% Maturity Period: 2 Years No Of Installment due : 5 Months & 15 Days	Secured by hypothecation of book debts created out of the loan availed	
Nabkisan Finance Limited	Term Loan From NBFC-XX	3,75,00,000	1,84,77,031	5,59,77,031	Repayable in 51 monthly installment from 07/02/2019 Rate of Interest: 14.25% Maturity Period: 4.25 Years No Of Installment due : 16 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed	
Nabkisan Finance Limited	Term Loan From NBFC-XXI	3,75,00,000	3,74,62,299	7,49,62,299	Repayable in 36 monthly installment from 31/10/2020 Rate of Interest : 13.40% Maturity Period: 3 Years No Of Installment due: 18 months & 1 Day	Secured by hypothecation of book debts created out of the loan availed	
Nabsamruddhi Finance Limited	Term Loan From NBFC-XXII	83,17,548	-	83,17,548	Repayable in 36 monthly installment from 07/03/2019 Rate of Interest : 14.25% Maturity Period : 3 Years No Of Installment due: 2 Months	Secured by hypothecation of book debts created out of the loan availed	
Nabsamruddhi Finance Limited	Term Loan From NBFC-XXIII	1,24,85,549	-	1,24,85,549	Repayable in 24 monthly installment from 19/03/2020 Rate of Interest: 13.50% Maturity Period: 2 Years No Of Installment due: 2 Months	Secured by hypothecation of book debts created out of the loan availed	

4-A Details of Borrowings							
			Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Nabsamruddhi Finance Limited	Term Loan From NBFC-XXIV		2,65,65,960	6,34,34,040	9,00,00,000	Repayable in 36 monthly installment from 25/01/2022 Rate of Interest:12.75% Maturity Period : 3 Years No Of Installment due : 34 months	Secured by hypothecation of book debts created out of the loan availed
	Term Loan From NBFC-XXV					Repayable in 36 monthly installment from 10/03/2022 Rate of Interest: 12.75% Maturity Period : 3 Years No Of Installment due : 34 months	Secured by hypothecation of book debts created out of the loan availed
Vivriti Capital	Term Loan From NBFC-XXVI		1,10,64,068	-	1,10,64,068	Repayable in 24 monthly installment from 21/08/2020 Rate of Interest: 14.75% Maturity Period:2 Years No Of Installment due : 5 months	Secured by hypothecation of book debts created out of the loan availed
Vivriti Capital	Term Loan From NBFC-XXVII		1,59,88,739	-	1,59,88,739	Repayable in 24 monthly installment from 1/10/2020 Rate of Interest: 14.75% Maturity Period : 2 Years No Of Installment due: 6 months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
Vivriti Capital	Term Loan From NBFC-XXVIII		2,69,00,166	-	2,69,00,166	Repayable in 24 monthly installment from 10/11/2020 Rate of Interest : 14.75% Maturity Period: 2 Years No Of Installment due: 7 months & 10 days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Western Capital	Term Loan From NBFC-XXIX	1,94,44,444	-	1,94,44,444	Repayable in 18 monthly installment from 06/04/2021 Rate of Interest : 14.00% Maturity Period: 1.5 Years No Of Installment due : 06 Months & 1 Day	Secured by hypothecation of book debts created out of the loan availed
Maanaveeya Development & Finance Pvt Ltd (olko) (Tier II)	Term Loan From NBFC-XXX	-	20,00,00,000	20,00,00,000	Repayable In 72 monthly installment from 23/11/2021 Rate of Interest: 15.75% Maturity Period : 72 Months No Of Installment due: 67 Months & 23 Days	Secured by hypothecation of book debts created out of the loan availed
Total Term Loan From Others		99,64,31,164	51,99,72,530	1,51,64,03,694		
Cash Credit from Bank						
State Bank of India	Cash Credit	-	-	-	Repayable on demand Rate of Interest: MCLR + 2.00%	Secured by hypothecation of book debts created out of the loan availed
Total Cash Credit from Bank		-	-	-		
Non Convertible Debenture						
NACL (NCD Tier 11) Sub Debt	NCO-I	-	1 0,00,00,000	10,00,00,000	Repayable in 63 monthly installment from 31/03/2021 Rate of Interest: 16.00% Maturity Period : 5.25 Years No Of Installment due: 50 Months & 30 Days	

4-A Details of Borrowings						
		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
Incofin India Investment Management Pvt Ltd	NCD-II	-	1 5,00,00,000	1 5,00,00,000	Repayable in 36monthly installment from 20/3/2022 Rate of Interest : 12.30% Maturity Period: 3 Years No Of Installment due: 35 Months & 25 Days	Secured by hypothecation of book debts created out of the loan availed
Incofin India Investment Management Pvt Ltd	NCD-III	-	22,00,00,000	22,00,00,000	Repayable in 36 monthly installment from 20/08/2021 Rate of Interest : 12.30% Maturity Period: 3 Years No Of Installment due : 28 Months & 20 Days	Secured by hypothecation of book debts created out of the loan availed
Incofin India Investment Management Pvt Ltd	NCD-IV	-	39,00,00,000	39,00,00,000	Repayable in 36 monthly installment from 06/05/2021 Rate of Interest : 12.30% MaturityPeriod: 3 Years No Of Installment due: 25 Months & 06 Days	Secured by hypothecation of book debts created out of the loan availed
Aviator (SIMA Fund)	NCD-V	1,25,00,000	3,75,00,000	5,00,00,000	Repayable in 36 monthly installment from 12/10/2020 Rate of Interest : 14.20% Maturity Period:3 Years No Of Installment due : 18 Months & 12 Days	Secured by hypothecation of book debts created out of the loan availed
Aviator (SIMA Fund)	NCD-VI	-	30,00,00,000	30,00,00,000	Repayable in 36 monthly installment from 11/08/2020 Rate of Interest : 11.00% Maturity Period: 3 Years No Of Installment due : 12 Months & 21 Days	Secured by hypothecation of book debts created out of the loan availed

4-A Details of Borrowings						
		Current	Non-Current	Total	Terms of Redemption/ Repayment	Security
NACL Fund	NCD-VII	5,00,00,000	-	5,00,00,000	Repayable in 36 monthly installment from 24/08/2020 Rate of Interest : 12.40% Maturity Period: 3 Years No Of Installment due : 5 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
SIMA Fund	NCO-VIII	5,00,00,000	-	5,00,00,000	Repayable in 36 monthly installment from 21/08/2020 Rate of Interest : 12.40% Maturity Period: 3 Years No Of Installment due : 5 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
SIMA Fund	NCD-IX	5,95,33,334	-	5,95,33,333	Repayable in 36 monthly installment from 19/09/2019 Rate of Interest: 13.95% Maturity Period: 3 Years No Of Installment due :5 Months & 30 Days	Secured by hypothecation of book debts created out of the loan availed
NACL Fund	NCD-X	5,95,33,334	-	5,95,33,333	Repayable in 36 monthly installment from 17/09/2019 Rate of Interest: 13.95% Maturity Period : 3 Years No Of Installment due: 5 Months& 30 Days	Secured by hypothecation of book debts created out of the loan availed
Total Non Convertible Debentures		23,15,66,667	1,19,75,00,000	1,42,90,66,666		
TOTAL		4,45,74,44,481	4,07,54,89,591	8,53,29,34,071		
<i>Note: Above total borrowing of Rs.8,53,29,34,071 includes Rs.1,74,67,27,505 for which the personal guarantee has been given by Deepak Amin.</i>						

LIGHT MICROFINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

(Amounts in Rupees unless otherwise stated)

5. Long Term Provisions	Current	
	March 31, 2022	March 31, 2021
Provision for compensated absences	27,92,161	-
TOTAL	27,92,161	-

6. Short Term Borrowings	Current	
	March 31, 2022	March 31, 2021
Cash Credit from Bank (Secured by hypothecation of book debts)		10,01,07,398
Current maturities of Long Term Borrowings (Refer Note no. 4-A)	4,45,74,44,489	2,46,29,79,965
TOTAL	4,45,74,44,489	2 56 30,87 363

The above amount includes

Secured Borrowings	4,33,24,44,489	2,56,30.87,363
Unsecured Borrowings	12,50,00,000	

7. Trade Payables	March 31, 2022	March 31, 2021
Trade Payables		
(i) Total outstanding dues of creditors Micro enterprises and small enterprises (Refer Note 22 C)	89,700	
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	2,47,57,970	1,29,43,674
TOTAL	2,48,47,670	1,29,43,674

March 31, 2022

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 Years	Total
(i) MSME	89,700	-	-	89,700
(ii) Others	2,47,57,970	-	-	2,47,57,970
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

March 31, 2021

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 Years	Total
(i) MSME	-	-	-	-
(ii) Others	1,29,43,674	-	-	1,29,43,674
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

LIGHT MICROFINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

(Amounts in Rupees unless otherwise stated)

8. Other Current Liabilities	March 31, 2022	March 31, 2021
Employee Benefits Payable	3,25,08,507	2,35,83,434
Interest Accrued But Not Due on Borrowings	4,92,07,920	1,41,52,513
Statutory Dues Payable	1,41,04,208	1,05,30,835
Dues to the assignees towards collections from assigned receivables	14,15,07,034	6,10,61,272
Other Payable	46,72,349	1,45,94,763
TOTAL	24 20,00,018	12 39,22 817
9. Short Term Provisions		
Provision against Portfolio Loans	11,07,34,253	6,48,40,931
Provision for taxation	2,42,21,815	1,04,73,102
Provision against fraud accrued during the year	6,04,454	2,28,820
Provision for gratuity	49,38,884	.
Provision for compensated absences	26,81,851	.
TOTAL	14,31,81,257	7,55,42,853

LIGHT MICRO FINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

10. Prooertv, Plant & Equipments

Particulars	Gross block (At Cost)							Accumulated Depreciation			Net Block	
	Balance as at 01.04.2021	Additions	Discarded/ Deletion	Balance as at 31.03.2022	Balance as at 01.04.2021	Depreciation/ Amortisation for the Year	Discarded/ Deletion	Balance as at 31.03.2022	Balance as at 31.03.2022	Balance as at 31.03.2021		
(Amounts in Rupees unless otherwise stated)												
Tangibles Assets												
Motor Car & Vehicle	11,54,050	-	-	11,54,050	6,93,828	1,43,727	-	8,37,555	3,16,495	4,60,222		
Furniture & Fittinas	1,17,49,717	42,79,081	23,04,927	1,37,23,871	46,84,289	25,29,752	20,63,428	51,50,613	85,73,258	70,65,428		
Computer & System	1,99,13,648	2,20,12,436	35,33,926	3,83,92,158	1,30,18,288	1,57,24,053	34,62,212	2,52,80,129	1,31,12,029	68,95,360		
Office Equipment's	58,01,136	24,41,867	16,59,781	65,83,223	40,10,347	14,93,413	15,91,124	39,12,636	26,70,587	17,90,789		
Electrical Installation	14,49,795	15,06,051	-	29,55,846	3,91,277	5,48,399	-	9,39,676	20,16,170	10,58,518		
Total	4,00,68,346	3,02,39,435	74,98,634	6,28,09,148	2,27,98,029	2,04,39,344	71,16,764	3,61,20,609	2,66,88,538	1,72,70,318		
Intanaibles Assets												
Softwares	1,36,99,307	46,46,670	-	1,83,45,977	83,31,319	25,74,560		1,09,05,879	74,40,098	53,67,987		
Total	1,36,99,307	46,46,670	-	1,83,45,977	83,31,319	25,74,560	-	1,09,05,879	74,40,098	53,67,987		
Intangible assets under development	-	25,92,864	-	25,92,864	-	-	-	-	25,92,864	-		
Total	-	25,92,864	-	25,92,864	-	-	-	-	25,92,864	-		
Grand Total	5,37,67,653	3,74,78,969	74,98,634	8,37,47,989	3,11,29,348	2,30,13,904	71,16,764	4,70,26,488	3,67,21,501	2,26,38,305		
Intangible assets under development												
To be Completed in												
CWIP/Intangible Assets Under Development	< 1 Year	1-2 Years	2-3 Years	>3 Years								
LUMEN	20,56,950											
LASER	5,35,914											
Total	25,92,864	-	-	-								

Note: During the year, there was no impairment of assets of the Company.

LIGHT MICROFINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

(Amounts in Rupees unless otherwise stated)

11. Deferred Tax Assets		March 31, 2022		March 31, 2021	
Fixed Assets : Impact of difference between tax depreciation & depreciation/amortization charged for the financial reporting		27,25,862		11,81,965	
Impact of Preliminary Expenses		10,71,965		65,014	
Provision of ESOP		5,24,632		-	
Provision against standard and non performing assets		2,71,36,570		1,63,20,462	
TOTAL		3,14,59,029		1,75,67,441	
12. Loans and Advances	Non- Current		Current		
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
Portfolio Loans					
Unsecured Considered Good					
Joint Liability Group Loans	3,80,81,22,603	2,17,85,03,957	4,42,65,36,912	2,76,89,61,298	
Joint Liability Group Loans placed as collateral towards securitization transaction	-	-	1,37,06,172	3,29,85,306	
Others	-	-	1,25,42,103	23,31,245	
Unsecured Considered Doubtful	-	-	16,78,60,968	1,29,35,160	
TOTAL	3,80,81,22,603	2,17,85,03,957	4,62,06,46,155	2,81,72,13,009	
13. Other Assets	Non- Current		Current		
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
Margin Money deposits with original maturity of more than twelve months	12,58,23,941	9,07,22,828	42,47,81,081	18,08,66,141	
Interest Accrued but not due on business correspondence	-	-	6,66,881	80,72,427	
Interest Accrued but not due on portfolio loans	-	-	9,70,60,679	5,07,33,762	
Interest Accrued but not due on deposits placed with banks	12,22,212	-	78,33,328	1,20,63,342	
Security deposits	67,15,057	-	1,78,49,354	4,13,61,639	
Tax paid in advance (net of provisions)	2,15,66,763	-	-	-	
Prepaid Expenses	2,55,46,883	-	4,51,41,924	2,55,67,991	
Loan/advances to staff	-	-	2,000	2,633	
Advance paid to gratuity fund	-	-	-	25,240	
Other Receivables	15,00,000	53,34,482	6,94,60,365	12,94,04,336	
Non current assets held for sale	-	-	965	-	
TOTAL	18,23,74,856	13,23,38,217	66,27,96,577	44,80,97,511	

LIGHT MICROFINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

14. Trade Receivables	March 31, 2022	March 31, 2021			
	88,63,536	76,16,652			
Dues from Other Trade Receivable	88,63,536	76,16,652			
TOTAL	88,63,536	76,16,652			
	March 31, 2022				
Outstanding for following period from due date of payment	< 6 Months	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed Trade receivables - considered good	88,63,536	-	-	-	88,63,536
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit imoaired	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-
	March 31 2021				
Outstanding for following periods from due date of payment	< 6 Months	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed Trade receivables - considered good	76,16,652	-	-	-	76,16,652
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit imoaired	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(vi) Disouted Trade Receivables - credit impaired	-	-	-	-	-
	March 31, 2021				
15. Cash and cash equivalents	March 31, 2022	March 31, 2021			
Balances with Banks In Current accounts Cash on Hand	86,29,68,656 41,73,228	29,01,44,317 11,89,499			
TOTAL	86,71,41,884	29,13,33,816			

LIGHT MICRO FINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

(Amounts in Rupees unless otherwise stated)

16. Revenue from operations	March 31, 2022	March 31, 2021
Interest Income on Portfolio Loans	1,35,70,66,888	87,91,17,442
Other Operating Revenue		
Income on Securitization (excess interest spread)	1,07,83,878	2,77,44,858
Interest on Direct Assignment Transaction	8,33,80,804	5,22,68,162
Loan processing fees	9,86,70,790	4,51,60,066
Business correspondence income	3,12,15,849	10,28,53,710
Other Fee Income	5,48,43,009	1,54,34,381
Total	1,63,59,61,218	1,12,25,78,619
17. Other Income	March 31, 2022	March 31, 2021
Interest on Margin Money Deposit*	1,83,50,507	2,50,37,872
Profit on redemption on Mutual Funds	96,27,237	13,56,735
Profit on sale of fixed assets	13,874	633
Miscellaneous Income	11,65,588	8,42,198
TOTAL	2,91,57,206	2,72,37,438
<i>*Represents Interest on Margin Money Deposits placed to avail term loans from Banks, Non Banking Financial Companies and on deposits placed as cash collateral.</i>		

LIGHT MICRO FINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

(Amounts in Rupees unless otherwise stated)

18. Employee Benefit Expenses	March 31, 2022	March 31, 2021
Salaries and wages	48,48,74,434	28,69,23,100
Contribution to provident and other funds	5,43,36,687	2,08,26,665
Expense On Employee Stock Option		
Scheme (ESOP)	20,84,354	-
Staff welfare expenses	1,79,22,516	77,03,158
Total	55,92,17,991	31,54,52,923
19. Finance Costs	March 31, 2022	March 31, 2021
Interest		
On Term Loans from Banks	38,24,18,281	20,90,57,561
On Cash Credit	2,55,110	40,35,383
On Term Loans from NBFCs	19,15,99,744	17,47,64,566
On Non Convertible Debentures	16,14,87,775	7,66,10,601
On Car Loan	50,485	61,494
Other Finance Costs	2,45,64,986	2,42,92,581
Bank Charges	13,23,857	2,97,707
Other Charges	9,02,774	44,225
Total	76,26,03,012	48,91,64,118

LIGHT MICRO FINANCE PVT LTD

Notes to financial statements for the year ended March 31, 2022

(Amounts in Rupees unless otherwise stated)

20. Other Expenses	March 31, 2022	March 31, 2021
Advertisement Expenses	9,94,506	-
Communication Expenses	71,46,658	48,42,042
Conveyance Expenses	6,58,38,945	3,65,47,567
Corporate Social Responsibility Expenses (Refer Note 22 M)	15,64,923	5,37,781
Electricity Expenses	31,24,220	21,96,164
Insurance Expenses	6,54,202	3,71,881
Legal Expenses	3,45,173	2,74,543
Postage & Courier	43,69,641	14,95,507
Professional Fees	4,01,24,289	2,97,69,598
Rent Expenses (Refer Note 22 H)	4,22,31,192	2,66,61,027
Repairs & Maintenance Expenses	27,28,248	16,73,955
Rates and Taxes	1,51,30,305	90,19,946
Stationery and Printing Expenses	40,72,666	24,25,651
Travelling Expenses	74,520	1,87,694
Payment to Auditors (as per note below)	14,35,000	13,87,330
Director Sitting Fees	5,20,000	3,45,000
Miscellaneous Expenses	1,89,23,442	1,12,60,091
TOTAL	20,92,77,930	12,89,95,777
Breakup of Payments to Auditors		
Payment to Auditors:	March 31, 2022	March 31, 2021
Statutory & Tax Audit Fee	10,50,000	10,00,000
Certification & Other matters	3,85,000	3,87,330
TOTAL	14,35,000	13,87,330
21. Provisions and write off	March 31, 2022	March 31, 2021
Provision Against Portfolio Loans	4,58,93,322	3,34,07,595
Portfolio Loans Written Off	-	1,32,94,763
Provision Against Fraud occurred during the year	3,75,634	2,28,820
TOTAL	4,62,68,956	4,69,31,178

NOTE22: NOTES TO ACCOUNTS

A. The Company is regulated by the Reserve Bank of India (RBI). The RBI periodically issues/amends directions, regulations, guidelines (Collectively Regulatory Framework) covering various aspects of the operation of the Company including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the company in preparing its financial statements. The financial statements for the current and previous period may need to undergo changes in measurement and/or presentation upon receipt of clarifications on the Regulatory Framework or changes thereto.

B. Provision on Loan Portfolio (Unsecured)

For the Year Ended	31-Mar-22		31-Mar-21	
Standard Assets	8,26,09,07,790	11,07,34,253*	4,98,27,81,806	6,48,40,931
Non-Performing Assets	16,78,60,968		1,29,35,160	

*i) The provision for qualifying assets is Rs. 8,48,14,132/- (Previous year Rs. 4,99,57,170/-).

ii) The provision for non-qualifying assets is Rs. 63,82,198/- (Previous Year Rs. 20,71,324/-)

iii) The Company had made a provision of Rs. 1,28,12,437/- in the previous year ended as on March 31, 2021 as per the Covid Framework mentioned in RBI circular no. (RBI/2020-21 /16 DOR. No. BP.BC/3/21.04.048/2020-2021) dated August 6,2020. Out of this provision Rs. 30,82,764 has been written back on account of recovery in these accounts. Net outstanding provision is Rs.97,29,673/- (Previous year Rs.1,28,12,437)

iv) The company had made a provision of Rs. 98,08,250/- during the current year ended as on March 31, 2022 as per the Covid Framework mentioned in RBI circular no. (RBI/2021-22/32 DOR. STR. REC. 12/21.04.048/2021-22) dated May 5,2021.

The excess provision has been written back only in case of provision made under covid framework, as per the RBI circular no. (RBI/2020-21/16 DOR. No. BP.BC/3/21.04.048/2020-2021) dated August 6,2020 and circular no. (RBI/2021-22/32 DOR. STR. REC. 12/21.04.048/2021-22) dated May 5,2021.

All overdue loans, where in the opinion of the management any amount is not recoverable, are written off.

The above provision may be adjusted against actual provisioning requirements for slippages from the accounts reckoned for such provisions. The residual provisions at the end of the financial year can be written back or adjusted against the provision required for all other accounts.

The above provisions shall not be reckoned for arriving at net NPA till they are adjusted against the actual provisioning requirements as stated in above para. Till such adjustments, these provisions shall not be netted from gross advances but shown separately in the balance sheet (Para 5-8 of 17-04-2020).

C. Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. Based on the information and records available with the management relied upon by the auditors, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities:

On the basis of such information, no interest is payable to any micro, small and medium enterprises.

	2021-22	2020-21
(a) The principal amount remaining unpaid to any supplier at the end of each accounting year;	89,700	-
(b) The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

D. Tax expenses

(Amount in Rupees)

(a) Income tax recognised in the Statement of Profit and Loss:	2021-22	2020-21
Current tax	2,42,21,815	4,09,31,341
Deferred tax (credit)	(1,38,91,587)	(88,56,743)
Tax expense of earlier years	1,48,282	54,155
	1,04,78,510	3,21,28,753

(b) Reconciliation of income tax expense and the accounting profit for the year:	2021-22	2020-21
Profit/ (loss) before tax	6,47,36,631	15,94,17,247
Enacted tax rates (%)	25.17%	25.17%
Income tax expense calculated at corporate tax rate	1,62,92,915	4,01,22,132
Reconciliation items		
Impact of tax relating to earlier years	1,48,282	54,155
Tax impact of expenses not deductible	1,35,79,344	32,66,611
Impact on account of deductions claimed under Income Tax Act	(56,50,444)	(24,57,402)
Others - Deferred Tax	(1,38,91,587)	(88,56,743)
	1,04,78,510	3,21,28,753

E. Earnings per Share

	2021-22	2020-21
(a) Profit/ (Loss) After Tax	5,42,58,120	12,72,88,495
(b) Basic of Shares (No.)	2,50,49,999	2,50,49,999
(c) Weighted Average of Shares (No.)	4,52,07,384	3,37,06,948
(d) Basic Earnings per Share (a/b)	2.17	5.08
(e) Diluted Earnings per Share (a/b)	1.20	3.78

F. Foreign Currency Transactions:

Particulars	Currency	2021-22	2020-21
Expenditure in Foreign Currency (for MIS Infrastructure Expenses)	US Dollars	1,805	877
	Indian Rupees	1,36,468	65,969
Expenditure of Processing Fees on NCO	US Dollars	-	45,000
	Indian Rupees	-	33,15,600
Earnings in Foreign Currency	-	-	-

G. Contingent Liabilities & Capital commitments not provided for :

Particulars	March 31, 2022	March 31, 2021
Performance Security provided by the Company pursuant to business Correspondent / service provider agreement	4,99,79,309	29,54,26,573
Cash collateral assigned Loans given	1,15,99,353	4,93,33,028
Claims against the Company not acknowledged as debt:		
- Tax matter in dispute under appeal	-	-

"The Company does not have any outstanding commitments"

H. Lease

Corporate Office and Branch office premises are obtained under operating lease.

Particulars	2021-22	2020-21
Operating Lease Lease payments recognised in the statement of profit and loss	4,22,31,192	2,66,61,027
Significant leasing arrangements The Company has given refundable interest free security deposits under the agreements. These lease agreements ranged between 11 months to 60 months. These agreements also contain revision in rents as mutually agreed. There are no sub lease arrangements during the year. Future minimum lease payments under non cancellable agreements Not later than 1 year Later than 1 year & not later than 5 years Later than 5 years		

I. Related Party Disclosures

i. Names of the related parties with whom transactions have been entered.

Sr. No.	Name	Relationship
1.	Mr. Deepak Amin	Managing Director
2.	Mr. Rakesh Kumar	Key Managerial Person
3.	Mr. Aviral Saini	Key Managerial Person
4.	Ms. Madhavi Gajjar	Key Managerial Person

(Amount in Rupees)

Transactions during the year	2021-22	2020-21
Salary & Incentives - Mr. Deepak Amin	80,00,014	56,25,000
Salary & Incentives - Mr. Rakesh Kumar	80,00,000	32,50,012
Salary & Incentives - Mr. Aviral Saini	70,00,000	27,50,016
Salary & Incentives - Ms. Madhavi Gajjar	6,00,024	5,14,974

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

J. AS-15 Employee Benefits

As per Accounting Standard 15 on "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are furnished below:

a. Short term Employee Benefits

Short term employee benefits payable within twelve months of rendering the service including bonus and ESIC employer contribution at the Balance Sheet date are recognised as an expense as per the Company's scheme base on expected obligations on undiscounted basis.

b. Long term Employee Benefits

Post-retirement benefits comprising of employees Provident Fund and Gratuity Fund are accounted for as follows:

1. Provident Fund: This is a defined contribution plan and contributions paid to the Regional Provident Fund Commissioner, Gujarat, are charged to revenue during the period. The Company has no further obligations for future provident fund benefits other than regular contributions.

2. Gratuity: The liability for Gratuity to employees as on the Balance Sheet date is determined based on actuarial valuations and based on demand from the Life Insurance Corporation of India. The contribution paid thereof is charged in the books of accounts. The contribution paid towards Gratuity is managed by the Life Insurance Corporation of India.

The Company has made the provision for gratuity of Rs.49,38,884 during FY 2021-22.

3.Compensated absences

Provision for compensated absences is made based on actuarial valuation as at the Balance Sheet date. The actuarial valuation is carried out using the projected unit credit method. Actuarial loss is recognized in the statement of profit and loss in this year.

The Company has made the provision for compensated absences of Rs.54,74,012 during FY 2021-22.

Disclosures envisaged in Accounting Standard(AS) 15- Employee benefits as given below:

(i) Defined Benefit Plan

The Company has defined benefit Gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basis salary (last drawn salary) for each completed year of service.

Expenses Recognized in the Statement of Profit or Loss

Particulars	March 31,2022	March 31,2021
Current Service Cost	5,09,787	15,12,964
Net Interest Cost	(26,954)	(13,821)
Actuarial (Gains)/Losses	66,05,372	(19,32,131)
Past Service Cost - Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost - Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments and Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Change in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	70,88,205	(4,32,988)

Change in the Present Value of Projected Benefit Obligation

Particulars	March 31, 2022	March 31, 2021
Present Value of Benefit Obligation at the Beginning of the Period	44,97,759	49,51,635
Interest Cost	1,73,613	2,57,980
Current Service Cost	5,09,787	15,12,964
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/Acquisition	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid from the Fund)	(1,95,286)	(1,62,061)
The Effect of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	12,72,558	(29,54,622)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(2,23,983)	(23,349)
Actuarial (Gains)/Losses on Obligations - Due to Experience	54,53,929	9,15,212
Present Value of Benefit Obligation at the End of the Period	1,14,88,377	44,97,759

Change in Plan Assets

Particulars	March31,2022	March31,2021
Fair Value of Plan Assets at the Beginning of the Period	51,96,030	52,16,918
Expected Return on Plan Assets	2,00,567	2,71,801
Contributions by the Employer	14,51,050	
Expected Contributions by the Employees	-	-
Assets Transferred In/ Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	(1,95,286)	(1,62,601)
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Actuarial Gains/(Losses) on Plan Assets - Due to	(1,02,868)	(1,30,628)
Fair Value of Plan Assets at the End of the Period	65,49,493	51,96,030

Amount Recognized in the Balance Sheet

Particulars	March 31,2022	March 31,2021
(Present Value of Benefit Obligation at the end of the Period)	(1,14,88,377)	(44,97,759)
Fair Value of Plan Assets at the end of the Period	65,49,493	51,96,030
Funded Status (Surplus/ (Deficit))	(49,38,884)	6,98,271
Unrecognized Past Service Cost at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(49,38,884)	6,98,271

The Principal assumption used in determining gratuity obligation for the company's are shown below

Particulars	2021-22	2020-21
Rate of Discounting	4.56%	3.86%
Rate of Salary Increase	7.00%	8.00%
Attrition Rate	50.00%	65.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

(ii) Defined Contribution Plan

Contribution to Provident Fund and ESIC are included in note 18 "Employee benefits expense" includes Rs. 3,68,86,511/- (P.Y Rs. 2,18,09,973/-) being expenses debited under defined contribution plan.

K. Employee Stock Option Plan

Pursuant to a resolution passed by the members holding Equity shares vide Extra ordinary General Meeting held on June 23, 2018, the Company has approved "LMF Employee Stock Option Plan 2018". The Company has made amendment in the ESOP scheme 2018 vide board meeting dated May 20, 2021. The members of the company have approved granting of ESOP to thirty-five employees vide the Extra-ordinary General Meeting held on June 15, 2021.

During the year ended March 31, 2022, the following stock option grants were in operation:

Sr No	Particulars	Details
1	Date of Grant	23/06/2018
2	No. of options granted	9,84,400
3	No of employees to whom such options were granted	4
4	Method of Settlement	Equity/Cash
5	Graded Vesting period:	
	at the end of year 1	20%
	at the end of year 2	20%
	at the end of year 3	20%
	at the end of year 4	20%
	at the end of year 5	20%
	Subject to any other terms as stipulated in the LMF Employee Stock Option Plan 2018	Performance based vesting
6	ExercisePeriod	
	The Vested Options with an Option Grantee may be exercised only upon or in connection with happening of a Liquidity Event as per the LMF Employee Stock Option Plan 2018	
7	Vesting conditions	
	Options granted under ESOP 2018 shall vest within the minimum period of one (1) year and maximum period of five (5) years from the date of Grant of such Options subject to continued employment with the Company and such other conditions specified under LMF Employee Stock Option Plan 2018.	
8	Average remaining contractual life (Years)	1.25
9	Average exercise price per option (t)	10.63
10	Average intrinsic value of option (f)	10.63

Sr No	Particulars	Details
1	Date of Grant	15/06/2021
2	No. of options granted	5,02,000
3	No of employees to whom such options were granted	35
4	Method of Settlement	Equity/Cash
5	Graded Vesting period:	
	at the end of year 1	20%
	at the end of year 2	20%
	at the end of year 3	20%
	at the end of year 4	20%
	at the end of year 5	20%
	Subject to any other terms as stipulated in the LMF Employee Stock Option Plan 2018	Performance based vesting
6	ExercisePeriod	
	The Vested Optionswith an Option Grantee may be exercised only upon or in connection with happening of a LiquidityEvent as per the LMF Employee Stock Option Plan 2018	
7	Vesting conditions	
	Options granted under ESOP 2018 shall vest within the minimum period of one (1) year and maximum period of five (5) years from the date of Grant of such Options subject to continued employment with the Company and such other conditions specified under LMF Employee Stock Option Plan2018.	
8	Average remaining contractual life (Years)	4.25
9	Average exercise price per option (t)	37.70
10	Average intrinsic value of option (f)	37.70

As per the guidance note on accounting for share-based payments, the Company has made the provision of Rs. 20,84,354 on ESOP of 5,02,000 shares granted on 15th June, 2021.

Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
Employee Stock Option Plan 2018		
Employee Stock Option outstanding at beginning of the year	9,84,400	9,84,400
Granted during the year	5,02,000	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding during the year	11,86,400	9,84,400
Exercisable at the end of the year	-	-

L. The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on September 29, 2020, which could impact the contributions of the Company towards certain employment benefits. The effective date from which changes are applicable is yet to be notified and the rules are yet to be issued. Impact, if any, of the change will be assessed and accounted in the period of notification of the relevant provisions.

M. The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is applicable to the Company and necessary expenses has been made as mentioned below:

Particulars	2021-22	2020-21
a) Amount required to be spent by the Company during the year	15,64,923	5,37,781
b) Amount of expenditure incurred	15,64,923	5,37,781
c) Shortfall at the end of the year	-	
d) Total of previous years shortfall	-	
e) Reason for shortfall	-	
f) Nature of CSR activities	1. Tribal Child Education School 2. Women Empowerment	Women Empowerment

N. Segment Reporting

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting'. The Company does not have any reportable geographical segment.

O. The Company has not been declared as willful defaulter by any bank or financial institution or other lender during the year.

P. The Company does not own any property, so disclosure for benami property is not applicable.

Q. The Company does not have any transaction with any such companies which has been struck off during the year.

R. The Company does not have any undisclosed income which is required to be recorded in books of accounts during the year.

S. Key Ratios:

Particulars	As at March 31, 2022	As at March 31, 2021
Current Ratio	1.27 (6,15,94,48,152/ 4,86,74,434)	1.28 (3,56,42,60,988/ 2,77,54,96,707)
Debt-Equity Ratio	6.71 (8,53,29,34,071/ 127,23,70,963)	5.63 (4,84,25,05,975/ 86,03,93,589)
Debt Service Coverage Ratio	NA	NA
Return on Equity Ratio	5.09% (5,42,58,120/ 106,63,82,276)	16.89% (12,72,88,495/ 75,38,38,397)
Inventory turnover Ratio	NA	NA
Trade Receivables turnover ratio	NA	NA
Trade payables turnover ratio	NA	NA
Net capital turnover ratio	NA	NA
Net profit ratio	NA	NA
Return on Capital employed	NA	NA
Return on investment	NA	NA

T. (i) Disclosure related to securitization

The information on securitization/direct assignment transactions undertaken by the Company as an originator are shown below:

<i>(Amount in Rupees)</i>		
Particulars	2021-22	2020-21
Total number of loans securitized	-	10,547
Total book value of loans securitized	-	32,98,53,064
Sale consideration received for loans securitized	-	29,68,67,758
Income recognized in the statement of profit and loss*	1,07,83,878	2,77,44,858
Cash collateral	1,65,00,000	1,65,00,000
Over collateral	1,37,06,172	3,29,85,306

*Includes income recognised from previous year's securitisation transaction.

(ii) Disclosure related to Direct Assignment

Particulars	2021-22	2020-21
Total number of loans Direct Assignments	67,533	16,693
Total book value of loans assigned	2,63,74,44,051	41,18,33,231
Sale consideration received for loans assigned	2,31,56,86,792	37,06,49,908
Income recognized in the statement of profit and loss*	8,33,80,804	5,22,68,162
Cash collateral	-	-

*Includes income recognised from previous year's Direct Assignment transaction.

Disclosure as per RBI circular DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016
(Information in respect of transactions in operation as at reporting date)

(Amount in Rupees)			
Sr. No.	Particulars	As at	As at
		31st March 2022	31st March 2021
1	No of SPVs sponsored by the NBFC for securitization transactions	1	1
2	Total amount of securitized assets as per books of the SPVs sponsored by the NBFC	2,76,76,684	21,36,93,572
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off Balance-sheet Exposures		
	First Loss	-	-
-	Others	-	-
	b) On Balance-sheet Exposures		
	First Loss - Cash Collateral	1,65,00,000	1,65,00,000
	Others- Over Collateral	1,37,06,172	3,29,85,306
4	Amount of exposures to securitization transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposures to own securities		
	First Loss	-	-
	Loss	-	-
	ii) Exposures to third party securitizations		
	First Loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposures to own securities		
	First Loss	-	-
	Loss	-	-
	ii) Exposures to third party securitizations		
	First Loss	-	-
	Others	-	-

U. Additional disclosures required by the RBI

A. Details of Average interest paid on borrowing and charged on loans given to Joint Liability Group:		
Particulars	Rate of Interest	
	2021-22	2020-21
Average Interest rate on Loans given to Joint Liability Groups	20.36%	22.30%
Average Interest rate on borrowings	11.40%	12.64%
Net Interest Margin	8.97%	9.66%

B. Capital to Risk Assets Ratio (CRAR)			
Sr. No.	Particulars	2021-22	2020-21
(i)	CRAR	18.28%	19.28 %
(ii)	CRAR Tier I Capital	13.73%	13.72%
(iii)	CRAR Tier II Capital	4.56%	5.56%
(iv)	Amount of subordinated debt raised as Tier-II capital	-	35.51 %
(v)	Amount raised by issue of perpetual debt instruments	-	-

V. Public disclosure on liquidity risk as on March 31, 2022 pursuant to RBI guidelines on liquidity risk management framework for non-banking financial companies dated November 4, 2019

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant Counterparties	Amount (Rs. in crore)	% of Total deposits	% of Total Liabilities
1.	41	853.29	-	100%

(ii) Top 20 large deposits:

Not applicable. The Company being a non-deposit taking NBFC registered with the RBI does not accept public deposits.

(iii) Top 10 borrowings

Rupees in crores	% of total borrowings
550.53	64.52%

(v) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	Rupees in crore	% of Total Liabilities
1	NCO	132.90	15.58%
2	Sub debt	42.69	5.00%
3	Term loan	677.70	79.42%
	Total	853.29	100%

(v) Stock Ratios:

- (a) Commercial papers as a % of total public funds, total liabilities, and total assets: NIL
- (b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities, and total assets: NIL
- (c) Other short-term liabilities, if any as a % of total public funds, total liabilities, and total assets: NIL

(vii) Institutional set-up for liquidity risk management

The Company has Board approved Asset Liability Policy and Risk Management Policy.

The Company's Board of Directors has the overall responsibility of management of liquidity risk.

The Company also has a Risk Management Committee, which is a sub-committee of the board and is responsible for evaluating the overall risk faced by the Company including liquidity risks.

Asset Liability Management Committee (ALCO) of the Company is responsible for ensuring adherence to risk tolerance limits as well as implementing the liquidity risk management strategy of the Company.

W. Details of non-performing financial assets purchased/ sold

The Company has not purchased / sold non-performing financial assets in the current and previous year and hence disclosure as per "Master direction - Reserve Bank of India (Transfer of Loan Exposures) Directions 2027" is not required.

X. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

Maturity pattern of assets and liabilities as on March 31, 2022

(Rupees in Lakhs)									
Particulars	Up to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Advances	3,505.26	3,881.61	3,945.41	12,014.15	23,136.57	37,804.68	-	-	84,287.68
Investment	-	-	-	-	-	-	-	-	-
Borrowings	3,534.02	3,457.69	3,683.55	13,277.11	20,706.96	40,670.01	-	-	85,329.34

Maturity pattern of assets and liabilities as on March 31, 2021

(Rupees in Lakhs)									
Particulars	Up to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Advances	1603.77	2337.99	2379.54	7358.67	13,536.41	22,740.78	-	-	49,957.17
Investment	-	-	-	-	-	-	-	-	-
Borrowings	2097.68	1991.68	1675.91	5935.20	11,950.54	22706.31	1066.67	-	47,423.99

Y. Exposures

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current or previous year.

Z. Details of financing of parent company products

This disclosure is not applicable as the Company does not have any holding / parent company.

AA. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the Single Borrower Limit (SGL) i.e. 15% of its Owned fund / Group Borrower Limit (GBL) i.e. 25% of its own fund, during the current or previous year.

BB. Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil in the current and previous year.

CC. Registration obtained from other financial sector regulators

The Company is registered with the Ministry of Finance (Financial Intelligence Unit).

DD. Disclosure of penalties imposed by RBI and other regulators

No penalties were imposed by RBI or any other regulator during the current or the previous year.

EE. Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2022

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in crores)	Rating Assigned
Long Term Bank Facility	CRISIL Ratings	04-02-2022	400	CRISIL BBB/Stable
NCD	Brickwork Ratings	08-04-2021	40	BWR BBB/Stable
Term Loan (Long Term)	Brickwork Ratings	22-04-2021	188.1	BWR BBB/Stable
Term Loan (sub debt)	Brickwork Ratings	22-04-2021	12.5	BWR BBB/Stable
MFI Grading	SMERA Grading	11-10-2021	N.A.	SMERAMFI M2 (High capacity of the MFI to manage its operations in a sustainable manner)

Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2021

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in crores)	Rating Assigned
NCD	Brickwork Ratings	13-07-2021	30	BWR BBB/Stable
Term Loan	Brickwork Ratings	13-07-2021	188.1	BWR BBB/Stable
Term Loan (sub debt)	Brickwork Ratings	13-07-2021	12.5	BWR BBB/Stable
Securitisation	Brickwork Ratings	26-11-2020	29.69	Provisional BWR A-(SO) Stable (Assigned)
MFI Grading	SMERA Grading	25-09-2020	N.A.	SMERA MFI M2 (High capacity of the MFI to manage its operations in a sustainable manner)

FF. Remuneration of Directors

The Company has not entered into any transactions or in a pecuniary relationship with the non-executive directors other those as disclosed in note I above.

GG. Postponement of Revenue Recognition

There is no significant uncertainty which requires postponement of revenue recognition.

HH. Provisions and Contingencies (shown in Statement of Profit and Loss)

Particulars	March 31,2022	March 31,2021
Provision made towards Income Tax	2,42,21,815	1,04,73,102
Provision towards NPA	6,94,99,360	1,43,17,570
Provision for standard assets	4,12,34,893	5,05,23,361
Provision for fraud	6,04,454	2,28,820
Provision for gratuity	49,38,884	-
Provision for compensated absence	54,74,012	-

II. Draw down from Reserves

There has been no draw down from Reserves including security premium during the year ended March 31, 2022 (previous year: Nil) other than those disclosed under Note 3.

JJ. Concentration of Deposits

The Company has not accepted any deposits during the year ended March 31, 2022 (previous year: Nil).

KK. Concentration of Advances, Exposures and NPAs

Particulars	March 31,2022	March 31,2021
Concentration of Advances		
Total Advances to twenty largest borrowers	17,52,054	16,25,180
	0.02%	0.03%
Concentration of Exposures		
Total Advances to twenty largest borrowers	17,52,054	16,25,180
(%) of Advances to twenty largest borrowers to Total Exposure	0.02%	0.03%
Concentration of NPAs		
Total Exposure to top four NPA accounts	2,97,942	2,97,942

LL.Sector-wise NPAs

Sr No.	Sector	(%) of NPAs to total advances in that sector as at March 31, 2022	(%) of NPAs to total advances in that sector as at March 31, 2021
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate Borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto Loans	-	-
7	Other personal loans*	1.99%	0.26%

MM. Movement of NPAs

<i>(Rupees in lakhs)</i>			
Sr No.	Particulars	March 31,2022	March 31,2021
1	Net NPAs to Net Advances (%)	0.68%	-
2	Movement of NPAs (Gross)		
(i)	Opening balance	129.35	135.96
(ii)	Additions during the year	2,550.26	531.32
(iii)	Reductions during the year	1,001.00	537.93
(iv)	Closing balance	1,678.61	129.35
3	Movement of Net NPAs		
(i)	Opening balance	-	-
(ii)	Additions during the year	571.27	-
(iii)	Reductions during the year	-	-
(iv)	Closing balance	571.27	-
4	Movement of provisions for NPAs (excluding provisions on standard assets)		
(i)	Opening balance	143.18	116.75
(ii)	Provisions made during the year	506.21	159.38
(iii)	Write-off/write-back of excess provisions	-	132.95
(iv)	Closing balance	694.99	143.18

NN. Overseas Assets and Off-Balance Sheet SPVs sponsored

The Company does not own any assets outside the country and any off-balance Sheet SPVs sponsored.

00. Disclosure of Complaints

	Particulars	2021-22	2020-21
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	223	85
(c)	No. of complaints redressed during the year	223	85
(d)	No. of complaints pending at the end of the year	-	-

PP. Disclosure of Frauds recorded during the year to RBI vide DNBS PD.CC NO. 256/03.10.042/2012-13 dated March 02, 2012

Nature of fraud (cash embezzlement)	2021-22	2020-21
Number of cases	71	27
Amount of fraud	10,96,499	7,97,28L
Recovery	7,20,865	5,68,464
Amount written off/ Provision made	3,75,634	2,28,820

QQ. Schedule to the Balance Sheet of a Non-Banking Financial Company for the Year ended 31st March 2022

(as required in terms of Paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Amount in Rupees)			
	Particulars		
	Liabilities side		
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
1	(a) Debentures		
	Secured	1,35,73,57,862	-
	Unsecured	10,00,43,836	-
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	7,12,65,48,788	-
	(d) Inter-corporate loans and borrowing	-	-
	(f) Public Deposits	-	-
	(g) Other Loans (specify nature)	-	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not Qaid):		
	(a) In the form of Unsecured debentures		
	(b) In the form of partly secured debentures i.e. debentures where there is a short fall in the value of security	-	-
	(c) Other public deposits	-	-
3	Assets side:		
	Break-up of Loans and including bills receivables those included in (4) below]: Advances [other than		
	(a) Secured	-	-
	(b) Unsecured	8,52,58,29,437	-
4	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Hypothecation loans counting towards EL/HP activities	-	-
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

(Amount in Rupees)			
	Break-UR of Investments:		
5	Current Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-

6	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same Group			
	(c) Other related parties	-	-	-
	2. Other than related parties			
	Total	-	-	-

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

8 Other information

	Particulars	As at March 31,2022	As at March 31,2021
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	16,78,60,968	1,29,35,160
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
		5,71,26,715	-
(iii)	Assets acquired in satisfaction of debt	-	-

RR. Note on COVID-19 impact on the business

Consequent to the outbreak of the Covid-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently national lockdown was lifted by the government, regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19 may lead to a rise in the number of borrowers defaults and consequently an increase in corresponding provisions. The extent to which COVID-19 pandemic including the current "Second wave" that has significantly increased the number of cases in India, will continue to impact the company's performance will depend upon ongoing as well as future developments, which are highly uncertain, including among other things, any new information concerning severity of COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by us.

The Company has assessed the potential impact of COVID-19 on the carrying value of its assets based on relevant internal and external factors/information available, upto the date of approval of this financial statement. In order to cover the impact of COVID-19, the Company is carrying a total provision of Rs. 1,107.34 lakhs (including COVID provision) on March 31, 2022. (For the year ended March 31, 2021 total provision of Rs. 648.40 lakhs (including COVID provision)).

SS. The Honourable Supreme Court of India (Hon'ble SC) in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated September 03, 2020 ("Interim Order"), had directed banks and NBFCs that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. The interim order got vacated on March 23, 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial Manufacturers Association (Reqd) vs. Union of India & others. Further to this judgements in accordance with the instructions in Paragraph 5 of the RBI circular no. RBI/2020-21/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021 issued, the Company has continued with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms for the year ended 31 March 2021.

TT. Accounting notes Disclosures

Disclosures as required under RBI Notification No: RBI/ 2019-20/220 DOR No BP.BC.63/21.04.048/2019-20 dated April 17 2020 on COVID-19 Regulatory Package- Asset Classification and Provisioning.

(Amount in Rupees)		
Particulars	31 March 2022	31 March 2021
i) Respective amounts in SMA/Overdue Categories where the moratorium/deferment was extended*	26,89,866	29,09,227
ii) Respective amount where asset classification benefits is extended.	-	-
iii) Provision made during quarter four for FY 2020 and Quarter one FY 2021 in terms of paragraphs (as on June 30, 2020).	3,88,085	3,88,085
iv) Provision adjusted during the respective accounting periods against slippages.	-	-
v) Residual provisions at the end of the financial year written back or adjusted against the provisions required for all other accounts.	3,88,085	3,88,085

*Outstanding on account of all cases where moratorium benefit is extended by the Company up to August 31, 2020.

UU. During the year ended March 31, 2021, the Company has invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 06, 2020. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.

Disclosure as per the format prescribed as per the notification no. RBI/2020- 21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 for the year ended March 31,2022

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	3970	10,54,54,172	-	-	1,28,12,437

Disclosures to be made year ended March 31, 2022

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of(A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	12,26,57,005	1,15,109,062	nil	1,41,02,175	10,85,54,830
Total	12,26,57,005	nil	nil	1,41,02,175	10,85,54,830
* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016					

VV.Details of resolution plan implemented under the RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated May 5, 2021, are given below:

Sl. No	Description	Individual Borrowers		Small Businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process under Part A	-	3,456	-
(B)	Number of accounts where solution plan has been implemented under this window	-	2,983	-
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	-	7,90,56,738	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	-	99,15,200	-

WW Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year classification/disclosure.

As per our attached report of even date

For C N K & Associates LLP Chartered Accountants
Registration No. 101961W/W-100036

Hiren Shah Partner
Membership No. 100052
Place: Mumbai
Date: 24th May, 2022
UDIN: 22100052AJNOSU6300
For light Microfinance Pvt Ltd

Deepak Amin
Managing Director
(DIN- 01289453)

Rakesh Kumar
Executive Director
(DIN-0343,0670)

Aviral Saini
Executive Director
(DIN-03534719)

Date:
Place: Ahmedabad

Madhavi Gajjar
Company Secretary
(M.No. A54522)

LIGHT MICROFINANCE PRIVATE LIMITED

Reg office: 308 Aggarwal Tower, Plot No. 2 Sector – 5, Dwarka New Delhi - 110075

Corporate Office: 310-Pinnacle Business Park, Corporate Road, Prahlad Nagar, Ahmedabad-380015

Website: www.lightmicrofinance.com

Email: info@lightmicrofinance.com

CIN : U67120DL1994PTC216764

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF LIGHT MICROFINANCE PRIVATE LIMITED will be held on **Tuesday September 27, 2022, at 11.00 AM IST** through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OVAM”) at Shorter Notice to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 01

TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON

To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2022, and the reports of the Board of Directors and Auditors thereon.

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2022, and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

SPECIAL BUSINESS:

ITEM NO. 02

APPOINTMENT OF MR. PARVEEN KUMAR GUPTA AS AN INDEPENDENT DIRECTOR.

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED THAT Mr. Parveen Kumar Gupta (DIN: 02895343), who was appointed as an Additional

Independent Director, pursuant to Sections 149, 150, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Parveen Kumar Gupta (DIN: 02895343), as an Independent Director of the Company, not liable to retire by rotation, for a period up to Five years.”

“Resolved Further That Mr. Deepak Amin, Managing Director or Mr. Rakesh Kumar or Mr. Aviral Saini, Executive Directors of the Company be and are hereby authorized severally to sign on behalf of the Company, necessary documents/forms to be filed with the concerned Registrar of Companies, concerning the aforesaid appointment of Mr. Parveen Kumar Gupta on the Board of the Company”

**By Order of the Board of Directors
LIGHT MICROFINANCE PRIVATE LIMITED**

Date: August 25, 2022

Place: Ahmedabad

**DEEPAK AMIN
Managing Director
DIN: 01289453**

NOTES:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 13th January 2021, permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act'), the AGM of the Company is being held through VC / OAVM.
2. An explanatory statement pursuant to section 102 of the Companies Act 2013 in respect of the business at item No. 2 above is annexed hereto. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto
4. Electronic copy of the Notice of the 28th Annual General Meeting of the Company is being sent to all the members whose email IDs are registered with the Company for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs and for others physical copies of the Notice of the 28th Annual General Meeting of the Company is being sent in the permitted mode.
5. Members may also note that the Notice of the 28th Annual General Meeting, and the Annual Report for 2021-22 will also be available on the Company's website www.lightmicrofinance.com in for their download till the date of Annual General Meeting. The physical copies of the aforesaid documents will also be available at the Company's Corporate Office at Ahmedabad for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: compliance@lightmicrofinance.com
6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Corporate Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board of Directors
LIGHT MICROFINANCE PRIVATE LIMITED

Date: August 25, 2022

Place: Ahmedabad

DEEPAK AMIN
Managing Director
DIN: 01289453

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 02:

Mr. Parveen Kumar Gupta, who has been appointed as an Additional Independent Director of the Company pursuant to Sections 149, 150, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approval of the Board, with effect from 11th February, 2022, holding office upto the date of this Annual General Meeting and is eligible for appointment as an Independent Director.

Mr. Parveen Kumar Gupta is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Parveen Kumar Gupta as Independent Director, for the approval by the shareholders of the Company.

Except Mr. Parveen Kumar Gupta, none of the Directors of the Company or Key Managerial Personnel or their relatives is, in any way, concerned or interested in the resolutions.

The Board recommends the Special Resolution set out at item No. 04 of the Notice for approval by the shareholders.

**By Order of the Board of Directors
LIGHT MICROFINANCE PRIVATE LIMITED**

Date: August 25, 2022

Place: Ahmedabad

**DEEPAK AMIN
Managing Director
DIN: 01289453**

THE COMPANIES ACT, 2013

Consent by Shareholders for shorter notice

[Pursuant to Section 101(1) of Companies Act, 2013]

Date: _____, 2022

To

The Board of Directors

Light Microfinance Private Limited

310, Pinnacle Business Park, Corporate Road,

Prahlad Nagar,

Ahmedabad - 380015

Subject: Consent for holding 28th Annual General Meeting of Light Microfinance Private Limited at a short notice.

I/We, _____, the undersigned/representing M/s. _____ residing at/having registered office at _____, holding _____ Equity Shares/Preference Shares of Rs. 10/- each constituting _____% of the total share capital in the Company in my/its name, hereby give consent pursuant to section 101 of the Companies Act, 2013, to hold the 28th Annual General Meeting of Light Microfinance Pvt. Ltd. at a shorter notice.

Thanking you,

Yours truly,

Name of Shareholder/authorized representative



CORPORATE OFFICE

310, PINNACLE BUSINESS PARK,
CORPORATE ROAD, PRAHLAD NAGAR,
AHMEDABAD, GUJARAT – 380015.

www.lightmicrofinance.com