



Onward
Together

LIGHT MICROFINANCE PRIVATE LIMITED

Annual Report - 2023-24

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Over 15 years, we have covered considerable ground.

We have motivated. We have inspired. We have funded. We have serviced. We have advised. We have handheld.

We have fallen to rise stronger. We have failed to learn better. We have succeeded to strive harder.

While much has been done, much more needs to be done. For, India is at two ends.

At one end, India is the beacon of hope for global economic growth. At the other India continues to languish at the 11th position out of 125 countries in the Global Hunger Index-2023. An estimated 3.44 crore people continue to feature in the extreme poverty bracket.

With these realities staring at us, we are charged to intensify our impact to India's underprivileged. Make them aspire for a better life. And support them in their ambition to a better livelihood.

Moving forward together has been and will continue to be our goal in our endless journey of supporting India at the grass roots.



Nov

Light disburses first loan



Aug

Light expands to Madhya Pradesh

2009

Aug

Light was founded in Ahmedabad, Gujarat

Sep

Light launches first branch in Bavla, Gujarat

2010



2015

April

Light expands to Rajasthan

Sep

Achieved Rs 100 Crore AUM

2018





Mar

Light ranks in FT Ranking:
Asia-Pacific High-
Growth Companies
2022 & ET India's Growth
Champions

Sep

Series B: Equity Infusion of
Rs 196 Crore

Nov

Expands to Himachal
Pradesh



2021

Mar

Light expands to Haryana

July

Series A: Equity Infusion of Rs 75
Crore was completed in Jul 2021

Sep

Achieved AUM of Rs 700 Crore

2022



2023

July

Achieves Rs 2000 Crore
AUM

Oct

Expands to Uttar Pradesh,
Uttarakhand, Odisha &
Jharkhand

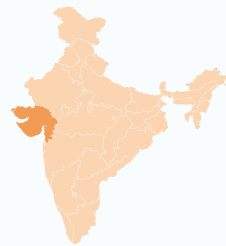


Our milestones

We made considerable progress.

FY2014

Gujarat



4

Branches

51

Team size

9,444

Customers

19

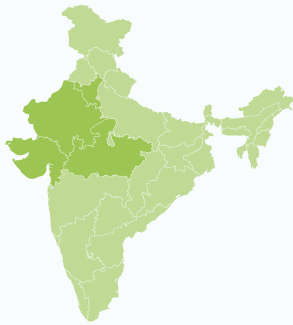
Disbursements (Rs Crore)

2

Total Income (Rs Crore)

0

Net Profit (Rs Crore)

FY2019Gujarat, Rajasthan, Madhya
Pradesh & Haryana

74

Branches

591

Team size

1,07,068

Customers

254

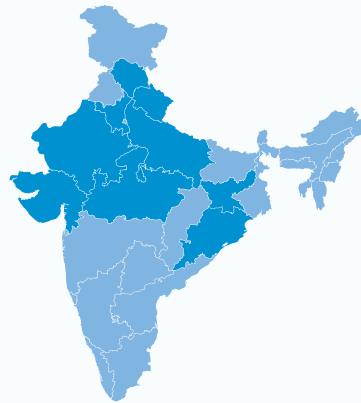
Disbursements (Rs Crore)

44

Total Income (Rs Crore)

2

Net Profit (Rs Crore)

FY2024Gujarat, Rajasthan, Madhya
Pradesh, Haryana, Himachal
Pradesh, Odisha, Jharkhand,
Uttarakhand and Uttar Pradesh

246

Branches

3,612

Team size

5,15,165

Customers

1,812

Disbursements (Rs Crore)

520

Total Income (Rs Crore)

63

Net Profit (Rs Crore)



Our milestones

We feel we
made a positive
impact.



Light has not provided just a loan, but a lifeline. With their support, I grew my dairy business and learned to manage my finances. Not only surviving but I have started saving dreaming big for my family's future. Thank you, Light, for lighting the way!

Meena
Babail, Haryana



My loan from Light made all the difference. The small restaurant I started has blossomed into a family business, with my son and daughter-in-law by my side. It's priceless to see this opportunity, which has not only secured our future but created a path for the next generation. Thank you, Light!

Lalita
Ahmedabad, Gujarat



For a while, I'd been dreaming of opening a shop to bring in extra income and support my family. The dream became reality with Light's loan! Now I sell everyday essentials, and the additional income has made a world of difference. I'm grateful to Light for helping us build a more secure future.

Sanjeeta
Patan, Jharkhand



I always wished I could do more for my family. That's when Light stepped in! Their loan allowed me to buy another cow and expand my daily need store! The extra income has brought such an ease to our lives. We can all breathe a little easier now, knowing we have what we need. Thank you, Light, for helping my herd grow and my family thrive!

Kusum
Muzaffarnagar, Uttar Pradesh



The small loan from Light was a game-changer for my shop. Shop inventory is a lifeline for my business, but often I had to compromise on stock levels due to financial constraints. Thanks to Light, I was able to replenish my inventory and expand my product range. This has significantly boosted my sales and helped me grow my business.

Vijaylakshmi
Sakhigopal, Odisha

About the Company

Light: We are building the quintessential bridge between the endowed and the underprivileged.

Founded in 2009, Light is a Non-Banking Financial Company Micro Finance Institution (NBFC-MFI) that is committed to transforming the lives of marginalized communities across India.

With an unwavering focus on financial inclusion and sustainable development, Light has developed innovative approaches to provide financial services to those underserved by traditional banking institutions.

With a mission to uplift underprivileged communities, Light offers finance products and services aimed at bridging the gap between rural and peri-urban areas.

It primarily focuses on the financial needs of marginalized women. The company's substantial assets are managed effectively to nurture a culture of community empowerment and social cohesion.

Headquartered in Ahmedabad, Gujarat, Light has expanded its territories in multiple states across India, touching the lives of millions of people in the process.

Light is poised to lead the market in delivering top-notch products and services across India, thanks to the exceptional team headed by Mr Deepak Amin, the Promoter and MD, who is driven by a vision to make a difference and set new standards in the industry.

With a relentless commitment to execution excellence, Light is all set to make its mark in the industry and transform the financial landscape of India.



Vision

To be a trusted leader in financial services.



Mission

Develop highly reliable, high touch and scalable financial products and services through innovative, efficient and effective mobilization of capital and deployment of technology for enabling economic and social growth of our customers.



Core values

We at Light come from diverse backgrounds and different corners of India to serve a common purpose – to facilitate economic improvement in the lives of millions of poor families who have so far not been given their due share. While diverse, we share and respect common values which drive us every day towards achieving our goal.

Culture at Light.



Do The Right Thing – Be Ethical And Display Integrity

We believe in doing what is right because it is only then that we can expect to be treated in kind. We strongly encourage, respect and reward fair and transparent dealing in every aspect of work and life.



Respect and Reward Performance

We want to see people grow and take on more responsibilities in our organization. We will actively facilitate such growth. But we expect people to earn their growth by setting high standards in living our values and delivering our services.



Respect Time

Time may be money, but more importantly, delay causes inconvenience. We always ensure that we promise what we can deliver and we deliver the promise on time.



Be Open To Mentoring, Learning, And Innovating

Openness to learning from others and at the same time being proactive in mentoring those who need it is important to us. We encourage the free flow of knowledge and ideas to ensure the organization thinks and acts like one unit. We also encourage creativity and are always open to hearing out new ideas that can serve our customers better.



Respect Individuals

People are our prime assets. We care, respect and show compassion for our colleagues and customers, and continuously strive for the benefit of the communities we serve.



Enjoy Every Moment Of Our Work

We firmly believe work must be fun for our work to deliver meaningful results. We take pride in every achievement, big or small, and, along the way, like to have our share of laughs.



Numbers that define us

15+

Years of experience

9

Geographic footprint (states)

515,165

Number of borrowers

3,600+

Team size

246

Number of branches

2,215

Total assets (Rs Crore)

BBB+/Stable

Credit rating

Competitive edge

What makes Light a solid player in the microfinance sector



Mission

Develop highly reliable, high touch and scalable financial products and services through innovative, efficient and effective mobilization of capital and deployment of technology for enabling economic and social growth of our customers.



Team

Our team hailing from diverse cultures but with a singular commitment of serving the underprivileged, bring in an exceptional mix of energy and excellence to service customers at their doorstep.



Customers

Our customers' demands help us feel the pulse of the market, which continues to fuel our passion to fulfil their requirements and cultivate long-lasting mutually beneficial relationships.



Technology

We have tapped into the seamless potential of technology to come within touching distance of our customer to create a satisfying experience and delivering peace of mind.



Perseverance

Challenges are akin to opportunities for us, and our tenacious spirit of patience and perseverance nudges us to constantly move forward in our endless journey of service to humanity

Business highlights, FY24

Moving Onward together with our customers and people is a good strategy.

125,625

Net customer addition

511

Revenue from operations (Rs Crore)
78.6% growth over FY23

1,812

Disbursement (Rs crore)
4.0% growth over FY23

2,237

Assets Under Management (Rs crore)
26.0% growth over FY23

63

Net Profit (Rs Crore)
133.3% growth over FY23

37

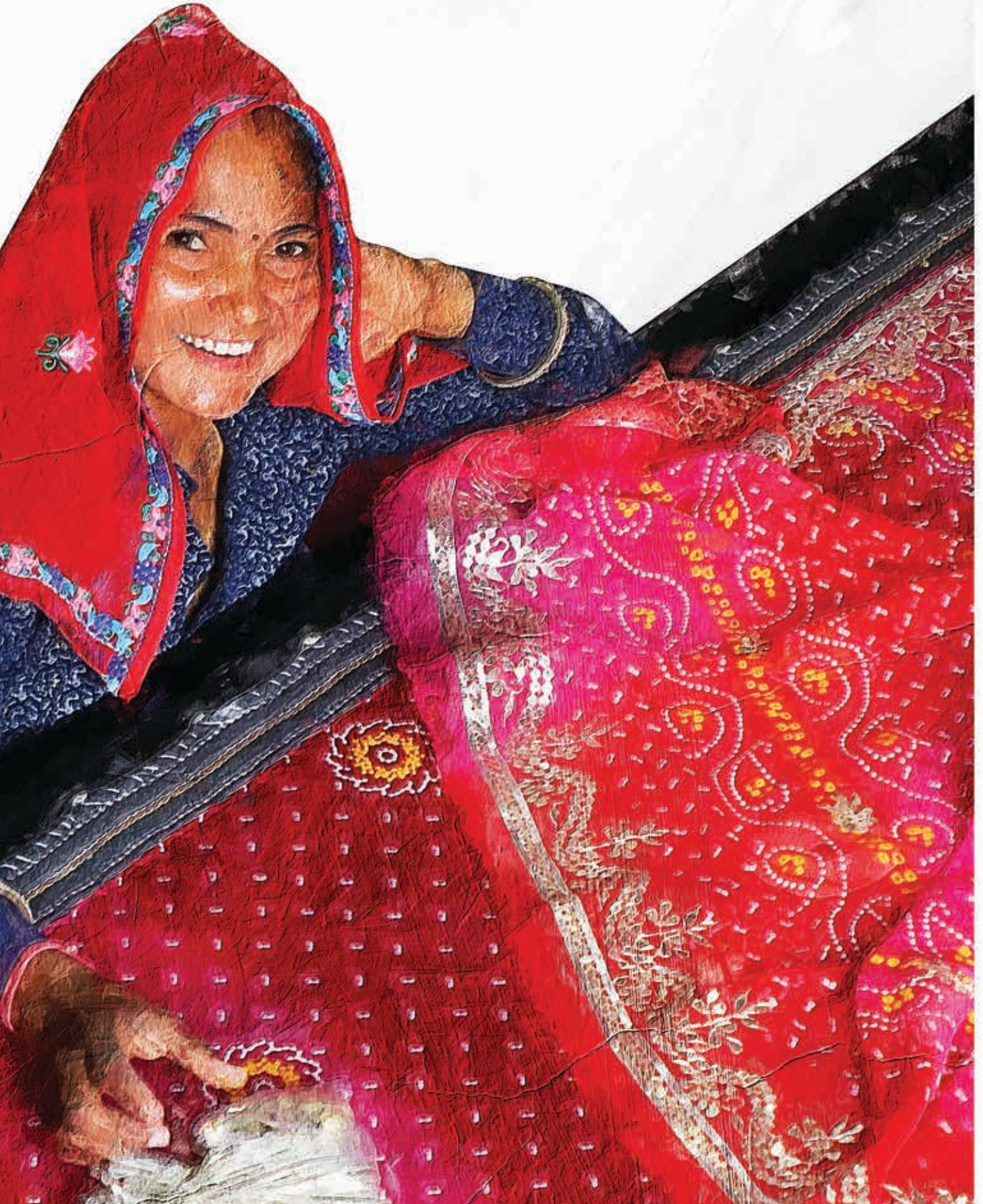
Investment in CSR (Rs Lakhs)
100.0% growth over FY23

97

New branches (Net)

97

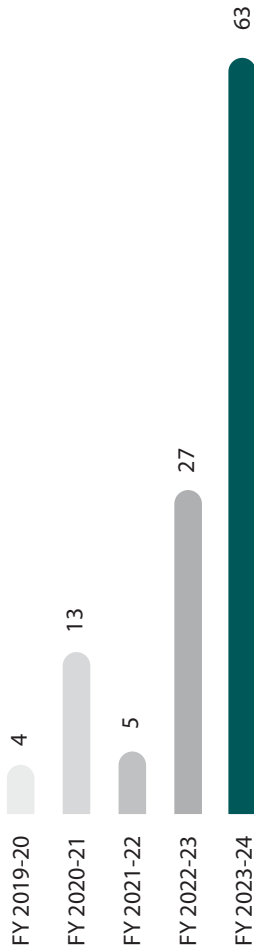
New branches (Net)



Key Performance Indicators

Consistently moving forward together yields heartening results.





Net profit
(Rs crore)

99.21%

CAGR



Net interest margin
(%)

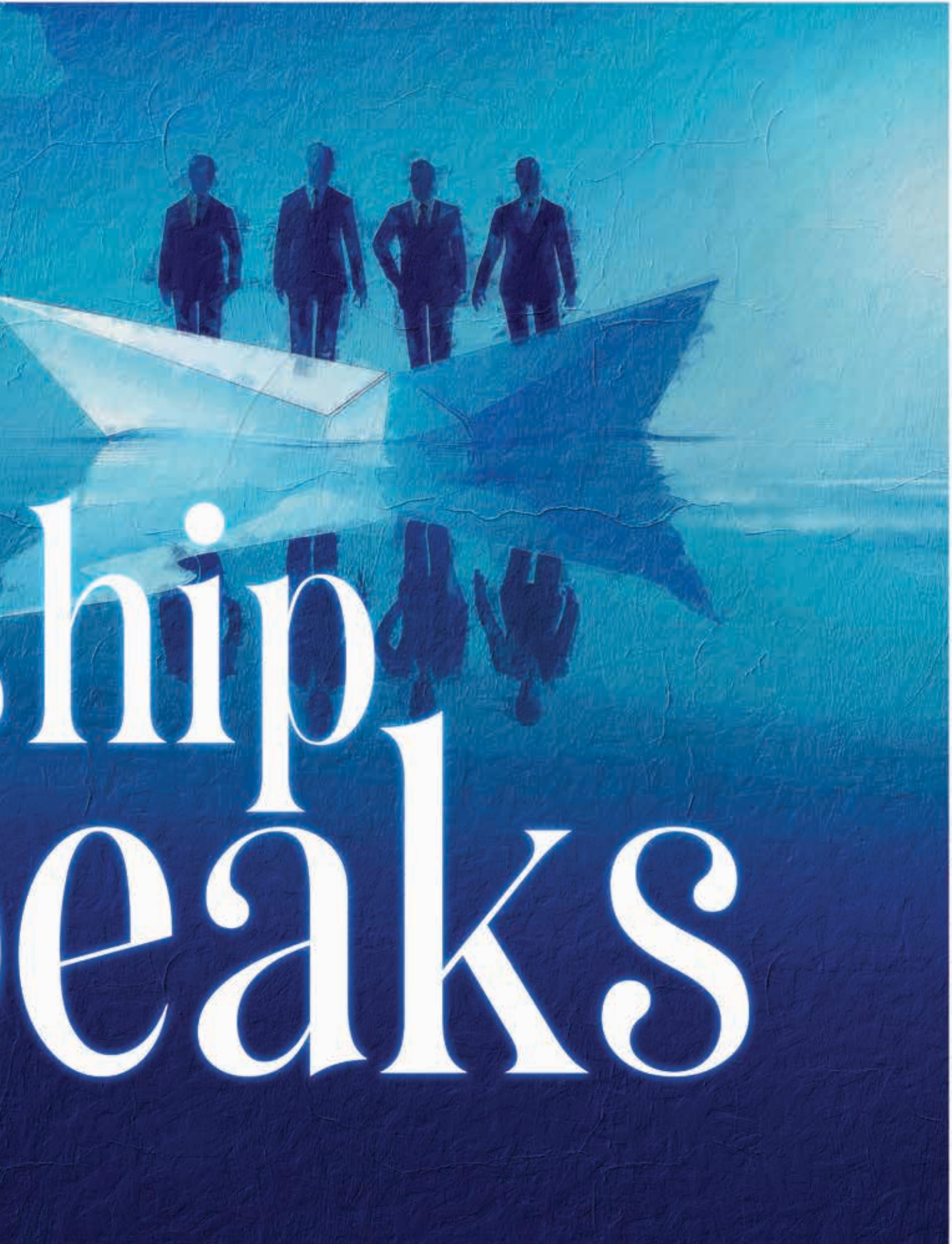


Cost-income ratio
(%)



Capital adequacy
ratio (%)

Our leaders sp



In Memoriam

Vijaylakshmi Das -
A Pillar of Microfinance



Driven by a deep empathy for the underprivileged, Vijaylakshmi Das dedicated her career to financial inclusion.



After completing her post-graduate studies in Economics, she relentlessly pursued advanced courses at prestigious institutions like the Economic Institute and Harvard Institute for International Development. Her knowledge and experience culminated in her leadership role at Friends of Women's World Banking (FWWB) India, where she became the first to provide credit to over 200 micro-lending institutions across several Indian states.

It was during this time that Vijaylakshmi Das, or "Viji" as she was fondly known, met Deepak Amin and Rakesh Kumar, the founders of Light. Recognizing their potential and shared vision, Viji played a crucial role in establishing Light's Ahmedabad headquarters. This decision not only brought Light closer to Viji's expertise but also filled a critical gap in microfinance services across western India. The very first loan to Light came from FWWB under Viji's leadership, symbolizing the trust and encouragement she instilled in the company's mission.

Viji served on Light's Board of Directors from 2014 to 2020, making Light one of the few companies in India with women directors. Her presence ensured that Light prioritized not just financial sustainability but also social impact and ethical practices. Viji was a champion for transparency and integrity, qualities that continue to be core values at Light.

Beyond her professional contributions, Viji fostered a deep sense of kinship with the Light team. Her approachable demeanor and genuine care for the underprivileged left an indelible mark on everyone who knew her. Her absence is deeply felt, but her legacy of dedication, empathy and unwavering commitment to financial inclusion continues to inspire us at Light.

We are confident that Viji would be immensely proud of Light's unwavering commitment to serving the underbanked population. Her vision for an inclusive financial system continues to guide our efforts as we strive to empower communities and promote sustainable growth across India.





Message from the Managing Director

Dear Fellow Shareholders,

I am delighted to present the Annual Report of our Company for the financial year 2023-24 as we complete 15 years of our exciting journey.

As I reflect upon the year that went by and the years preceding, with great pride and satisfaction, for what we achieved to further the cause of social and financial inclusion in society.

Since our inception in 2009, we have faced innumerable challenges. However, we have not only survived but thrived. Our ability to learn from these challenges and ideate and adopt contrarian solutions has been a key factor in our success. To paraphrase Friedrich Nietzsche – what doesn't kill us makes us only stronger!

To give one example, in the aftermath of demonetisation, there were delinquencies, and the margins of all the players in our business space were squeezed; most opted for pruning costs. We did just the reverse. We created a credit team at the field level. We gave increments to all our colleagues in the field. Our entire team stood strong and steady with each other. Our costs increased. But it paid off. Our asset quality continues to be one of the best in the industry.

On the back of strong investments in our team and technology, over the last eight years between 2015 and 2023, we have registered a 55.9% CAGR in AUM, close to 51.0% in disbursement, and more than 59.0% growth in revenue.

Interestingly, our progress has been the best when the external environment was at its worst. In the last five years, which includes two waves of the pandemic, we have grown at a CAGR of close to 70.0%.

As we complete 15 exciting years of our journey, we celebrate our success with our people who have been relentless in their efforts. They have gone beyond the call of duty. I take this opportunity to

thank each one of them for their untiring and passionate efforts, without which we would never have reached where we are today. Light's real assets are not in our balance sheet but in our people.

Our people, our growth, our stability, our asset quality, and our financial strength are an outcome of our vision and our sharp focus on execution.. I am confident that we will continue to move upward and forward as we journey together.

Looking ahead

As a Company with extensive experience in HR, underwriting, risk management, finance, compliance, and governance, we are ready for the next several years as this industry evolves around regulatory changes, technological advancements, and shifts in consumer behaviour, including income and consumption patterns.

Our strategic focus includes transformational changes aimed at enhancing customer satisfaction through operational efficiency and real-time disbursement capabilities. In addition, we plan to introduce products where customers have the autonomy to customise aspects such as product type, ticket size, tenor, and EMI structure.

At Light, our progress in the current fiscal will be driven by the core values of transparency, integrity and our ethos of collective advancement. Our transformation, on the other hand, will be driven by strong fundamentals and a well-defined strategic roadmap.

In conclusion, I express my sincere gratitude to our committed team, to all our stakeholders, our investors, our directors, our regulators and above all our customers for their support. Together, we will continue to transform lives.

Warm regards,

Deepak Amin
Chairman and Managing Director

Our strategic focus includes transformational changes aimed at enhancing customer satisfaction through operational efficiency and real-time disbursement capabilities.



Message from the Chief Executive Officer

Dear Friends,

I sincerely hope all of you are doing well. I am happy to ink my thoughts after another eventful year of significant progress. We are proud to have continued our growth momentum through a year that was relentless with unprecedented inflationary pressures, the ongoing Russia-Ukraine war, congestion in the shipping routes, labour shortages, container shortages and other supply chain constraints.

We continued to progress further in the face of strong sectoral headwinds. It was an exemplary all-around performance as we extended our presence to four new states and expanded our network by about 100 branches; we added 1,000+ employees and 1.3 Lakhs customers. Our disbursements leapfrogged by 4.0%, and our revenue from operations by 73.0% over the previous year.

Along with increased business volumes, we improved our business processes by leveraging contemporary digital solutions. We aligned our credit filters to align with evolving regulatory requirements. And we remained aggressive in our people training. These efforts would

only strengthen our pillars to sustain our growth moving ahead.

Looking ahead to FY25

India's economic resurgence and the Government's efforts to spur the rural economy will continue to buoy the prospects of the microfinance space. Stable interest rates will help in spurring demand for and supply of credit. However, an otherwise promising horizon may be impacted by certain headwinds.

One, the regulatory body is concerned with the unbridled growth of unsecured loans. They are working to gain an in-depth understanding of the players' credit quality and shock-resistance capability. It has also intensified its focus on various aspects of fintech operations.

Two, customer behaviour continues to evolve rapidly, fuelled by increasing financing options and the fintech sector. The rapidly changing digital world is considerably influencing customer mindset.

Three, banks are currently experiencing liquidity constraints, markedly contrasting with the ample liquidity position observed a year ago.



We will focus our energy on leveraging digital solutions to improve decision-making, enhance operational efficiency and provide customer convenience.



Consequently, these factors could collectively weigh on the microfinance space's growth prospects, moderating the sector's growth trajectory.

Mindful of these possibilities, we have strategised to take a pause. We believe that having achieved more than 50% growth for more than five years; it's the opportune time to consolidate our business, refine our systems, and streamline our processes to build operational efficiency, creating a robust platform for the next big leap.

We will focus our energy on leveraging digital solutions to improve decision-making, enhance operational efficiency and provide customer convenience.

We introduced the UPI payment solution, which has been widely accepted and adopted by our customers. Our "Light Money" app is also being used by a substantial portion of the households we serve.

We consolidated our analytics platform to accelerate internal decision-making, showing encouraging results. We are piloting a digital lending platform with four to five signed partners, where we are aiming for stability, streamlining, and automation.

We are developing multiple tech products, including a machine learning-based

underwriting model that will boost the pace of the risk assessment process.

Our high-tech solutions will support our high-touch model to deliver superior value and service to our customers.

In conclusion, we deeply appreciate the trust and support of our stakeholders. Moving forward, we will focus on delivering quality growth that benefits all stakeholders.

I would like to express gratitude to the Board, our lenders, and our dedicated colleagues for their contributions throughout the year. A special thanks goes to our entire team, who have worked tirelessly to achieve our goals.

Together, we have achieved significant milestones, and I am grateful for the collective effort and dedication that brought us success so far. It has been an inspiring and fulfilling journey. With the momentum we have built, I am confident that we will continue moving forward steadily towards our shared objectives in the future.

Wishes and regards,

Rakesh Kumar
Co-Founder &
Chief Executive Officer

We are different ... and how!

We have emerged as the outliers in a business space cluttered with players jostling for space.

HOW ARE WE DIFFERENT?



CREDIT PRACTICE

During demonetisation, we experienced delinquencies like most others. During that period, when others sought to cut expenses, we decided to incur expenses. We created a credit team that assessed customer creditworthiness at source.

LEVERAGING THIS UNIQUE SYSTEM, WE HAVE MAINTAINED AN NPA THAT IS ABOUT A THIRD OF THE INDUSTRY STANDARD FOR ABOUT 20 QUARTERS.



PRESENCE PHILOSOPHY

We understand that our business is people-intensive. Given the nature of our business, rural locales, small-ticket sizes etc. Hence, it was necessary to operate in a limited area, build the systems, and entrench our presence before extending into a new state. For us, diversification means extending our presence across districts and talukas to comprehensively cover the state before extending into a new state.

WE ARE PRESENT IN ONLY 9 STATES IN INDIA, BUT IN EVERY STATE, WE COVER ALMOST EVERY DISTRICT.



CUSTOMER & TICKET SIZE

We maintain a very strict credit policy. We do not consider a single borrower who has defaulted even once on their repayment schedule. We only work with borrowers with robust cash flows and multi-income streams and align with our credit policy. And once we select a customer, we are open to providing higher loans for their enterprises.

WHILE OUR REJECTION RATES ARE THE HIGHEST IN THE INDUSTRY, OUR TICKET SIZES ARE HIGHER THAN WHAT OTHER MFIs OFFER.



HI-TECH SUPPORTING HIGH TOUCH

We have maintained a tech focus since inception. We were the first company to introduce a cloud-based application and loan management system. We pioneered the practice of using a mobile app for our field force for the sales and credit functions. We have developed a credit underwriting algorithm that filters all applications, reducing our TAT. Currently, almost all our business operations leverage the power of technology.

WE ARE THE FIRST NBFC-MFI TO HAVE PAPERLESS OPERATIONS.



RISK MANAGEMENT

We understand that in our business, risk is granular in nature. By maintaining a strong presence at the lowest end of the administrative hierarchy within a state and adhering to our credit policies, we are able to isolate a particular risk at the taluka or village when it happens. It helps us to improve the quality of our business.



Message from the Chief Financial Officer

Dear Friends,

Reflecting on the past financial year, we are pleased to present our achievements and milestones in advancing financial inclusion and empowering communities.

I am delighted to announce that despite macro headwinds in the financial services industry, we have reported healthy growth in our financial performance.

We maintain a keen eye on global and domestic events to evaluate their impact on our business. Given the various macro factors at play preceding an election year, we decided to adopt a moderated approach to ensure that the external volatility does not impact the quality of our books.

Considering our cautious approach, we made considerable progress across all parameters. We deepened our presence in existing markets and prudently extended our presence in new states. Consequently, our branch network and active customer base increased with a healthy uptick. Our disbursement in FY24 stood at Rs 1,744 crore against Rs 985 crore in the previous year. The size of our gross loan portfolio moved north to Rs 2,237 crore at the end

of FY24, recording a 26.0% growth from the last financial year.

Revenue from operations increased appreciably to Rs 511 crore in FY24 from Rs 286 crore in FY23 – an increase of 78.6%. Our Net Profit scaled to Rs 63 crore in FY24, 134.8% increase over the previous year.

We focused on optimising our business model through technology-led systems that significantly improved customer retention, attracted new customers, and reduced turnaround times and operating costs. Moreover, our efforts have enhanced our asset quality, evidenced by a reduction in Gross NPA from 2.0% in FY23 to 0.5% in FY24.

Our performance reflects our resilient business model, effective management, the ability to adapt to evolving and our consistency in delivering superior performance despite prevailing volatility.

With the regulatory agencies becoming more stringent on periodic performance reporting across diverse parameters, we implemented a technology-based compliance management system that allows us to stay ahead of the regulatory requirements of all stakeholders.

Our performance reflects our resilient business model, effective management, the ability to adapt to evolving and our consistency in delivering superior performance despite prevailing volatility.

Looking ahead

Looking ahead to FY25, we anticipate subdued growth due to insufficient increase in rural wage compared to the growth in average outstanding per borrower. Additionally, CPI inflation has not decelerated as was anticipated.

Furthermore, the profitability of non-banking finance companies (NBFCs) operating as microfinance institutions (NBFC-MFIs), which showed improvement in recent years, is expected to stabilise. This adjustment comes as margin expansion slows down while credit costs remain benign.

We will pursue a more calibrated growth strategy for the next four to six quarters. We will focus on upgrading our systems for enhancing operational efficiency and introducing new products to address

customer cash flow requirements. By doing so, we aim to pace our growth accordingly, ensuring we can adapt to market conditions more effectively.

We will also focus on enhancing our digital ecosystem. Our recently developed credit underwriting engine is likely to come into effect after a yearlong pilot. It will significantly increase the efficiency of the entire risk assessment procedure and reduce the turnaround time, which is critical in our business space.

We will actively engage in lending digitally, where the entire customer journey from onboarding to disbursement occurs through technological intervention and with like minded and tech-enabled partners. We will encourage more of our customers to adopt the digital economy this financial year.

We aim to democratise access to financial services, extending support and financial literacy to underserved communities.

By aligning our efforts in this direction, we are positioning our Company to meet the evolving needs of a diverse customer base while fostering inclusivity and empowerment through financial education and support.

I appreciate all our stakeholders for their strong support and trust in us. Our customers, our main source of strength, continue to be at the heart of our resilience.

Warm regards

Aviral Saini
Co-Founder &
Chief Financial Officer



Cornerstones of our success



A collection machine

At Light, we consider ourselves as a collection machine. We believe that if the money is not returned, there is no point in disbursing.



A disciplined customer

For us, a customer is not simply an individual; it's a household. We prefer to onboard customers with stable households who have multiple revenue sources. They have gone through multiple loan cycles. They understand cash management. This is also due to our collection mindset. While we are very selective with our customers, the flip side is that we give significantly higher ticket sizes than the industry norm.



A fund reservoir

We plan ahead for our fund requirement. This proactive planning and strategy provides us with the bandwidth to negotiate better with our partners to secure the best possible rates for our loans.



Awards and accolades



Our
winning moments



Team engagement

Our fun moments











CSR Report

Light diligently works towards illuminating an impactful journey of empowerment. The Company believes in fostering sustainable development through its Corporate Social Responsibility initiatives. Guided by its commitment to social welfare, Light focuses on enhancing education, promoting financial literacy, and empowering underserved communities across India.

The CSR report of FY 2023-24 highlights the important efforts undertaken by the Company, benefitting over 15,000 people. Light primarily focuses on Education, Health and Women's Empowerment, striving to create a society where everyone has access to basic needs, equal opportunities and a respectable life.

These efforts include programmes to support children's education, improve healthcare access, empower women and promote environmental sustainability, positively impacting over 25,000 individuals in three years. Thus, through dedicated endeavours, Light strives to create a positive ripple effect that uplifts lives and builds a more inclusive society.

Embark on a quick tour of the Company to learn about its accomplishments and aspirations in making a meaningful difference where it matters most.



Education

Programme

Ek Hi Iccha, Sabko Shiksha

Projects

- **Badhte Kadam**
- **Anmol Angan**
- **Safe Harbour**



Health

Programme

Nirog

Projects

- **Nirog**



Women's Empowerment

Programme

Aapka Bhagya, Aapke Haath

Projects

- **Swavalamban**
- **Smart Dhan**

Marquee programmes



Ek Hi Iccha, Sabko Shiksha

Light recognises education as the foundation of a prosperous society. Through its comprehensive programme, Ek Hi Iccha, Sabko Shiksha, the Company addresses the diverse needs of both rural and urban school children. The programme tackles these needs through a combination of educational projects. By addressing these diverse needs, the programme aims to create a future where all children have the opportunity to succeed through quality education. The programme has three projects as listed below.

- **Badhte Kadam:** The project ensures equal opportunity for all children by providing much-needed stationery kits and addressing the issue of limited resources.
- **Anmol Angan:** The project empowers adolescent girls by tackling often-ignored topics of menstruation and hygiene through interactive sessions, dispelling cultural taboos and misinformation. It equips girls with the knowledge and tools they need.
- **Safe Harbour:** The project focuses on personal safety education for children aged 5-10 years. Through interactive workshops, songs, role-plays, and games, Safe Harbour equips children to identify safe and unsafe touch, creating a safe space for learning and open communication.

Nirog

Good health is essential in every sphere of life, both for individual and community well-being. This programme works in that direction. It aims to enhance access to healthcare services by conducting eye and health checkup camps in remote villages, delivering crucial medical care directly to those most in need.

Aapka Bhagya Aapke Haath

The Company acknowledges the pivotal role women play in shaping a resilient society. This initiative empowers Indian women to unlock their full potential through impactful projects. With 'Aapka Bhagya, Aapke Haath, Light is steadfast in fostering a future where women can realise their dreams and aspirations while making meaningful contributions to their communities. This programme runs the following two projects.

- **Swavalamban:** The project equips women with the resources to start their businesses and sends them on a journey in entrepreneurship, fostering financial independence for themselves and their families.
- **Smart Dhan:** The project trains women with the knowledge and skills to manage their finances effectively, plan for the future and invest strategically, creating a ripple effect that empowers their families and communities.

Outreach

Amid changing expectations and marketplace shifts, the Company focuses on advancing action together, achieving collective progress and contributing to sustainability and community development. This helps Light achieve its CSR goals while benefitting individuals, the planet and local communities.

During the 2023-24 financial year, the community engagement initiatives entered their third year, focusing on issues like education, health, WASH (Water, Sanitation and Hygiene) and women's empowerment to address local needs. These initiatives

have left a lasting positive impact on the communities living near the Company's areas of operations and have expanded quickly in the states of Gujarat, Rajasthan, Haryana, Madhya Pradesh and beyond.

The Company's reach extends to the remotest corners of rural India, addressing acute developmental needs. Thus, the commitment goes beyond numbers, aiming for enduring change and community empowerment.

1

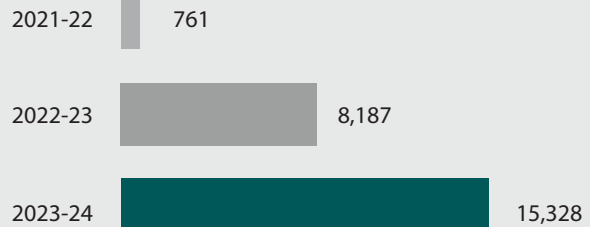
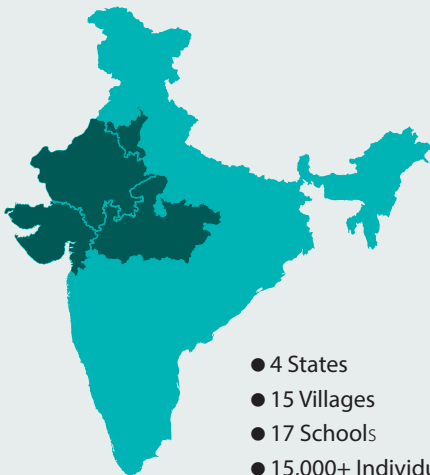
**Ek Hi Iccha,
Sabko Shiksha**

2

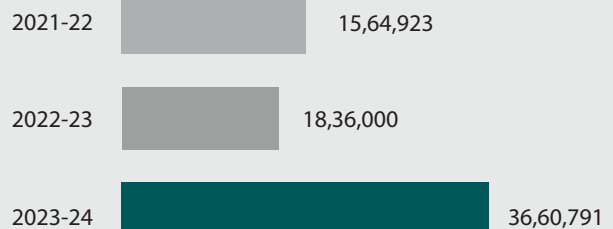
Nirog

3

**Aapka Bhagya,
Aapke Haath**



No. of Beneficiaries



CSR Expenditure (in Rs)



Ek Hi Iccha, **Sabko Shiksha**

Educating children is paramount for India's social progress. Despite financial limitations and infrastructural gaps, initiatives like free schooling and community programmes bridge this divide. Scholarships and vocational training offered through private and public partnerships further empower children to break the cycle of poverty. Light, emphasising holistic development and inclusivity, aims to nurture future leaders and innovators. These efforts contribute to unlocking India's potential while fostering equality and opportunity for all.

Ek Hi Iccha, Sabko Shiksha, launched in 2021-22, is a cornerstone of Light's CSR initiatives. Designed to provide educational assistance and support to children in rural and urban India, the programme prioritises ensuring every child has access to and completes formal education.

This year, the programme comprised three projects: Badhte Kadam (stationary distribution), Anmol Angan (menstruation awareness programme for teenage girls) and Safe Harbour (safe and unsafe touch awareness programme for children in the age group of 5 to 10 years). Implemented across 13 schools and four Anganwadis across Guna (Madhya Pradesh), Alwar (Rajasthan), Dahod (Gujarat) and Kaithal (Haryana), these projects empower children with the skills and knowledge needed for fulfilling lives and positive societal contributions. Overall, the programme represents a significant step towards achieving universal education in India and creating a brighter future for future generations.



Project: Badhte Kadam

OBJECTIVE: Many children in rural India encounter substantial challenges accessing quality education, primarily due to inadequate resources. A major hurdle they face is the absence of essential school supplies, which can hinder their active participation in learning.

FOCUS: This project recognises that seemingly simple items like notebooks and pens are critical in supporting a child's learning journey. Without these essential tools, children struggle to practice their skills, complete assignments, and fully engage in classroom activities. This project specifically targets rural government schools, where students from lower socio-economic backgrounds may lack access to these resources at home.

PROJECT DETAILS: The Company provided age-appropriate and high-quality stationery kits for each child, including essential items like notebooks, pens, pencils, sharpeners, erasers and drawing books.

IMPLEMENTATION & IMPACT: In the 2023-24 academic year, the programme reached 5,695 students across 13 rural government schools and 4 Anganwadis (early childhood care centres). The impact of this initiative has been truly remarkable, exceeding our expectations. The Company observed increased classroom participation, improved homework completion rates and a greater enthusiasm for learning among the students.

Project: Anmol Angan

In India, raising awareness about menstrual health is crucial for the empowerment and well-being of women. Cultural taboos and societal stigmas often hinder open discussions on reproductive health and rights. However, through educational campaigns, workshops and accessible healthcare services, rapid strides are being made to break barriers.

OBJECTIVE: Project Anmol Angan under Ek Hi Iccha, Sabko Shiksha programme, focuses on WASH and works towards that aim. In rural India, the threshold of womanhood can be shrouded in secrecy and shame, leaving many young girls unprepared and vulnerable. Menstruation, a natural biological process, is often wrapped in layers of misinformation and cultural taboos. This lack of knowledge and open communication can lead to confusion, anxiety and even harmful health practices.

FOCUS: Anmol Angan empowers adolescent girls by equipping them with the knowledge, confidence and life skills they need to navigate this critical phase of adolescence when they go through a whirlwind of physical and emotional changes. Girls in rural communities often have limited access to accurate information and open communication, leaving them grappling with unanswered questions and anxieties about the following issues.

- Menstruation: Myths and misconceptions creating confusion and shame around a natural biological process.
- Evolving bodies: Understanding and accepting physical changes is crucial for building self-esteem and confidence.

PROJECT DETAILS: The initiative recognises these needs and, through awareness sessions, provides a safe and

supportive space for girls to understand and deal with the various issues mentioned below.

- Experienced female instructors from the non-profit Ahmedabad Women's Action Group (AWAG) facilitated interactive sessions, addressing myths and misconceptions surrounding menstruation, reproductive health and personal hygiene clearly and age-appropriately.
- Open discussions and activities created a safe space for girls to express their concerns, ask questions and develop a healthy understanding of their bodies and choices.
- The project emphasises the importance of adopting hygienic practices during menstruation to prevent infections and maintain well-being. Girls learnt about proper sanitation methods and menstrual hygiene products.

Implementation & impact:

- Community Change: As girls become ambassadors of positive practices and informed advocates for themselves, they contribute to a shift in community attitudes towards menstruation. By openly discussing their experiences, they break the cycle of silence.
- Healthier Families: The project emphasised hygiene and well-being, empowering girls to make informed choices about their health, potentially impacting future generations by promoting healthy practices within their families.
- Breaking the Cycle of Poverty: Education and empowerment improve girls' life opportunities. By staying healthy and attending school, they are better equipped to pursue their education, find employment and contribute to their communities, breaking the cycle of poverty.

Ek Hi Iccha, Sabko Shiksha

The program was implemented in four districts across four Indian states:

- Dahod, Gujarat
- Alwar, Rajasthan
- Guna, Madhya Pradesh
- Kaithal, Haryana



Badhte Kadam

5,695

beneficiaries

Kids were distributed stationery kits which included notebooks, pencil, drawing books and crayons.



Anmol Angan

1,161

beneficiaries

Anmol Angan, Light's first WASH program, combats misinformation and empowers girls in rural India regarding menstruation.

Project: Safe Harbour

Despite growing awareness, the prevalence of child sexual abuse issues underscores the urgency for comprehensive solutions. As Light navigates through society, understanding the complexities of this issue becomes paramount for formulating effective strategies for prevention and intervention.

OBJECTIVE: India's children face a harrowing reality, one marred by the chilling statistic of a sexual abuse incident every 15 minutes. With 85% of perpetrators known to the victim and only 25% of the victims finding the courage to speak up, the need for proactive measures becomes stark. Light's CSR project, Safe Harbour, rises to this challenge, steering the ship towards a safer future through awareness sessions.

FOCUS: The initiative aims to protect children from exploitation and provide a safe environment for their physical and emotional well-being. Through education, awareness campaigns and community engagement, the Company strives to empower children with knowledge and resources to recognise and report abuse. Thus, the initiative seeks to create a society where every child is safe, respected and able to thrive.

PROGRAMME, IMPLEMENTATION & IMPACTS: The project's unique features are listed below.

- **Sailing into Rural Schools:** These interactive awareness sessions transform into havens of knowledge and empowerment, reaching children aged 5-10 years, a vulnerable yet crucial phase in their journey towards independence. Conducted in the children's native language, these sessions bridge communication gaps, ensuring every child is equipped with the necessary understanding.
- **Interactive Anchors:** Engagement is the lifeblood of 'Safe Harbour'. The awareness sessions are brimming with activities that make learning fun and impactful. Children sing songs, participate in role-plays and engage in games, all carefully designed to solidify the concepts of safe and unsafe touch. This interactive approach fosters understanding, confidence and critical thinking skills.
- **Visual Beacons:** Visual aids play a vital role in reinforcing the message. Captivating films and colourful posters capture the children's attention, while illustrated booklets provide a tangible resource for continued learning beyond the session. These visual anchors creates a lasting impression, ensuring the message resonates long after the session..
- **Planting Seeds of Resilience:** The knowledge imparted in these workshops goes beyond mere awareness. It empowers children to become active participants in their safety. They learn to identify safe and unsafe touch, understand their right to say 'no' and gain the confidence to seek help whenever needed. This ripple effect of empowerment extends beyond the individual, creating a wave of awareness within their communities, challenging harmful norms and fostering a culture of protection.
- **A Brighter Horizon:** The project envisions a future where India's rural landscapes transform into safe havens for children, where fear is replaced by empowerment and the joy of childhood blossoms freely. By nurturing young minds with the knowledge and tools they need to navigate their world safely, the project paves the way for a brighter tomorrow, where every child can thrive, away from the shadow of abuse hovering over them.



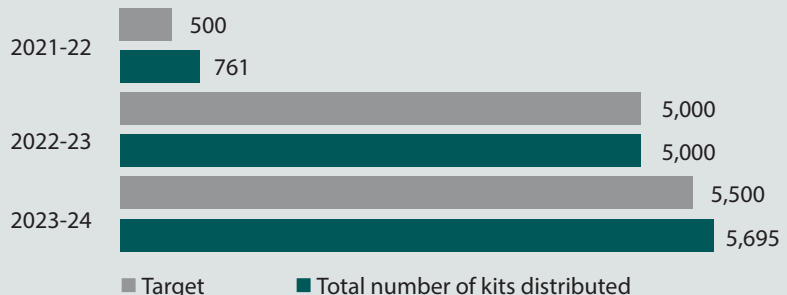
Safe Harbour

1,636

beneficiaries

The program combats child sexual abuse in India through education and empowering children aged 5-10 years in rural schools to recognize and report it.

TOTAL BENEFICIARIES | 5,695



Stationery Distribution

Nirog

The program was implemented in four districts across four Indian states:

- Dahod, Gujarat
- Alwar, Rajasthan
- Guna, Madhya Pradesh
- Kaithal, Haryana

Services Wise Coverage

6,580

beneficiaries

Vision Screening

1,829

beneficiaries

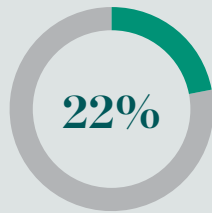
Hyperglycemia Screening

895

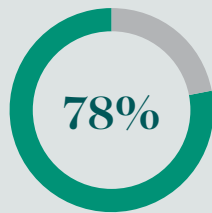
beneficiaries

Hyperglycemia Screening

Sugar-level Screening Results



Community having elevated sugar level



Community having normal sugar level

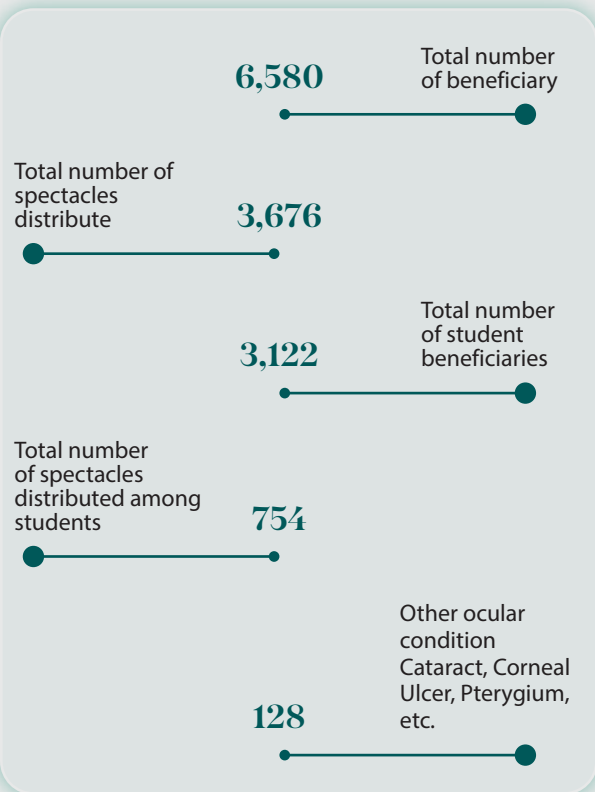
Vision Screening Results

56%

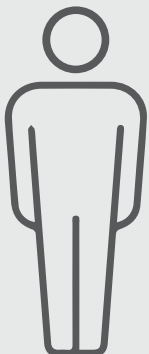
Community suffering from Refractive Error or Presbyopia

21%

School going students having Refractive Error



Gender Coverage



TOTAL BENEFICIARIES | **6,580**





Nirog

Ideally, every resident should be able to conveniently and confidently access medical care services across every region of the country. However, rural residents often encounter barriers to healthcare facilities that are critical to good health, limiting their ability to earn a living by performing manual agricultural tasks.

Access to proper healthcare is important, as it can bring numerous benefits to the village populace, including enhancing productivity and thriving economically while ensuring continuity in farming practices and contributing to food security.

Moreover, good health reduces healthcare expenses, allowing families to allocate resources towards education and other essential needs, uplifting rural economies sustainably. Therefore, adequate healthcare services are paramount, and Nirog is Light's attempt to address this concern.

OBJECTIVE: Nirog is a health programme that focuses on improving the health and well-being of people in India's rural and urban areas. The programme's primary goal is to provide access to healthcare services and support to individuals with inadequate resources or access to healthcare facilities. The programme emphasises preventive healthcare opportunities to help people

maintain good health and prevent the onset of diseases. This approach is critical in addressing health disparities, particularly in underserved areas with limited access to healthcare services.

FOCUS: The initiative recognises the importance of good health in promoting overall well-being and quality of life. It aims to ensure that everyone, regardless of socio-economic background or geographic location, has access to healthcare services to lead a happy, healthy and prosperous life.

PROGRAMME FEATURES: Nirog includes several aspects, such as health check-up camps, vision screening and free distribution of spectacles. These components work together to comprehensively support rural people, addressing their diverse health needs and challenges.

IMPLEMENTATION & IMPACT: Nirog empowers individuals and communities to take charge of their health and well-being by providing access to healthcare services and support, leading to increased productivity and a better quality of life. Overall, the programme represents a significant step towards achieving universal healthcare in India and creating a healthier future for upcoming generations.





Aapke Bhagya, Aapke Haath

Today, women are progressively taking charge of their lives by breaking barriers and redefining societal norms. Nevertheless, progress is still being made in financial matters. Hence, encouraging women to achieve economic independence is vital to complete women's empowerment.

Financial independence for women in India is a cornerstone of progress. When women can earn and manage income, a ripple effect of positive change empowers them, their families and their communities. Recognising this critical role, Light's Aapka Bhagya, Aapke Haath programme champions women's empowerment by equipping them with the tools for self-sufficiency and financial independence.

The programme operates under the belief that financially empowered women prioritise their families' well-being, investing in their children's education and healthcare. This breaks the cycle of poverty, paving the way for a brighter future for generations to come. Aapka Bhagya, Aapke Haath fosters women's financial autonomy in rural and urban areas, contributing to inclusive development and gender equality.

Aapka Bhagya, Aapke Haath celebrated its third successful year in 2023-24. Through its two key projects, Swavalamban and Smart Dhan, the programme has empowered over 250 women. These initiatives offer comprehensive support encompassing training sessions and resources to launch entrepreneurial journeys as well as mentorship programmes. This multifaceted approach equips women with the necessary skills and knowledge to launch and grow their businesses.

Furthermore, the programme goes beyond skill development, recognising the importance of financial resources. It empowers women by providing tools like sewing machines, handcars and cloth cutters, enabling them to translate their skills into successful enterprises.

Project: Swavalamban

OBJECTIVE: The project focuses on women's empowerment. The primary objective is to assist and support women, helping them achieve financial independence and self-sufficiency.

FOCUS: The project provides inputs and resources to women to start small businesses and gain financial independence.

PROJECT DETAILS: The project identifies women from economically backward sections of society who have the potential to become successful entrepreneurs. This includes women who may have faced challenges such as dowry, domestic violence, single motherhood or widowhood. The

project assesses women's skills and interests to tailor support for their business ventures. This year, 33 women received sewing machines, handcarts and cutting machines to help them launch their businesses.

Implementation & impact:

- Women are empowered to build self-sustaining businesses.
- Women will no longer have to work as labourers or fall into the trap of human exploitation.
- They will be able to gradually come out of the debt trap and work towards a promising future.
- Women achieve their right to earn a living and break the stereotype that only men can be breadwinners.

Project: Smart Dhan

Finance serves as a potent tool for women's empowerment in rural villages. Access to microfinance and savings mechanisms enables women to start and expand small businesses, fostering economic independence.

With financial resources, women can invest in education and healthcare for themselves and their families. Moreover, financial literacy programmes empower women with the knowledge and skills to manage their finances effectively, enhancing their decision-making autonomy.

As a result, women gain social recognition and influence by participating in income-generating activities and contributing to household incomes, transforming gender dynamics and fostering inclusive development in rural communities.

OBJECTIVE: Light's Smart Dhan project equips women in rural areas with the knowledge and skills to manage their finances confidently and pursue personal growth and entrepreneurial goals. Launched in 2023-24, the initiative empowers them through comprehensive digital financial literacy training.

FOCUS: The project imparts knowledge and skills for effective money management. Educating rural women about savings, investments, and financial planning empowers them to make informed decisions, build assets and secure their financial futures, driving economic empowerment and independence.

Implementation & impact:

- Impactful Training: As many as 223 women beneficiaries across 13 districts in four states received essential financial literacy and awareness training. Also, 186 village-level women trainers gained financial literacy skills, enabling them to cascade knowledge within their communities.
- Participants learned digital transaction techniques using the latest financial tools, promoting financial inclusion.
- Reaching Underserved Communities: Smart Dhan successfully reached rural women in marginalised areas of Rajasthan, Gujarat, Haryana and Madhya Pradesh, fostering financial independence and economic empowerment.

**AAPKA BHAGYA,
AAPKE HAATH**

The program was implemented in 14 districts of 4 states in India:

- Dahod, Gujarat
- Alwar, Rajasthan
- Guna, Madhya Pradesh
- Kaithal, Haryana

Swavalamban**28 & 5****machines & handcarts**

Women were distributed sewing machines, cloth cutting machines and handcarts to start their own business.

Smart Dhan**223****trainers**

Women were trained for financial literacy and digital transactions.

**Gujarat**

Kheda, Dahod,
Panchmahal & Mahisagar

Madhya Pradesh

Ratlam, Mandsaur &
Rajgarh

Rajasthan

Barmer, Alwar & Bhilwara

Haryana

Kaithal, Hisar & Jind

Women Beneficiaries

TOTAL
BENEFICIARIES | **256**







Future Focus

Light is steadfastly committed to continuously improving and expanding its impactful CSR initiatives. The report offers a glimpse into the Company's future focus areas.

- **Expanding Outreach:** Light aspires to increase its reach and positive impact on community development significantly. This will involve extending its current CSR programmes geographically to encompass all 9 operational states.
- **Deepening Partnerships:** Light will actively seek to strengthen and expand partnerships with NGOs, government agencies and other stakeholders to maximise impact and reach a wider range of beneficiaries across India.
- **Enhancing Measurement and Evaluation:** Recognising the importance of effectiveness, Light will implement robust measurement and evaluation frameworks for its programmes. This will facilitate continuous monitoring, strategic adaptation, and maximising positive social impact.
- **Innovation and Scalability:** Light remains dedicated to exploring innovative approaches and solutions to address social challenges. The Company will strive to develop scalable models that can be replicated across various communities, creating a wider and more lasting impact.

This future focus ensures that Light's CSR programs continue to be impactful and contribute meaningfully to a better tomorrow.

BOARD OF DIRECTORS



Mr. Deepak Amin
Managing Director



Mr. Rakesh Kumar
CEO and Executive Director



Mr. Aviral Saini
CFO and Executive Director



Mr. Anuj Kumar
Independent Director



Mr. Chandan Sinha
Independent Director



Mr. Parveen Kumar Gupta
Independent Director



Aditya Bhandari
Nominee Director



Thomas Klungsøyr
Nominee Director



Hemant Contractor
Additional Independent Director

BOARD COMMITTEES

as on March 31, 2024

AUDIT COMMITTEE

Mr. Anuj Kumar	Chairperson
Mr. Chandan Sinha	Member
Mr. Aditya Bhandari	Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Anuj Kumar	Chairperson
Mr. Chandan Sinha	Member
Mr. Thomas Klungsøyr	Member

RISK MANAGEMENT COMMITTEE

Mr. Chandan Sinha	Chairperson
Mr. Anuj Kumar	Member
Mr. Deepak Amin	Member
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member
Mr. Thomas Klungsøyr	Member

IT STRATEGY COMMITTEE

Mr. Anuj Kumar	Chairperson
Mr. Deepak Amin	Member
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member
Mr. Satish Dhupdale	Member
Mr. Aditya Bhandari	Member

ASSET LIABILITY MANAGEMENT COMMITTEE

Mr. Deepak Amin	Chairperson
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member
Ms. Madhavi Gajjar	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Deepak Amin	Chairperson
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member

SECURITIES ALLOTMENT COMMITTEE

Mr. Deepak Amin	Chairperson
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member

INTERNAL COMPLAINTS COMMITTEE

Ms. Jyotika Sood	Chairperson
Ms. Damini Shah	Member
Mr. Jayanta Chatterjee	Member
Ms. Nidhi Shah	Member
Ms. Varsha Wardhani	Member

SHARE TRANSFER COMMITTEE

Mr. Deepak Amin	Chairperson
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member

INTERNAL INVESTIGATION COMMITTEE

Mr. Deepak Amin	Chairperson
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member
Mr. Pratik Soyantar	Member
Mr. Jayanta Chatterjee	Member
Mr. Jayesh Dave	Member
Mr. Ashutosh Singh	Member

EXECUTIVE MANAGEMENT COMMITTEE

Mr. Deepak Amin	Chairperson
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member

BORROWING COMMITTEE

Mr. Deepak Amin	Chairperson
Mr. Rakesh Kumar	Member
Mr. Aviral Saini	Member

CORPORATE DETAILS

Corporate Identification 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, Prahlad Nagar, Ahmedabad-380015
Email	:	compliance@lightfinance.com
Website	:	www.lightfinance.com
Contact No.	:	07940050059
ISIN	:	Equity: INE366T01017
		Compulsorily Convertible Preference Shares
		Series A Series A1 Series B
		INE366T03013 INE366T03039 INE366T03047
LEI Number	:	335800PYN5I66BT97U45
Listed at	:	BSE Limited through Non-Convertible Debentures

BOARD OF DIRECTORS

Managing Director

Mr. Deepak Amin

Executive Directors

Mr. Rakesh Kumar

Mr. Aviral Saini

Non-Executive and Independent Directors

Mr. Anuj Kumar

Mr. Chandan Sinha

Mr. Praveen Kumar Gupta [from 11.02.2022 to 07.06.2023]

Mr. Hemant Contractor [from 01.09.2023 to 03.01.2024]

Nominee Directors

Mr. Aditya Bhandari

Mr. Thomas Klungsøyr [from 25.08.2022 to 27.06.2024]

KEY MANAGERIAL PERSONNEL

Chief Executive Officer

Mr. Rakesh Kumar

Chief Financial Officer

Mr. Aviral Saini

Chief Compliance Officer & Company Secretary

Ms. Madhavi Gajjar

AUDITORS

STATUTORY AUDITOR

M/s CNK and Associates LLP

Chartered Accountants

(FRN. No.101961W/W-100036)

Head Office: 501-502, Narain Chambers, M.G. Road, Vile Parle

(E), Mumbai 400 057, India. Tel: +91 22 6250 7600

INTERNAL AUDITOR

M/s Sorab S. Engineer & Co.

Chartered Accountants

(FRN. No.110417W)

804, Sakar IX, Reserve Bank Of India,

Ashram Rd, beside Old, Mill Officer's Colony,

Muslim Society, Ellisbridge,

Ahmedabad, Gujarat 380009.

INFORMATION SYSTEM AUDITOR

Sumeru Software Solutions Private Limited

1st Floor Samvit

Near the Art of Living International Center,

21st KM Kanakapura Main Road,

Udayapura, Bangalore – 560 082

Karnataka, India

SECRETARIAL AUDITOR

M/s Paliwal and Co.(UCN: I2013GJ1046200)

401, Haash Complex, Nagri Hospital, Law Garden Road,

Ahmedabad, Gujarat 380006

REGISTRAR AND SHARE TRANSFER AGENT DETAILS

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd

247 Park, C 101 1st Floor, LBS Marg, Vikhroli (W),

Mumbai – 400 083, Maharashtra,

Toll-free number: 1800 1020 878 (from 10:00 AM to 4:00 PM)

Fax number: +91 22 49186060

Website: www.linkintime.co.in

DEBENTURE TRUSTEE

Beacon Trusteeship Limited

7A & B, Siddhivinayak Chambers,

Gandhi Nagar, Opp. MIG Cricket Club,

Bandra (East), Mumbai 400 051

Phone: 022-46060278

Website: www.beacontrustee.co.in

Catalyst Trusteeship Limited

910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg,

New Delhi –110001, Tel: 011-43029101

Fax: +91 22 4922 0505

Phone No. 011-43029101

Website: www.catalysttrustee.com

Director's Report

DEAR MEMBERS,

The Board of Directors (the "Board") takes pleasure in presenting the 30th (Thirtieth) Annual Report of **Light Microfinance Private Limited** ("your Company" or "the Company") together with the Audited Financial Statements ("Financial Statements") for the Financial Year ended 31 March, 2024 ("FY 2023-24" or "period under review" or "financial year under review"). The Company is registered with the Reserve Bank of India ("RBI") as a Non-Banking Financial Company Mirco Finance Institution, (NBFC-MFI).

❖ BUSINESS OVERVIEW:

Financial Year 2023-24 saw an increase in profitability as compared to the previous year. Light has experienced significant milestones as it continues to grow over the years and at this stage, Light is poised to move into diverse areas. Company will continue to expand its business in existing territories and expand into new areas in the coming years to take advantage of growth and business opportunities.

❖ FINANCIAL HIGHLIGHTS:

(Amount in ₹ Lakhs)

Particulars	FY 2023-24	FY 2022-23 (Restated refer note 30 D of Financials)
Revenue from Operations	51,074.6	29,534.2
Other Income	882.8	514.1
Total Income	51,957.4	30,048.3
Less: Depreciation/ Amortisation/ Impairment	918.8	390.4
Less: Finance Costs	20,657.6	11,626.1
Less: Other Expenses	22,344.8	13,882.1
Profit/loss before Tax Expense	8,036.2	4,149.6
Less: Tax Expense (Current & Deferred)	1,727.7	786.1
Profit/loss for the year (1)	6,308.5	3,363.5
Other Comprehensive Income/loss (2)	-90.6	-18.8
Total Comprehensive Income (1+2)	6,217.9	3,344.7
Earnings per share:		
1. Basic	25.2	13.4
2. Diluted EPS	8.3	4.4

The above figures are extracted from the financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and as per relevant clauses of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

- ❖ The audited financial statements of the Company as stated above, and all other documents required to be attached thereto are available on the Company's website at <https://www.lightfinance.com/resources/>:

Company doesn't have any subsidiaries so there is no need to prepare Consolidated Financial Statements for the FY 2023-24.

❖ **RESULTS OF OPERATIONS:**

● **Revenue:**

Your Company reported a turnover of ₹51,074.62 Lakhs for the year ended on 31 March, 2024, as compared to ₹29,534.21 Lakhs in the previous year.

● **Profit:**

Your Company's profit after tax for the year ended on 31 March, 2024, was recorded at ₹6,308.49 Lakhs as compared to a profit of ₹3,363.49 Lakhs in the previous year.

● **Other Financial Highlights:**

Other income was at ₹882.78 Lakhs as against ₹514.07 Lakhs in the previous year, primarily on account of interest income.

Finance Cost was at ₹20,657.59 Lakhs as against ₹11,626.08 Lakhs in the previous year, primarily on account of the higher loan balances and other finance costs.

Depreciation and amortization expenses were ₹918.82 Lakhs as compared to ₹390.43 Lakhs in the previous year.

Basic Earnings Per Share (EPS) for the year ended 31 March, 2024, was at ₹25.18 as against ₹13.43 in the previous year. Diluted Earnings Per Share (EPS) for the year ended 31 March, 2024, was at ₹8.32 as against ₹4.41 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 listed its Non-Convertible Debentures [NCD] on the Bombay Stock Exchange. Below are the listing details:

Date of Listing	Numbers of NCD	Face Value	Holder Name	ISIN Number
29.12.2023	3000	₹1,00,000/-	AK Capital Finance Limited.	INE366T08020

Further during the year, the Company has also mobilized funds amounting to ₹45.5 Crore by way of Secured/Unsecured Unlisted Redeemable Non-Convertible Debenture through private placement basis.

❖ **OPERATIONAL PERFORMANCE FOR THE FINANCIAL YEAR 2023-24 IS SUMMARIZED IN THE FOLLOWING TABLE:**

Particulars	2023-24	2022-23
No. of Branches	246	149
Number of Members	5,15,165	3,89,540
Number of Employees	3562	2553
Number of States	9	5
Amount disbursed (₹in Lakhs)	1,81,156	1,74,407
Portfolio Outstanding (₹in Lakhs)	2,23,702	1,78,238

❖ **CHANGES IN SHARE CAPITAL:**

● **Authorised Share Capital:**

During the year under review, the Company has not altered/modified its authorized share capital and has not issued any shares with differential rights as to dividend, voting or otherwise. The Company has not issued any sweat equity shares to its directors or employees.

● **Issued Share Capital:**

During the year under review, the Company issued and allotted 42,87,511 warrants on a preferential basis to Mr. Deepak Amin, Managing Director & Promoter of the Company, by way of a Private Placement.

- **Paid-up Share Capital:**

The paid-up Share Capital of the Company as at 31 March, 2024, continues to stand same as previous year as per the details below*:

Type of Capital	No. of Shares	Face Value (in ₹)	Total Share Capital (in ₹)
Equity	2,50,50,009	10	25,05,00,090
Compulsorily Convertible Preference Share ("CCPS")			
Class I	2,08,27,373	10	20,82,73,730
Class II	3,09,59,699	20	61,91,93,980

* On 20 January, 2024, the company has allotted 42,87,511 share warrants, each exchangeable into 1 equity share of the company at an exercise price of ₹66/- per share warrant, of which an initial warrant subscription amount of ₹0.66 per share warrant has been received at the time of allotment.

- ❖ **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 does not recommend the distribution of dividend for the financial year 2023-24.

The Company has transferred ₹1,254.65 Lakhs to the reserves during the Financial Year ended 31 March, 2024, in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934.

- ❖ **DETAILS OF NON-CONVERTIBLE DEBENTURES ISSUED:**

Company has issued following Non-Convertible Debentures through private placement basis during the year under review:

Sr. No	No. of NCD	No of Allottees	Date of Board of Directors Approval	Date of Members Approval	Date of Allotment
1	2500	1	25.05.2023, 25.07.2023	23.06.2023	28.07.2023
2	2050	1	25.05.2023, 20.12.2023	23.06.2023	26.12.2023
3	3000	1	25.05.2023, 20.12.2023	23.06.2023	28.12.2023

The details of debenture trustee for all the above mentioned Non-Convertible debentures issued by the Company during FY 2023-24 is as under:

Name of Debenture trustee	Beacon Trusteeship Limited
Registered office	7A & B, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai 400 051
CIN	U74999MH2015PLC271288
Contact Details	Email address: compliance@beacontrustee.co.in Contact person: Kaustubh Kulkarni, Director Website: https://beacontrustee.co.in/
Name of Debenture trustee	Catalyst Trusteeship Limited
Registered office	910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001
CIN	U74999PN1997PLC110262
Contact Details	Email address: ComplianceCTL-Mumbai@ctltrustee.com Contact person: Mr. Sameer Trikha, Senior Vice President Website: www.catalysttrustee.com

- ❖ **CAPITAL ADEQUACY RATIO**

The Company continues to fulfill all the norms and standards laid down by the RBI for Micro Finance Companies pertaining to non-performing assets, capital adequacy, statutory liquidity assets etc. against the RBI norm of 15%, your Company has been able to maintain a Capital Adequacy Ratio (CAR) of 25.90% as on 31 March, 2024, which is well above the RBI mandated norm of 15%.

❖ **CREDIT RATING:**

During the year under review, the rating agencies assigned and reaffirmed the following long-term and short-term ratings of the Company:

Rating	Program (Category)	Outlook	Quantum (in crore)
CRISIL			
BBB+	Bank Loan Rating	Stable	425
BBB+	Non-Convertible Debentures	Stable	222
CARE			
BBB+	Bank Loan Rating	Stable	1150
BBB+	Non-Convertible Debentures	Stable	50
Brickwork Ratings			
BBB	Non-Convertible Debentures	Stable	10

❖ **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 period under review, 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 of the Independent Directors 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. In the opinion of the Board, the Independent Directors appointed during the year possess the requisite expertise, experience, proficiency & highest standards of integrity.

The Company has received following documents as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by the RBI dated 19 October, 2023 ('**RBI Master Directions**') and Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 issued by the RBI dated 14 March, 2022 ('**RBI MFL Directions**'), 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 11 February, 2022.
2. Executed the deed of covenant as per Master Directions [Fit and Proper Criteria] in the format given in RBI directions.
3. As per Scale Based Regulation (SBR): A Revised Regulatory Frameworks for NBFCs issued by the RBI dated 22 October, 2021, and 19 October, 2023, as amended from time to time, and within the permissible limits in terms of Companies Act, 2013, a declaration from the independent director that he/she shall not be on the Board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time.

❖ 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 applicable guidelines, the Company has constituted following committees:

Sr. no.	Name of Committee
1	Audit Committee
2	Nomination and Remuneration committee
3	Risk Management Committee
4	Securities Allotment Committee
5	Share Transfer Committee
6	Internal Compliants Committee
7	Corporate Social Responsibility
8.	Asset Liability Management Committee
9.	IT Strategy Committee
10.	Internal Investigation Committee
11.	Executive Management Committee
12.	Borrowing Committee

The Corporate Governance Report of the Company for Financial Year 2023-24 is attached herewith as "**Annexure -A**".

The Company has displayed policy on corporate governance on its website

<https://www.lightfinance.com/wp-content/uploads/2024/07/Corporate-Governance-Policy.pdf>

❖ DETAILS OF BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL:

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

● Regularization of Mr. Aditya Bhandari & Mr. Thomas Klungsøyr as Nominee Director

- Mr. Aditya Bhandari (DIN: 03062463) was appointed in the Extra-ordinary General Meeting of the Company Held on 22 June, 2023 as a "Nominee Director" of the Company, representing agRIF Coöperatief U.A [existing CCPS holder) and is not liable to retire by rotation, pursuant to the provisions of Section 161 of the Companies Act, 2013.
- Mr. Thomas Klungsøyr (DIN: 08575466) was appointed in the Extra-ordinary General Meeting of the Company Held on 22 June, 2023 as a "Nominee Director" of the Company, representing NMI Fund IV KS [existing CCPS holder) and is not liable to retire by rotation, pursuant to the provisions of Section 161 of the Companies Act, 2013.

● Resignation of Mr. Parveen Kumar Gupta as Independent Director

Mr. Parveen Kumar Gupta (DIN: 02895343) resigned as an Independent Director of the company vide a resignation letter dated 07 June, 2023.

● Appointment of Mr. Hemant Contractor as Additional Independent Director

Mr. Hemant Contractor (DIN: 03455526), appointed by Board of Directors of the Company vide circular resolution as an Additional Independent Director of Company with effect from 01 September, 2023, for a tenure of 5(five) years subject to the approval of members in the General Meeting.

● Appointment of Ms. Madhavi Gajjar as a Chief Compliance Officer

During the year under review, Pursuant to the Scale-Based Regulation (SBR) guideline issued by the RBI for NBFCs, the Board of Directors of the Company has appointed Ms. Madhavi Gajjar, as a Chief Compliance Officer with effect from October 01, 2023 and she is now currently designated as Chief Compliance Officer and Company Secretary of the Company.

- **Resignation of Mr. Hemant Contractor as an Additional Independent Director**

Mr. Hemant Contractor (DIN: 03455526) resigned as an Additional Independent Director of the Company vide a resignation letter dated 03 January, 2024.

- **Resignation of Mr. Thomas Klungsøyr as a Nominee Director**

Mr. Thomas Klungsøyr (DIN:08575466) resigned as a Nominee Director [representative of Abler Nordic Fund IV KS (Formerly known as NMI Fund IV KS)] of the Company vide a resignation letter dated June 27, 2024.

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	Chief Compliance Officer & Company Secretary

- ❖ **PERFORMANCE EVALUATION:**

The Board of Directors has carried out an annual performance evaluation of the Board, Board Committees and Individual Directors pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013.

- The performance of the Board was evaluated by the board, after seeking inputs from all the directors, on the basis of 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 ended on 31 March, 2024, 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 the 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 the 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 31 March, 2023 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.lightfinance.com/resources/>

❖ 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, the Board of Directors of the Company met 08 (Eight) times. The names of the members of the Board, and their attendance at the Board Meeting is as under:

Sr. No	Day and Date of BM	Deepak Amin	Rakesh Kumar	Aviral Saini	Anuj Kumar	Chandan Sinha	Parveen Kumar Gupta*	Aditya Bhandari	Thomas Klungsøyr	Hemant Contractor**
1	Thursday 25.05.2023	✓	✓	✓	✓	✓	✓	✓	✓	..**
2	Thursday, 10.08.2023	✓	✓	✓	✓	✓	..*	✓	v	..**
3	Monday, 25.09.2023	✓	✓	✓	✓	✓	..*	✓	✓	✓
4	Friday, 10.11.2023	✓	✓	✓	✓	✓	..*	Leave of Absence	✓	✓
5	Wednesday, 20.12.2023	✓	✓	✓	✓	Leave of Absence	..*	Leave of Absence	✓	✓
6	Friday, 22.12.2023	✓	✓	✓	✓	✓	..*	✓	✓	✓
7	Wednesday, 10.01.2024	✓	✓	✓	✓	✓	..*	✓	✓	..**
8	Tuesday, 13.02.2024	✓	✓	✓	✓	✓	..*	✓	✓	..**

* Mr. Parveen Kumar Gupta has resigned as Independent Director from with effect from 07 June, 2023.

**Mr. Hemant Contractor has been appointed as Additional Independent Director with effect from 01 September, 2023, and resigned from the same position w.e.f. 03 January, 2024.

❖ PARTICULARS OF CONTRACT AND ARRANGMENT WITH RELATED PARTIES:

During the year ended 31 March, 2024, 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. All contracts /arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year under review, your Company had not entered into any contract/arrangement/ transaction with related parties which could be considered as material in accordance with the provisions of Section 188 of the Companies Act, 2013 & policy on related party transactions. However, the disclosures of transactions with related parties for the financial year, as per Accounting Standard – 18, Related Party Disclosures are given in Note. No 30 (G) to the Balance Sheet as on 31 March, 2024 The Related Party Transaction Policy of the Company is available on the Company's website and can be accessed at link: <https://www.lightfinance.com/wp-content/uploads/2024/07/Related-Party-Transaction-Policy.pdf>

❖ **PREVENTION OF 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 designated email id for registering complaints for sexual harassment at workplace is help@lightfinance.com

The Company has also filed an Annual Report for the calendar year ending 31 December, 2023 as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act . Following is the summary of complaints received, disposed off and pending during the year under review:

- a. Number of complaints pending at the beginning of the year: 00
- b. Number of complaints received during the year: 01
- c. Number of complaints disposed off during the year: 01
- d. Number of cases pending at the end of the year: 00

❖ **AUDITORS:**

Statutory Auditor:

M/S CNK and Associates LLP, appointed as the Statutory Auditors of the Company in the Board meeting held on 19 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 23 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 the statutory audit for the FY 2023-24 and have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

The Auditors' Report read with notes to the accounts of the Company for the accounting year ended 31 March, 2024 are 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.

Further, the Board of Directors in their meeting held on 23 May, 2024 have accorded the appointment of M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377) as the Statutory Auditor of the Company, subject to the approval of members of the company for a period of 3 (three) years from the conclusion of 30th Annual General Meeting till the conclusion of 33rd Annual General Meeting, at such remuneration including any statutory tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit

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 carry out the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report for FY 2023-24 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.

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. 2023-24 in the board meeting held on 25 May, 2023. 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.

During the year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls.

Cost Auditor:

Maintenance of cost records and requirement of cost audit as prescribed under the provision of Section 148 of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

Information System Auditor:

The Company had appointed M/S Sumeru Software Solutions Pvt. Ltd.. as Information system auditor of the Company for FY 2023-24, as per RBI Master Direction – Information Technology framework for the NBFC sector [Master Direction dnbs.ppd. no.04/66.15.001/2016-17] dated 08 June, 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 13 February, 2024.

❖ 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 2023-24
Expenditure in Foreign Currency - MIS Infrastructure Expenses and other expenses	US Dollars	1,35,080.00
	EUR	495
	Indian Rupees (In Lakhs)	120.27
Expenditure in Foreign Currency - Processing Fees and other finance charges	US Dollars	99,629
	Indian Rupees (In Lakhs)	90.30
Expenditure in Foreign Currency – Finance Cost (Interest)	US Dollars	6,41,382
	Indian Rupees (In Lakhs)	533.10
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.

The Composition of the Risk Management Committee during the year under review is as mentioned below:

Sr. No.	Name	Designation in Committee
1	Mr. Deepak Amin	Chairperson
2	Mr. Anuj Kumar	Member
3	Mr. Rakesh Kumar	Member
4	Mr. Aviral Saini	Member
5	Mr. Chandan Sinha	Member
6	Mr. Thomas Klungsøyr	Member

❖ **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 Section 178 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 qualifications, 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 composition of Nomination and Remuneration Committee during the year under review is as mentioned below:

Sr. No.	Name	Designation in Committee
1	Mr. Anuj Kumar	Chairperson
2	Mr. Chandan Sinha	Member
3	Mr. Thomas Klungsøyr	Member

The Company has displayed the Nomination and Remuneration Policy on website of the company.

[\[https://www.lightfinance.com/wp-content/uploads/2024/07/Nomination-and-Remuneration-Policy.pdf\]](https://www.lightfinance.com/wp-content/uploads/2024/07/Nomination-and-Remuneration-Policy.pdf)

❖ MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed discussion on the Company's operational and financial performance is 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, 1994 and rules & regulations made thereunder, has granted NBFC-MFI (Registration no. B-14.03244) status to the Company. During FY 2023-24, 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 2023-24.

During the year under review, 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 31 March, 2024.

❖ RESERVE BANK OF INDIA (RBI) DIRECTIONS:

- The Company is registered with RBI as a NBFC-MFI via Registration No. B-14.03244. 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 22 October, 2021, & RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated 19 October, 2023, 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 an NBFC-Middle Layer (NBFC-ML), endeavors to ensure compliance with this notification.
- RBI via the MFL Master Directions 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 ₹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. 30 (WW) of the financial statements.

❖ MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:

There are no material changes and/or commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company and the date of signing 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 the 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 [\[https://www.lightfinance.com/wp-content/uploads/2024/07/Whistle-Blower-Policy.pdf\]](https://www.lightfinance.com/wp-content/uploads/2024/07/Whistle-Blower-Policy.pdf)

❖ SECRETARIAL STANDARDS:

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

❖ **HUMAN RESOURCES & PARTICULARS OF EMPLOYEES:**

Your Company treats its "Human Resource" 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]**

During the year under review, the Board of Directors and Shareholders of the Company, pursuant to the resolutions passed on 22 December, 2023, and 05 January, 2024, through Extraordinary General Meeting, respectively, approved additional grants under the "ESOP 2018" totaling 42,87,511 options. Accordingly, the total options granted under ESOP 2018 have increased to 61,27,511 options.

As on 31 March, 2024, the Company has granted 42,99,780 options at an exercise price of ₹10.63 per share, ₹37.70 per share, and ₹66 per share to the eligible employees of the Company under the ESOP 2018.

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 the 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 for 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: 12th August, 2024

PLACE: AHMEDABAD

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance at Light Microfinance Private Limited ("Company") is always committed towards achieving the highest standards of Corporate Governance by staying true to its core values: viz. integrity, empathy, courage, passion for excellence & innovation in all its actions, operations and engagement with the stakeholders and society at large. These values form a base of the Corporate Governance practices of the Company. Our corporate governance is a reflection of our value system, policies and also embedded in our day-to-day business practices, our culture leads to value-driven growth. Company has been constantly reviewing and revising the policies as per business needs and changes in laws/ regulations from time to time.

The Company is in compliance with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 & Master Direction - Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022, as amended from time to time. It also adheres to the applicable provisions of Scale Based Regulations (SBR): A revised regulatory framework for NBFCs and the relevant provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) ("SEBI Listing Regulations").

The Company is committed to learning and adopting the best practices of Corporate Governance and imbibing the same in our day-to-day functioning.

BOARD OF DIRECTORS

The Board members have professional knowledge and experience, in diverse fields viz. finance, audit, banking, public policy, and legal/ judicial, thereby bringing about an enabling environment for value creation through sustainable business growth. We believe that a dynamic, well-informed, and independent Board is essential to ensure the highest standards of corporate governance. Board plays the most pivotal role in overseeing the management in serving and protecting the long-term interest of all its stakeholders. The Company believes in a well-balanced and diverse Board which enriches discussions and enables effective decision making.

The Board of Directors of the Company are eminent personalities from various fields, who bring on the table a wide range of experience and expertise to the Board. The skill sets and varied perspectives help in making constructive decisions thereby facilitating an effective decision-making environment.

COMPOSITION OF THE BOARD

As on 31 March, 2024, the Company's Board consists of 7 (Seven) Directors, which includes 3 (Three) Executive Directors and 4 (Four) Non-Executive Directors including 2 (Two) Independent Directors. The Board has Twelve Committees – Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Asset Liability Management Committee, IT Strategy Committee, Corporate Social Responsibility Committee, Securities Allotment Committee, Internal Complaints Committee, Shares Transfer Committee, Internal Investigation Committee, Executive Management Committee, and Borrowing Committee.

Light Microfinance Private Limited

The names and categories of the directors on the Board, their attendance at Board Meetings held during the year under review, are given herein below.

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships*	Remuneration (₹ Lakhs)			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission Details	
1	Mr. Deepak Amin	23/01/09	Managing Director & Promoter	1289453	8	8	3	174.42	-	-	Equity Shares - 1,28,99,999 & Share Warrants - 42,87,511
2	Mr. Rakesh Kumar	01/02/11	Executive Director & CEO	3430670	8	8	-	178.7	-	-	0
3	Mr. Aviral Saini	01/06/11	Executive Director & CFO	3534719	8	8	-	150.35	-	-	0
4	Mr. Anuj Kumar	03/12/15	Independent Director	1198699	8	8	2	-	11	-	0
5	Parveen Kumar Gupta [^]	02/11/22	Independent Director	2895343	1	2	8	-	1.9	-	0
6	Mr. Chandan Sinha	20/05/21	Independent Director	6921244	8	7	1	-	9.1	-	0
7	Mr. Aditya Bhandari	02/09/22	Nominee Director	3062463	8	5	5	-	-	-	0
8	Mr. Thomas Klungsoeyr	02/09/22	Nominee Director	8575466	8	8	1	-	-	-	0
9	Mr. Hemant Contractor ^{^^} #	09/01/23	Additional Director	3455526	4	4	0	2.7	-	-	0
10	Mr. Thomas Klungsoeyr ^{^^} #	25/08/22	Nominee Director	08575466	8	8	1	-	-	-	0

[^] Resigned w.e.f. 07.06.2023

^{^^}Appointed w.e.f. 01.09.2023

#Resigned w.e.f. 03.01.2024

^{^^}#Resigned w.e.f. 27.06.2024

* No. of other Directorships include Private, Public, and Section 8 Companies.

* None of the directors hold directorship in more than 10 public companies and shall hold office as a director, including any alternate directorship, in more than twenty companies at the same time.

Details of change in the Composition of the Board during the current and previous financial year.

Sl. No.	Name of Director	Capacity (i.e., Executive/Non-Executive/ Chairman/ Promoter Nominee/Independent)	Nature of Change (Resignation, Appointment, Change in Designation)	Effective date
1.	Mr. Parveen Kumar Gupta	Independent Director	Resignation	07.06.2023
2.	Mr. Thomas Klungsoeyr	Nominee Director	Change in Designation	22.06.2023
3.	Mr. Aditya Bhandari	Nominee Director	Change in Designation	22.06.2023
4.	Mr. Hemant Contractor	Additional Director (Non-Executive Independent)	Appointment	01.09.2023
5.	Mr. Hemant Contractor	Additional Director (Non-Executive Independent)	Resignation	03.01.2024
6.	Mr. Thomas Klungsoeyr	Nominee Director	Resignation	27.06.2024

REASONS FOR RESIGNATION

During the year under review, Mr. Parveen Kumar Gupta, Independent Director & Mr. Hemant Contractor, Additional Independent Director ceased to be Directors of the Company w.e.f. 06 June, 2023, & 03 January, 2024, respectively on account of their resignation due to pre-occupancies and other personal reasons. Further, Mr. Parveen Kumar Gupta & Mr. Hemant Contractor have confirmed that there were no material reasons other than those mentioned above.

PECUNIARY OR OTHER RELATIONSHIP

There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, apart from the sitting fees, if any, received by them for attending the Meetings of the Board and Committee(s) thereof.

BOARD MEETINGS

The Board meets at least once a quarter to review the quarterly performance and financial results of the Company. Members of the Board are free to convene a Board meeting at any time and shall inform the Company Secretary regarding the same. In case of a special and urgent business need, Board approval is taken by passing a resolution(s) by circulation as permitted by law, which is noted and confirmed at the subsequent board meeting. The members of the board are expected to attend all the board meetings unless there are any unavoidable circumstances.

Post the board meetings, the Company has a system of communication and follow-up on actions taken by the management as suggested by the Board/Committee(s), and the same is updated to the Board/Committee(s) at its subsequent meetings or earlier, if necessary.

During the Financial Year 2023-24, your Board met 8 (Eight) times i.e. on 25 May, 2023, 10 August, 2023, 25 September, 2023, 10 November, 2023, 20 December, 2023, 22 December, 2023, 10 January, 2024, and 13 February, 2024. The gap between two consecutive meetings was less than one hundred and twenty days as required under section 173 of the Act.

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 at least seven days prior to the date of the Meeting. Additional/ supplementary items are taken up with the permission of the 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.

COMMITTEES OF THE BOARD AND THEIR COMPOSITION

1. AUDIT COMMITTEE

During the year under review, Members of the Audit Committee (AC) of the Company met 04 (Four) times, i.e. on May 25, 2023, August 10, 2023, November 10, 2023, and February 13, 2024. The Committee functions as per the terms of references specified by the Board. The names of the members of the Committee, their attendance at the Audit Committee Meeting are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Praveen Kumar Gupta*	24.05.2022	Chairperson & Independent Director	1	1	0
2.	Mr. Anuj Kumar	30.08.2016	Independent Director	4	3	0
3.	Mr. Chandan Sinha	18.11.2021	Independent Director	4	4	0
4.	Mr. Deepak Amin^	03.04.2019	Executive Director	3	3	1,28,99,999
5.	Mr. Aditya Bhandari	10.02.2023	Nominee Director	4	3	0
6.	Mr. Hemant Contractor**^^	10.11.2023	Additional Director (Non-Executive Independent)	-	-	0

*Ceased to be member w.e.f. 07.06.2023

**appointed as member w.e.f. 10.11.2023

^Ceased to be member w.e.f. 10.01.2024

^^Ceased to be member w.e.f. 03.01.2024

Terms of Reference of the Audit Committee includes:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- b) review and monitor the auditor’s independence and performance, and effectiveness of audit process.
- c) examination of the financial statement and the auditors’ report thereon.
- d) reviewing with the management, the quarterly/half yearly/annually financial results / statements before the submission to the board for approval.
- e) review of changes, if any, in accounting policies and practices and reasons for the same.
- f) approval or any subsequent modification of transactions of the company with related parties.
- g) scrutiny of inter-corporate loans and investments.
- h) valuation of undertakings or assets of the company, wherever it is necessary.
- i) evaluation of internal financial controls and risk management systems.
- j) monitoring the end use of funds raised through public offers and related matters.
- k) Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems.
- l) Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- m) Discussion with internal auditors of any significant findings and follow up there on.
- n) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well post audit discussion to ascertain any area of concern.
- o) To review the functioning of the whistle blower mechanism.
- p) Ensuring that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.
- q) To overview the compliance laid by the regulators.
- r) Any other responsibility as may be assigned by the board from time to time or as is mentioned in the terms of reference of the audit committee.

2. NOMINATION AND REMUNERATION COMMITTEE

During the year under review, Members of the Nomination and Remuneration Committee (NRC) of the Company met 05 (Five) times i.e. on 25 May, 2023, 10 August, 2023, 22 December, 2023, 10 January, 2024, and 13 February, 2024. The names of the members of the Committee, and their attendance at the Nomination and Remuneration Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Anuj Kumar	25.05.2016	Chairperson & Independent Director	5	5	0
2.	Mr. Chandan Sinha	18.11.2021	Independent Director	5	5	0
3.	Mr. Deepak Amin [^]	18.11.2021	Executive Director	2	2	1,28,99,999
4.	Praveen Kumar Gupta [*]	24.05.2022	Independent Director	1	1	0
5.	Thomas Klungsøyr	10.02.2023	Nominee Director	5	5	0
6.	Hemant Contractor ^{**^^}	10.11.2023	Additional Director (Non-Executive Independent)	-	-	0

* Ceased to be member w.e.f. 07.06.2023

**Appointed as member w.e.f. 10.11.2023

[^]Ceased to be member w.e.f. 10.08.2023

^{^^}Ceased to be member w.e.f. 10.01.2024

Terms of Reference of the Nomination and Remuneration Committee include:

- a) To formulate a criteria for determining qualifications, positive attributes, and independence of a Director.
- b) To ensure ‘fit and proper’ status of proposed/ existing Directors.

- c) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal. Review the adequacy of Board diversity.
- d) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- e) To recommend to the Board the appointment and removal of Senior Management.
- f) To carry out evaluation of Director's performance and recommend to the Board appointment/removal based on his/her performance.
- g) To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- h) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- i) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmark.
- j) To act as the ESOP Committee and administer and manage the ESOP scheme.

3. RISK MANAGEMENT COMMITTEE

During the year under review, Members of the Risk Management Committee (RMC) of the Company met 04 (Four) times i.e. on 25 May, 2023, 10 August, 2023, 10 November, 2023, and 13 February, 2024. The names of the members of the Committee, and their attendance at the Risk Management Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive/Non-Executive/Chairman/Promoter/Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Chandan Sinha	24.05.2022	Chairperson & Independent Director	4	4	0
2.	Mr. Anuj Kumar	06.12.2019	Independent Director	4	4	0
3.	Mr. Deepak Amin	06.12.2019	Executive Director	4	3	1,28,99,999
4.	Praveen Kumar Gupta*	24.05.2022	Independent Director	1	1	0
5.	Mr. Rakesh Kumar	06.12.2019	Executive Director	4	4	0
6.	Mr. Aviral Saini	06.12.2019	Executive Director	4	4	0
7.	Mr. Thomas Klungsøyr	10.02.2023	Nominee Director	4	4	

* ceased to be member w.e.f. 07.06.2023

Terms of Reference of the Risk Management Committee includes:

- a) To monitor and review the risk management plan.
- b) To review operational risk (including sub risk for operational risk), information technology risk and integrity risk.
- c) To take strategic actions to mitigate the risk associated with the nature of the business.
- d) To appraise the Board of Directors at regular intervals regarding the process of putting in place a progressive risk management system, risk management policy and strategy.
- e) To do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws; and
- f) To lay down procedure to inform Board members about the risk assessment and minimization procedure

4. ASSET LIABILITY MANAGEMENT COMMITTEE

During the year under review, Members of the Asset Liability Management Committee of the Company met 03 (Three) times. i.e. on 30 June, 2023, 30 September, 2023 and 16 January, 2024. The names of the members of the Committee, and their attendance at the Asset Liability Management Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Deepak Amin	18.02.2021	Executive Director	3	3	1,28,99,999
2.	Mr. Rakesh Kumar	18.02.2021	Executive Director	3	3	0
3.	Mr. Aviral Saini	18.02.2021	Executive Director	3	3	0
4.	Ms. Madhavi Gajjar	12.08.2019	-	3	1	0

Terms of Reference of the Asset Liability Management Committee includes:

- Addressing concerns regarding asset liability mismatches.
- Achieving optimal return on capital employed while maintaining acceptable levels of risk relating to liquidity.
- Addressing concerns regarding interest rate risk exposure; and
- To do such other acts, deeds, and things as may be directed by the Board and required to comply with the applicable laws.

5. IT STRATEGY COMMITTEE

During the year under review, Members of the IT Strategy Committee of the Company met 04 (Four) times i.e. on 25 May, 2023, 10 August, 2023, 10 November, 2023, and 13 February, 2024. The names of the members of the Committee, and their attendance at the IT Strategy Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Anuj Kumar	18.02.2021	Chairperson & Independent Director	4	4	0
2.	Mr. Deepak Amin	18.02.2021	Executive Director	4	3	1,28,99,999
3.	Mr. Rakesh Kumar	18.02.2021	Executive Director	4	4	0
4.	Mr. Aviral Saini	18.02.2021	Executive Director	4	4	0
5.	Mr. Satish Dhupdale	18.02.2021	-	4	4	0
6.	Mr. Aditya Bhandari	10.02.2023	Nominee Director	4	2	0

Terms of Reference of the IT Strategy Committee includes:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware of exposure to IT risks and controls.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the year under review, Members of the Corporate Social Responsibility Committee of the Company met 01 (One) time i.e. on 25 May, 2023. The names of the members of the Committee, and their attendance at the CSR Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Deepak Amin	11.11.2020	Executive Director	1	1	1,28,99,999
2.	Mr. Rakesh Kumar	11.11.2020	Executive Director	1	1	0
3.	Mr. Aviral Saini	11.11.2020	Executive Director	1	1	0

Terms of Reference of the Corporate Social Responsibility Committee includes:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and;
- To monitor the Corporate Social Responsibility Policy of the company from time to time;
- Any other matter as the CSR Committee may deem to be directed by the Board from time to time.

7. SECURITIES ALLOTMENT COMMITTEE

During the year under review, Members of the Securities Allotment Committee (SAC) of the Company met 04 (Four) times i.e. on 28 July, 2023, 26 December, 2023, 28 December, 2023 and 10 January, 2024. The names of the members of the Committee, and their attendance at the Securities Allotment Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Deepak Amin	03.04.2019	Executive Director	4	4	1,28,99,999
2.	Mr. Rakesh Kumar	29.12.2017	Executive Director	4	4	0
3.	Mr. Aviral Saini	29.12.2017	Executive Director	4	4	0

Terms of Reference of the Securities Allotment Committee:

The Securities Allotment Committee deals with the matters relating to the allotment of Share(s)/Debtenture(s), and all other matters as prescribed and delegated to the Committee by the Board from time to time.

8. INTERNAL COMPLAINTS COMMITTEE (ICC):

During the year under review, Members of the Internal Complaints Committee (ICC) of the Company met 06 (Six) times i.e. on 24 April, 2023, 06 June, 2023, 14 June, 2023, 21 July, 2023, 26 October, 2023, and 24 January, 2024. The names of the members of the Committee, and their attendance at the Internal Complaints Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Ms. Jyotika Sood	10.02.2023	-	6	6	0
2	Ms. Damini Shah	10.02.2023	-	6	6	0
3	Mr. Jayanta Chatterjee	10.02.2023	-	6	6	0
4	Ms. Nidhi Shah	10.02.2023	-	6	6	0
5	Trupti Thakkar*	10.02.2023	-	6	5	0
6	Ms. Varsha Wardhani**	24.01.2024	-	-	-	0

* Ceased to be member w.e.f. 24.01.2024

**appointed as member w.e.f. 24.01.2024

Terms of Reference of the Internal Complaints Committee:

1. Receive, investigate, and address complaints of sexual harassment in the workplace. This includes providing a safe platform for victims to report incidents without fear of retaliation.
2. Upon receiving a complaint, the committee conducts a fair and impartial investigation to gather evidence and determine the validity of the complaint. This often involves interviewing the complainant, the accused, and any witnesses.
3. Raises awareness about sexual harassment and educate employees about their rights and responsibilities. They may conduct training sessions to help employees recognize and prevent harassment in the workplace.
4. Ensure that the organization’s prevention of sexual harassment policy is effectively implemented and followed. They may review and update policies as needed to reflect changes in laws or best practices.
5. Any other matter as the ICC may deem to be directed by the Board from time to time.

9. SHARES TRANSFER COMMITTEE:

During the year under review, no share transfers were registered.

10. INTERNAL INVESTIGATION COMMITTEE

During the year under review, Members of the Internal Investigation Committee (IIC) of the Company met 42 (Forty-two) times.

11. EXECUTIVE MANAGEMENT COMMITTEE

During the year under review, Members of the Executive Management Committee met 20 (Twenty) times.

12. BORROWING COMMITTEE

During the year under review, Members of the Borrowing Committee met 36 (Thirty-six) times.

GENERAL BODY MEETINGS

Details of the location, day, date, and time of the General Meetings held during the year and Resolutions passed thereat are given below:

Sr. No	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special Resolutions passed
1.	Annual General Meeting	12.09.2023 & the meeting was convened through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)	No Special Resolutions were passed in this AGM.
2.	Extra-Ordinary General Meeting	22.06.2023 & the meeting was convened through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)	To approve the Issuance of Non-Convertible Debentures (NCD) on a Private Placement Basis.
3.	Extra-Ordinary General Meeting	05.01.2024 & the meeting was convened through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)	No Special Resolutions were passed in this EGM.
4.	Extra-Ordinary General Meeting	17.01.2024 & the meeting was convened through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)	to approve the Issuance of Share Warrants By way of Preferential Allotment on a private placement basis and the Draft Letter of offer.

DETAILS OF NON-COMPLIANCE WITH REQUIREMENTS OF THE COMPANIES ACT, 2013

During the year under review, there has been no default in compliance with the requirements of the Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

DETAILS OF PENALTIES AND STRICTURES

During the year under review, no penalties or stricture has been imposed on the Company by the Reserve Bank of India or any other statutory authority.

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 03 June, 2015, the following committees were in operation as on 31 March, 2024:

Sr. No.	Name of Committee
1	Audit Committee
2	Nomination and Remuneration Committee
3	Risk Management Committee
4	Asset & Liability Management Committee
5	IT Strategy Committee
6	Corporate Social Responsibility Committee
7	Securities Allotment Committee
8	Internal Complaints Committee
9	Shares Transfer Committee
10	Internal Investigation Committee
11	Executive Management Committee
12	Borrowing Committee

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 2023-24 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.lightfinance.com/wp-content/uploads/2024/07/Related-Party-Transaction-Policy.pdf>

During the year ended 31 March, 2024, 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 30 (G) to the Balance Sheet as on 31 March, 2024.

DEBENTURES

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

Sr. No.	Date of Allotment	No. of Debentures	Face Value of Debentures	Name of Allottee	ISIN
1	28.07.2023	2500	1,00,000	IFMR Fimpact Long Term Credit Fund	INE366T07139
2	26.12.2023	2050	1,00,000	DWM Income Funds S C A Sicav Sif - The Trill Impact-Dwm Sdgs Credit Fund-Vrr Inr.	INE366T07139
3	28.12.2023	3000	1,00,000	AK Capital Finance Limited.	INE366T08020

The details of debenture trustee for all the above mentioned Non-Convertible debentures issued by the Company during FY 2023-24 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
Name of Debenture trustee	CATALYST TRUSTEESHIP LIMITED
Registered office	Windsor, 6 th Floor, Office No - 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra, India
CIN	U74999PN1997PLC110262

A) 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.

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2024

[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@lightfinance.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:-

Sl. 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	98.3%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. 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	1,28,99,999	-	1,28,99,999	16.79%	1,28,99,999	-	1,28,99,999	16.79%	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	1,28,99,999	-	1,28,99,999	16.79%	1,28,99,999	-	1,28,99,999	16.79%	-

i) Category-wise Share Holding: (Contd.)

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	
(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)	1,28,99,999	-	1,28,99,999	16.79%	1,28,99,999	-	1,28,99,999	16.79%	-
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)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	2,98,61,635	2,74,57,382	5,73,19,017	74.59%	2,98,61,635	2,74,57,382	5,73,19,017	74.59%	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 Lakh.	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹1 Lakh	-	66,18,065	66,18,065	8.61%	-	66,18,065	66,18,065	8.61%	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	2,98,61,635	3,95,67,026	6,39,37,082	83.21%	2,98,61,635	3,95,67,026	6,39,37,082	83.21%	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	2,98,61,635	3,95,67,026	6,39,37,082	83.21%	2,98,61,635	3,95,67,026	6,39,37,082	83.21%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4,27,61,634	3,40,75,447	7,68,37,081	100%	4,27,61,634	3,40,75,447	7,68,37,081	100%	-

(ii) Shareholding of Promoters:

Name	Shareholding as at 01 April, 2023		Date wise Increase/ Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at 31 March, 2024	
	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	16.79%	NIL	NIL	NIL	NIL	NIL	1,28,99,999	16.79%

(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 of Shareholders	Shareholding as at 01 April, 2023		Date wise Increase/ Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at 31 March, 2024	
	No. of Shares	% of Shares	Date	No. of Shares	Reason	No. of Shares	% of Shares	No. of Shares	% of Shares
Abler Nordic Fund IV KS (Formerly Known as NMI Fund IV KS)	1,82,32,626	23.74%	-	-	-	1,82,32,626	23.74%	1,82,32,626	23.74%
Pettelaar Effectenbewaarbedrijf N.V	1,31,11,620	17.06%	-	-	-	1,31,11,620	17.06%	1,31,11,620	17.06%
British International Investment PLC	1,16,29,009	15.13%	-	-	-	1,16,29,009	15.13%	1,16,29,009	15.13%
agRIF Cooperatief U.A.	88,13,827	11.48%	-	-	-	88,13,827	11.48%	88,13,827	11.48%
Kaushik Amin	58,88,065	7.66%	-	-	-	58,88,065	7.66%	58,88,065	7.66%
VARAK Holdings Inc.	5,531,935	7.20 %	-	-	-	5,531,935	7.20 %	5,531,935	7.20 %
Geeta Amin	7,30,000	0.95 %	-	-	-	7,30,000	0.95 %	7,30,000	0.95 %

(iv) Shareholding of Directors and Key Managerial Personnel:

Name	Shareholding as at 01 April, 2023		Date wise Increase/ Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at 31 March, 2024	
	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	16.79%	-	-	-	1,28,99,999	16.79%	1,28,99,999	16.79%
Rakesh Kumar	-	-	-	-	-	-	-	-	-
Aviral Saini	-	-	-	-	-	-	-	-	-
Anuj Kumar	-	-	-	-	-	-	-	-	-
Chandan Sinha	-	-	-	-	-	-	-	-	-
Parveen Kumar Gupta*	-	-	-	-	-	-	-	-	-
Aditya Bhandari	-	-	-	-	-	-	-	-	-
Thomas Klungsøyr	-	-	-	-	-	-	-	-	-
Hemant Contractor**	-	-	-	-	-	-	-	-	-
Madhavi Gajjar	-	-	-	-	-	-	-	-	-

*Mr. Parveen Kumar Gupta has resigned from the office of Independent Director w.e.f. 07 June, 2023.

** Mr. Hemant Contractor has been appointed as Additional Independent Director w.e.f. 01 September, 2023, and resigned from the same position w.e.f. 03 January, 2024.

V. INDEBTEDNESS :

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

(Amount in ₹ Lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,28,288.59	2,984.79	-	1,31,273.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	743.57	7.38	-	750.95
iv) Short term borrowing	-	-	-	-
Total (i+ii+iii)	1,29,032.16	2,992.17	-	1,32,024.33
Change in Indebtedness during the financial year				
• Addition	1,23,260.87	7,819.13	-	1,31,080.00
• Reduction	-90,163.68	-	-	-90,163.68
· Reduction in short-term borrowing				
· Interest due but not paid	509.13	4.97	-	514.10
Net Change	33,606.32	7,824.10	-	41,430.42
Indebtedness at the end of the financial year				
i) Principal Amount	1,61,385.78	10,803.92	-	1,72,189.70
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,252.70	12.35	-	1,265.05
iv) Short term borrowing	-	-	-	-
Total (i+ii+iii)	1,62,638.48	10,816.27	-	1,73,454.75

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount in ₹ Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Deepak Amin (Managing Director)	Rakesh Kumar (Executive Director & CEO)	Aviral Saini (Executive Director & CFO)	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	174.42	178.70	150.35	503.47
2.	Stock Option (in number)	-	10,61,159	8,68,221	19,29,380
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	174.42	178.70	150.35	503.47
	Ceiling as per the Act	NA	NA	NA	NA

B. Remuneration to other directors:

(Amounts in ₹ Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors				
		Chandan Sinha	P.K. Gupta	Anuj Kumar	Hemant Contactor	Total Amount
I.	Independent Directors					
	Fee for attending board / committee meetings	9.10	1.90	11.00	2.70	24.70
	• Commission					
	• Others, please specify					
1	Total (1)	9.10	1.90	11.00	2.70	24.70
II.	Other Non-Executive Directors					
		Thomas Klungsøyr	Aditya Bhandari			
2	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission					
	• Others, please specify					
4.	Total (2)	-	-	-	-	-
5.	Total (B)=(1+2)	9.10	1.90	11.00	2.70	24.70

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

(Amounts in ₹ Lakhs)

S. No.	Particulars of Remuneration	Total Amount	
			Name of Key Managerial Personnel
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	11.98	11.98
2.	Stock Option (in numbers)	40,000	40,000
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total	11.98	11.98
6.	Total Managerial Remuneration	11.98	11.98

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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

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: 12th August, 2024

PLACE: AHMEDABAD

CORPORATE SOCIAL RESPONSIBILITY REPORT

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.

1. Composition of CSR Committee:

Sr No.	Name of Director	Designation in the Committee / Nature of Directorship in company	Number of meetings of CSR Committee held during the Year	Number of Meeting of CSR Committee attended during the Year
1	Deepak Amin	Member	1	1
2	Rakesh Kumar	Member	1	1
3	Aviral Saini	Member	1	1

The meeting was held on 25 May, 2023.

- 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**
- 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**

Sr No.	Financial year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, in any (in ₹)
Nil			

- Average net profit of the company as per section 135(5): ₹18,28,47,356
- Two percentage of average net profit of the company as per section 135(5): ₹36,56,947
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 - Amount required to be set off for the financial year, if any: NIL
 - Total CSR obligation for the financial year (7a+7b-7c): ₹36,56,947
- CSR amount spent or unspent for the financial year 2022-23 in FY 2023-24: ₹36,56,947. There was no amount unspent.
 - 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 of the Companies Act, 2013.	Local area (Yes/No)	Location of the project State (District)	Amount spent for the project (Amt in ₹)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency. NAME (CSR Reg No)
1	"Ek Hi Iccha, Sabko Shiksha (Badhte Kadam + Anmol Angan + Safe Harbour)"	ii	Yes	Gujarat (Dahod); Rajasthan (Alwar); Haryana (Kaithal); Madhya Pradesh (Guna)	₹10,72,800/-	No	AWAG (CSR00000709)
2	Nirog	i	Yes	Gujarat (Dahod); Rajasthan (Alwar); Haryana (Kaithal); Madhya Pradesh (Guna)	₹14,54,691/-	No	DEEPAK FOUNDATION (CSR00000353)
3	Aapka Bhagya, Aapke Haath (Swavalamban)	iii	Yes	Gujarat (Ahmedabad)	₹3,60,000/-	No	AWAG (CSR00000709)
	Aapka Bhagya, Aapke Haath (Smart Dhan)	iii	Yes	Gujarat (Kheda, Dahod, Panchmahal, Mahisagar); Madhya Pradesh (Ratlam, Mandsaur, Rajgarh); Rajasthan (Barmer, Bhilwara); Haryana (Kaithal, Hisar, Jind)	₹7,73,300/-	No	SSHRISHTI TRUST (CSR00004666)
Total					₹36,60,791/-		

(d) Amount Spent in Administrative overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹36,60,791/-

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

Sr. No.	Particular	Amount (in ₹)
1	Two percent of average net profit of the company as per section 135(5)	₹36,56,947/-
2	Total amount spent for the Financial Year	₹36,60,791/-
3	Excess amount spent for the financial year [(ii)-(i)]	₹3,844/-
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

7. 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 ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	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								

8. 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**

9. 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.**

ANNEXURE-D

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[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 **31 March, 2024** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place 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 **31 March, 2024** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 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;
 - 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, 2018; (**Not applicable to the Company during the Audit Period**)

Light Microfinance Private Limited

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.

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.

**For, Paliwal & Co.
Company Secretaries**

Alpesh Paliwal

Proprietor

COP: 12119

UCN: I2013GJ1046200

Peer Review Registration Number: 1686/2022

UDIN: A032500F000799244

Date: 22 July, 2024

Place: Ahmedabad

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.

For, Paliwal & Co.
Company Secretaries

Alpesh Paliwal

Proprietor

COP: 12119

UCN: I2013GJ1046200

Peer Review Registration Number: 1686/2022

UDIN: A032500F000799244

Date: 22 July, 2024

Place: Ahmedabad



Annexure - E

Management Discussion & Analysis



Indian economy

Maintaining its position as the best-performing emerging market economy for three consecutive years, India registered a stellar growth print of 8.2% in the financial year 2024. This remarkable performance is underpinned by consistently high manufacturing activity, relatively controlled inflation, and lately, superior economic growth.

However, a tepid growth of 3% is witnessed in private final consumption expenditure compared to 6.8% in FY23. But the slower growth may not be a pan-India phenomenon and may not be present across every echelon of the society.

Consequently, Indian household savings, which were on a steady downtrend from FY 2011-12 till FY 2022-23, may see a revival.

In the 2023-24 fiscal, the banking sector achieved a remarkable milestone surpassing the net profit of Rs 3 lakh crore for the first time. It is 39% higher than in previous years signifying a turnaround in the industry's health.

The asset quality of India's banking system has improved over the years and is expected to continue even this financial year. This is owing to factors like 'One Time Settlement' proposals, 'robust recovery mechanism', SARFAESI Act and capitalisation of high profits. As of March 2024, the gross non-performing asset (GNPA) ratio for scheduled commercial banks (SCBs) and NBFCs was below 3% of total advances.

However, the growth of unsecured credit in the overall loan portfolio of Indian banks remains elevated despite RBI's concern and their decision to increase the risk weighting on unsecured lending.

Last financial year, the rural economy suffered from the long-term impact of the pandemic, high rural inflation and reduced subsidies. High-frequency indicators like two-wheeler sales, tractor sales, agricultural export and fertiliser sales suggest discouraging trends. However, in the second half of the financial year, an uptick in rural economic momentum was seen.

Headline inflation was already on a downward trajectory by the end of the last financial year and stayed well within the RBI's tolerance band. For this fiscal, RBI leaves the projection at 4.5% which is a little lower than the March number of 4.85%.

Going forward, RBI projects the Indian economy to grow at 7.2% in FY25. The rural consumption which was lagging behind is likely to pick up this financial year.

However, weather-related events, geopolitical conflicts, fragmentation in global trades, fragmentation in capital flows and heightened financial sector volatility could pose major downside risks for future expansion.

Source: Bloomberg, Mint calculations, NSO data

<https://bankingfrontiers.com/indian-banking-sector-records-stellar-performance-in-fy24/>

<https://www.businesstoday.in/industry/banks/story/rbis-financial-stability-report-banks-net-npa-down-to-06-gross-npa-ratio-at-28-in-fy24-434952-2024-06-27>

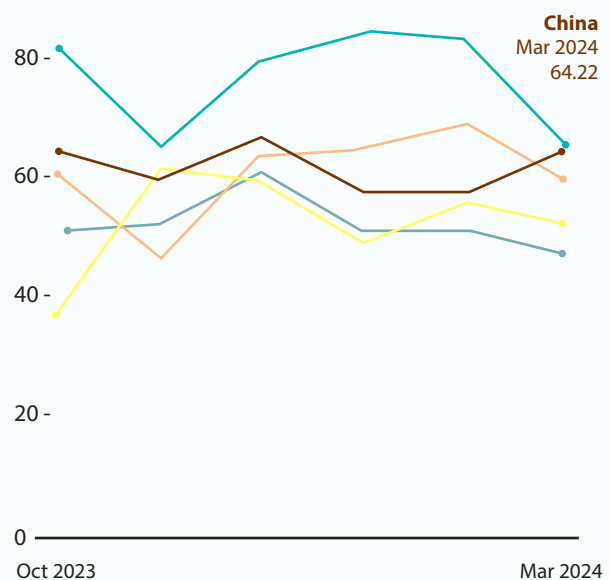
<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-says-indias-banking-sector-is-sound-and-resilient-gross-npa-is-below-3/articleshow/110791433.cms?from=mdr>

India's performance has been the best among its emerging market peers

Scores of top five emerging markets on Mint tracker, last six months

(scores out of 100)

India China The Philippines
Mexico Indonesia





Financial services sector in India

India's financial sector is experiencing robust growth with both established firms and new entrants entering the market rapidly. This diverse sector includes commercial banks, insurance companies, non-banking financial companies (NBFCs), microfinance institutions, cooperatives, pension funds, mutual funds, and other smaller financial entities.

Recent regulatory changes, such as the introduction of payment banks, have diversified the sector even more. Despite this, commercial banks dominate, holding over 64% of the sector's total assets.

The Government of India has implemented reforms to liberalise and regulate the financial industry, aiming to improve accessibility to finance for Micro, Small, and Medium Enterprises (MSMEs). These efforts are supported by initiatives from the Reserve Bank of India (RBI) to enhance financial inclusion and stability.

India's financial services sector is poised to grow on the back of rising incomes, significant government attention on financial inclusion and the increasing pace of digital adoption. India's digital payments could surpass \$1 trillion by 2030. The long-term fundamentals of the sector are sound as the technological change is likely to have a transformational effect on this sector. India is set to benefit from this transformation and could leapfrog other nations.

As of February 2024, the Unified Payments Interface (UPI) logged 12.10 billion transactions, amounting to Rs. 18.28 lakh crore (US\$ 220.77 billion). During the same period, the immediate payment service (IMPS) saw 534.6 million transactions, totalling Rs. 5.58 trillion (US\$ 68.61 billion).

India is today one of the most vibrant global economies on the back of a robust financial sector. India's financial services industry has experienced huge growth in the past few years and the momentum is expected to continue.

Further, the relaxation of foreign investment rules has received a positive response from the market, with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming years, the market could witness a series of such deals between global companies and local players



Trends

Neobanking: Pure online banking without physical branches, popularly known as 'neobanking' is gaining traction both globally and in India and is expected to grow in years to come.

Embedded finance: It allows customers to enjoy banking-related services from non-banking businesses without disrupting their customer experience and journey. By 2025, it is estimated to hold a value of \$141 billion, driven by demand from traditional companies such as vehicle manufacturers and hotels.

Rise of AI fintech: AI technology will likely revolutionise the financial sector with vast amounts of data and personalised investment strategies based on an individual's preferences and risk tolerance. This is possible through sentiment analysis.

Open banking: It is a growing trend that allows 3rd party service providers to access customer data through open APIs. By sharing data, financial institutions can offer more personalised services and better products which can benefit customers in having a more seamless banking experience, as they can access multiple financial services through a single platform. It can create a more competitive marketplace, drive innovation, and increase transparency.

Source: <https://www.ibef.org/industry/financial-services-india>



Microfinance sector in India

Industry performance in FY24

Like the previous year, the consistent growth of the microfinance sector continued this year as well. It expanded by 25.4 per cent in FY24 on a year-on-year basis with asset quality showing significant improvement owing to better loan recovery from the field and lender writing off bad loans.

The sector's gross loan portfolio grew 24.5% over the previous year to Rs 4.34 lakh crore at the end of March. The bad loan ratio fell to 7.9% from 8.6% a year back, according to industry data.

The industry catered to 78 million unique borrowers across 149 million loan accounts. Non-Banking Financial Companies - Microfinance Institutions (NBFC-MFIs) held the highest share in outstanding loans at Rs. 1.7 lakh crore, constituting 39.4% of the total industry portfolio. Banks followed with a total loan outstanding of Rs. 1.4 lakh crore, making up 33.2% of the microcredit market.

In terms of regional distribution, the East, Northeast, and South regions collectively hold 62% of the total portfolio. Bihar maintains its position as the largest state by outstanding portfolio, followed by Tamil Nadu and Uttar Pradesh.

In terms of loan quality, banks and NBFCs showed improvement in loans overdue by 31 to 180 days. For banks, the percentage of such loans improved from 2.7% as of March 31 last year to 2.2% as of March 31, 2024. Similarly, for NBFCs, it improved from 0.9% to 0.4% during the same period.

However, the situation for NBFC-MFIs and Small Finance Banks (SFBs) has worsened. For NBFC-MFIs, the percentage of loans overdue by 31 to 180 days increased from 1.5% as of March 31, 2023 to 2% as of March 31, 2024. For SFBs, it worsened from 2.2% to 2.9%.

Growth drivers

Despite ups and downs in the market and external shocks, the microfinance industry has proven resilient and grown as the most profitable segment of the lending business while creating a large positive impact on the financially weaker section of society. Some of the reasons responsible for this exceptional growth are:

- **Supportive Regulatory Environment:** The RBI's regulations and initiatives like setting up the Microfinance Institutions (MFIs) Network (MFIN) have helped create a more structured and responsible microfinance ecosystem.



- **Underpenetrated rural market:** Even with the significant growth of microfinance in India, a large rural market has still remained untouched. It means, there's a substantial portion of the rural population who could benefit from microfinance services but currently lack access. This is a big opportunity for steady growth driven by large unmet needs for credit and rising hopes for the future.
- **Interest Rate Cap Removal:** The removal of the interest rate cap in 2022 allowed MFIs to set risk-based pricing, improving their profitability and enabling them to serve a wider clientele.
- **Government Initiatives:** Schemes like Pradhan Mantri Jan Dhan Yojana (PMJDY) have facilitated financial inclusion, expanding the reach of formal financial services to a wider population segment, including potential microfinance clients.
- **Focus on Women Empowerment:** Microfinance has been recognised as a tool for empowering women, leading to government and NGO initiatives that encourage women's participation in microfinance programs. With our help, women are joining entrepreneurship at a rapid rate while improving their living standards, health, and education.
- **Digitalisation:** The adoption of digital technologies like mobile banking and cashless transactions has streamlined loan processes, improved client outreach, and reduced operational costs for MFIs. Data analysis allows MFIs to better assess creditworthiness, personalize loan products, and improve risk management.
- **NBFC-MFIs Gaining Prominence:** Non-Banking Financial Companies (NBFCs) have emerged as major players in the microfinance sector, offering greater competition and potentially improved service delivery.
- **Focus on Financial Literacy:** Increased awareness programs promote responsible borrowing among microfinance clients, leading to a more sustainable microfinance ecosystem. MFIs are increasingly offering additional services like financial literacy training and business development support to enhance the client value proposition.

Future outlook

Last fiscal year, the microfinance sector showed resilience and adaptability, navigating through pandemic challenges and



adjusting to regulatory reforms. Improvements in reducing Portfolio at Risk (PAR), lowering Non-Performing Assets (NPA), and expanding portfolios suggest that the sector is ready for ongoing growth.

However, the RBI's emphasis on a refined pricing strategy highlights the importance of vigilant oversight to uphold stability within the sector. Further, by leveraging new-age digital technologies, blockchain solutions, fintech partnerships, and prioritising financial literacy, the microfinance sector can continue to be a beacon of inclusive financial empowerment in India where the possibilities are limitless.

Company performance in comparison with the industry in FY24

- In FY24, the NBFC-MFI sector saw impressive growth of 23.6% year-on-year. However, Light stood out with remarkable



achievements in assets under management (AUM), which grew by an impressive 25.53% to reach INR 2,237 Cr, up from INR 1,782 Cr the previous year.

- Disbursements also surged by 3.9%, totalling ₹ 1,812 Cr in FY24, staying much above the significant milestone of INR 1,000 Cr in annual disbursements compared to ₹ 1,744 Cr in the previous year.
- Key to your company's success is its exceptional portfolio delinquency rate, reporting PAR>30 at 2.7% and PAR>90 at an impressive 2.0%, significantly lower than the NBFC-MFI industry averages of PAR>30 at 3.4% and PAR>90 at 2.4% (Source: MFIN).
- In FY24, Light's Capital to Risk-Weighted Assets Ratio (CRAR) was a robust 25.9%. A substantial influx of ₹ 1,812 Cr in funds during FY24 bolstered your financial position, contributing to a noteworthy 87.6% increase in profit after tax, reaching ₹ 63.08 Cr.
- CARE upgraded Light to BBB+ Credit Rating, reinforcing its strong financial standing and industry reputation.
- Operationally, Light expanded into 4 more states and opened 97 new branches, bringing the total network to 246 branches across 127 districts from 84 last year. The customer base grew from 3.90 Lakhs to 5.15 Lakhs, supported by an increased loan officer count of 2,220 and a total workforce of 3,612 employees, underscoring your commitment to scaling operations and serving a broader clientele.

RBI Compliance

Following the RBI's April 2022 notification, revised guidelines have been introduced in the microfinance sector. These include a unified household income limit of Rs 300,000 for microfinance loans, removing the previous rural-urban distinction. Entities applying for NBFC-MFI licenses must allocate a minimum of 75% of their assets to microfinance, promoting a level playing field. The increase in the household income threshold expands the market potential for MFI players.

NBFCs are now mandated to adopt board-approved policies to assess household income, ensuring transparency and accuracy in determining borrowers' repayment capacity. Additionally, they must share household income data with Credit Information Companies (CICs) for improved monitoring and compliance. The RBI has capped loan repayments at 50% of monthly household income, encompassing both principal and interest.

Existing loans exceeding this limit will be allowed to mature, with new loans depending on compliance. These measures aim to foster responsible lending practices, shielding borrowers from excessive debt burdens. Light has steadfastly adhered to these regulations, prioritising financial prudence and customer welfare, ensuring rigorous compliance with RBI guidelines on credit checks since its inception.

Capital raise

In FY24, the Company did not raise any capital. The Company, from time to time, will discuss the capital raise with potential partners and will raise funds from right set of Investors who believes in the Company's vision and business plan

Digital Lending

Light is currently in a pilot phase operating on a B2B2C model, having disbursed Rs 6.5 crores in loans to approximately 1,800 customers during FY24. With an AUM of Rs 1.6 crores as of March 2024, the company has initiated operations with a partnership of four vendors. Given the nascent stage and potential for expanded partnerships, the business is poised for significant growth in the coming years. To cater to a wider customer base, Light is



committed to product innovation, aiming to increase its current product range of 2-3 offerings.

IT Strengthening

In an effort to further strengthen our IT capability, we are driving transformation across our operations by enhancing our underwriting capabilities through a flexible system-based Business Rules Engine (BRE) and scaling up our credit algorithm deployment. Additionally, we are revamping our identification technologies in both Microfinance and Digital Lending verticals. We are also building the foundational pieces of Geo Intelligence, AI, and software platforms to strengthen our capabilities. Furthermore, we are improving technology capabilities to enhance collections and bolstering our control mechanisms by integrating village management systems and geo-intelligence into our field operations, ensuring a more robust and efficient framework.



Human Resource

- **New recruitment:** The team has onboarded ~3,600 employees during FY24. The total employee count as of March 2024 stood at 3,600. The Company will continue expanding into newer geographies and newer product lines which will lead to more and more hiring going ahead.
- **Annual CEO & MD Club Event:** Major annual rewards and recognition events on a larger scale for the entire business team under the CEO & MD Club program. This event celebrated field employees who qualified by achieving their business targets, providing them with huge recognition in front of the entire management team. It was a proud moment for all the achievers.
- **College Campus Drive Program:** We have introduced the College Campus Drive Program to recruit top students from prestigious colleges as management trainees for our business team. These talented individuals bring fresh perspectives and innovative ideas, enhancing our processes and supporting efforts to maximize productivity. By tapping into the potential of these bright minds, we aim to foster a culture of continuous improvement and maintain our competitive edge in the industry. This program not only helps in building a robust talent pipeline but also provides students with valuable real-world experience, preparing them for successful careers within our organization.
- **Enhanced Onboarding Process:** We have enhanced our onboarding process by implementing automation and leveraging technology. This tech-driven approach has streamlined and simplified the onboarding experience, eliminating unnecessary information and saving time. Additionally, we have introduced an application-based, zero-carbon footprint platform for all HR-related processes, including training and development. This initiative eliminates paperwork and enhances the overall onboarding experience for our employees.
- **Joy of Living Program:** The company organises different programs under its Joy of Living Program where employees are given an opportunity to participate in social good activities which include - teaching students from economically weaker sections, donating food and spending time in old age homes, a blood donation camp was held in organisation to contribute to the community, shoes and food distribution to economically weaker kids. This also includes participating in marathons.
- **Employee Benefits Update: Recharge and Rejuvenate Leave Policy and Increased Insurance Coverage:** We have introduced a new leave policy providing extra, flexible days specifically for relaxation and personal time to help our employees recharge and rejuvenate.
- **We have implemented significant enhancements to our insurance coverage policies.** Group Personal Accident (GPA) coverage has increased from 3 lakhs to 10 lakhs, providing greater financial protection in case of accidents. Group Term Life Insurance (GTLI) coverage is now double the employee's current CTC, offering substantial support to their families.
- **Blending CLT + online training:** For our induction program, we introduced a blend of classroom training and online training. At the time of joining, a new joiner undergoes 1 day of classroom training and 2 days of online training via an online platform – Zing Learn. This has helped us with flexibility in training, mobility in completion of courses, online support, getting progress reports, and reduced cost. With this initiative, we have saved INR 50,68,331. All the voiceovers and content designing were done in-house during the process of shifting to this training platform which saved external costs.
- **POSH training for Managers and above female employees and ICC:** Organising POSH training in Light, has helped us foster better relationships and equality among employees, thus ensuring a quality workplace environment for all employees irrespective of gender. This training insights into our Internal Complaints Committee's following points:
 - How to form an ICC, the Redressal mechanism one should take in case of any incident with themselves or colleagues,
 - How to identify POSH or Non-POSH cases,
 - How to conduct quarterly meetings in a correct manner, etc.



Internal Control & Adequacy

Light has implemented a robust internal control system tailored to the scale and intricacy of its business operations. These controls undergo regular monitoring to ensure they effectively mitigate risks. External audits conducted by a reputable audit firm rigorously examine compliance with statutory regulations and identify any breaches. The Board of Directors oversees the adequacy and efficiency of internal financial controls. In the recent financial year, auditors did not report any significant deficiencies in the control system. The company conducts investigations into fraud and portfolio at risk (PAR), along with surprise branch audits, to validate the effectiveness of its internal controls.

Internal Audit Management

- Internal audits ensure the evaluation of internal controls, corporate governance, and accounting processes. They uphold compliance with laws and regulations, mitigating risks like fraud, waste, or misuse.
- The audit plan is tailored to the Company's risk profile; an independent external firm engaged for unbiased audits. The

Audit Committee, comprising experienced professionals, actively oversees and reviews the audit plan.

- Key accomplishments of the Accounts department in FY23-24:
 - Successful maintenance of Ind-AS accounting standards.
 - Strict adherence to budgetary constraints and proactive expenditure control.
 - Diligent compliance with regulatory requirements and proactive risk identification.
 - Timely and accurate financial reporting, enhanced through process automation.
 - Successful completion of internal and statutory audits with no material findings.
- Initiatives demonstrate commitment to financial excellence, compliance, and effective risk management.

Focus on maintaining the highest standards in financial reporting and internal controls enhances transparency, governance, and accountability.

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
Options granted during the year	28,13,380
Options vested during the year	2,75,080
Options exercised during the year	NIL
The total no. of shares arising as a result of exercise of option	NIL
Options lapsed during the year	59,800
Exercise price	<ul style="list-style-type: none"> • for options granted in 2018-19 - ₹10.63/- • for options granted in 2021-22 - ₹37.70/- • for options granted in 2023-24 – ₹66.00/-
Variation of terms of options	<ul style="list-style-type: none"> • The Board of Directors in their meeting held on December 22, 2023 enhanced the ESOP Pool earmarked under the 'Light Microfinance Private Limited – Employee Stock Option Plan 2018 ('ESOP 2018') from 18,40,000 (Eighteen Lakhs Forty Thousand) options to 61,27,511 (Sixty One Lakhs Twenty-Seven Thousand Five Hundred Eleven) options
Money realized by exercise of options	NIL
Total number of options in force	42,16,380
Employee wise details of options granted during the year:	
Key managerial personnel	19,69,380
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	Mr. Satish Dhupdale (1,50,000 options)
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	NIL

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 31 March,, 2024 the Statement of Profit and Loss including the statement of Other Comprehensive Income, Statement of Cash Flow and the Statement of Changes in Equity for the year that ended, and notes to financial statements, including a summary of material accounting policy information 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company (financial position) as at 31 March,, 2024, its profit including other comprehensive income (financial performance), its cash flows and the changes in equity 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.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined of the matter described below to be the key audit matter to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Allowances for Expected Credit Losses (as described in note 1</p> <p>Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach.</p> <p>ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include :</p> <ol style="list-style-type: none"> 1. Estimating the behavioural life of the product/types of loans/ advances 2. Data inputs in relation to ECL model 3. Determination of loan book segmentation, probability of defaults, loss given defaults and exposure at default. 4. Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'. 5. Determining effect of less frequent past events on future probability of default. 	<p>1 (o) and 5 of the Ind AS financial statements)</p> <p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> 1. Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors. 2. We also performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. 3. We tested the relevant manual controls, general IT and application controls over key systems used in the ECL process. 4. Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions (including Probability of Default and Loan Given Default) and tested the controls around data extraction and validation. 5. We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status.

Key audit matters**How our audit addressed the key audit matter**

6. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under higher stages.
7. We tested the arithmetical accuracy of computation of ECL provision performed by the Company.
8. We assessed the disclosures included in the Ind-AS financial statements with respect to such allowance / estimate are in accordance with the requirements of Ind AS 109 and Ind AS 107 Financial Instruments: Disclosures.

(b) Information Technology ('IT') Systems and Internal Controls for financial reporting

The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.

Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records.

Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.

Our audit procedures included the following:

1. The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs – to understand the design and test the operating effectiveness of such controls.
2. Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting.
3. In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal system controls over financial reporting using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance.
4. Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.

EMPHASIS OF MATTER

We draw attention to the note no. 30-D regarding the change in accounting policy in respect of gain on derecognition of loans upon assignment and related disclosures in accordance with the applicable requirements of Ind AS. Our opinion is not modified in respect of above matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Management and 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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. 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) Based on the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 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. 30-I.
 - ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - 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 clause (i) and (ii) of Rule 11(e), as provided under a) and b) above, contain any material misstatement..
 - v. The Company has not declared or paid any dividend during the year
 - vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
3. The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31 March, 2024, since none of the directors of the Company have drawn any managerial remuneration.

For C N K & Associates LLP*Chartered Accountants*

Firm Registration No: 101961W/W – 100036

Hiren Shah*Partner*

Membership No. 100052

Place: Mumbai

Date: 23rd May, 2024

UDIN: 24100052BKFAJU5322

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 2024]

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 of Property, Plant and Equipment.
- (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 or intangible assets.
- (e) As disclosed in note T(ii), 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) Investments are made and Loans and advances provided to other parties. The terms and conditions of the investments and grant of all loans and advances 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. (₹ in Lakhs)

No of Loan Accounts	Principal Overdue (₹)	Interest Overdue (₹)	Extent of Delay
5,483	210.81	74.21	1-90 Days
13,120	1,048.14	313.39	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.
 - 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 T (x) and 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 T (iii) and as confirmed by us, the Company has not been declared wilful 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 not made private placement of shares, and hence reporting under the clause 3(x)(b) of the Order is not applicable
- xi. (a) No fraud by the Company has been noticed or reported during the year, except as disclosed in Note 'W', the fraud on the company has been noticed involving misappropriation of cash collected from customers and other form of embezzlement of cash by several employees involving amount aggregating ₹18.74 Lakhs. The company has recovered 10.89 Lakhs.
- (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 (c) 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 (CoR) 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, the requirements of clause xiv(c) of the Order are not applicable.

Light Microfinance Private Limited

- (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. There is no resignation of Statutory Auditor during the year therefore, Reporting under Clause xviii of the Order is not applicable.
- 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 P there is no unspent amount as per subsection 5 of section 135 of the Act towards Corporate Social Responsibility (CSR) as at the end of the financial year, hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order are 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: 23rd May, 2024

UDIN: 24100052BKFAJU5322

ANNEXURE 2 TO 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 SUBSECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to financial statements of Light Microfinance Private Limited ("the Company") as of 31 March, 2024 in conjunction with our audit of the standalone 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 with reference to financial statements 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 ("ICAI"). 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. 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 with reference to these standalone financial statements were 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls 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 Company's internal financial controls with reference to these financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company's internal financial control 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 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 WITH REFERENCE TO THESE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control 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 with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at 31 March, 2024, 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: 23rd May, 2024

UDIN: 24100052BKFAJU5322

Statement of assets and liabilities

as at 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	Notes	As at 31 March, 2024	As at March 31 2023 (Restated refer note 30 D)	As at April 1 2022 (Restated refer note 30 D)
ASSETS				
Financial assets				
Cash and cash equivalents	2	25,461.08	13,630.64	9,471.42
Bank balances other than cash and cash equivalents	3	5,991.33	4,161.08	4,706.05
Trade Receivables	4	11.93	91.67	88.64
Loans	5	1,78,850.51	1,43,532.99	80,191.26
Investments	6	1,012.72	3,526.27	-
Other financial assets	7	6,206.30	6,084.88	3,093.47
		2,17,533.87	1,71,027.53	97,550.84
Non Financial Assets				
Current tax assets (net)	8	16.70	39.42	-
Deferred tax asset (net)	9	1,149.32	233.74	793.99
Property, Plant & Equipment's	10-A	783.36	613.35	266.89
Capital work in progress		284.56	-	-
Right of Use		332.85	488.27	382.81
Intangible assets under development	10-B	116.02	126.97	25.93
Other Intangible assets	10-A	956.54	270.36	74.40
Other non-financial assets	11	283.94	211.58	84.71
		3,923.29	1,983.69	1,628.73
Total Assets		2,21,457.16	1,73,011.22	99,179.57
LIABILITIES & EQUITY				
Liabilities				
Financial Liabilities				
Derrivative Financial Instruments	12	74.03	-	-
Payables				
Trade Payables				
(i) Total outstanding dues of Micro enterprises and small enterprises	13	339.01	137.01	0.90
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises other payables	13	334.78	513.38	247.58
Debt securities	14	20,776.03	20,719.64	13,290.67
Borrowings (other than Debt securities)	15	1,40,609.75	1,07,553.74	68,363.67
Subordinated Liabilities	16	10,803.92	3,000.00	3,000.00
Other financial liabilities	17	5,929.79	5,749.00	1,953.87
Lease liabilities		414.85	558.77	743.34
		1,79,282.16	1,38,231.54	87,600.03
Non Financial Liabilities				
Current tax liabilities (net)		664.50	-	26.55
Provisions	18	559.11	406.41	110.17
Other non Financial liabilities	19	1,026.01	725.02	466.13
		2,249.62	1,131.43	602.85
Equity				
Equity share capital	20	10,779.68	10,779.68	4,587.74
Other equity	21	29,145.69	22,868.57	6,388.94
		39,925.37	33,648.25	10,976.68
Total liabilities and equity		2,21,457.16	1,73,011.22	99,179.57
Notes forming part of the Financial Statements	1 to 30			

As per our attached report of even date

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

For **Light Microfinance Pvt Ltd**

Hiren Shah
Partner
Membership No. : 100052

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer & Executive Director
DIN-03430670

Place: Ahmedabad

Aviral Saini
Chief Financial Officer & Executive Director

Madhavi Gajjar
Company Secretary & Chief Compliance
Officer

Date: May 23, 2024

DIN-03534719

M.No. A54522

Statement of financial results

for the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	Notes	Year ended 31 March, 2024	Year ended 31 March, 2023 (Restated refer note 30 D)
Revenue from operations			
Interest income	22	43,715.70	24,346.42
Other operating income	23	7,358.92	5,187.79
Total revenue from operation		51,074.62	29,534.21
Other income	24	882.78	514.07
Total Income (I+II)		51,957.40	30,048.28
Expenses			
Finance cost	25	20,657.59	11,626.08
Impairment/(Reversal) of Impairment on Financial Instruments	26	3,199.03	(2,028.72)
Net loss on derecognition of financial instruments under amortised cost category	26	2,156.65	5,173.01
Employee Benefit Expense	27	12,398.11	7,875.73
Depreciation & Amortization Expenses	28	918.82	390.43
Other Expenses	29	4,590.97	2,862.12
Total Expenses (IV)		43,921.17	25,898.65
Profit/(loss) before tax (III-IV)		8,036.23	4,149.63
Tax Expenses			
Current Tax		2,576.66	271.44
Deferred Tax Charge / (Credit)		(885.10)	566.56
Excess/(Short)Provisions of earlier year		36.18	(51.86)
Total tax expense (VI)		1,727.74	786.14
Net profit/(loss) after tax (V-VI)		6,308.49	3,363.49
Other Comprehensive income/(loss)			
(1) Items that will not be reclassified to profit and loss		(47.08)	(25.07)
(2) Income tax relating to items that will not be reclassified to profit and loss		11.85	6.31
Subtotal (a)		(35.23)	(18.76)
(1) Items that will be reclassified to profit and loss-Fair value income/(loss) on derivative financial instruments		(74.03)	-
(2) Income tax relating to items that will be reclassified to profit and loss		18.63	-
Subtotal (b)		(55.40)	-
Other Comprehensive income/(loss) (a+b)		(90.63)	(18.76)
Total comprehensive income (comprising profit and other comprehensive income/ (loss))		6,217.86	3,344.73
Paid up share capital		10,779.68	10,779.68
Other equity as per balance sheet of previous accounting year			
Earning per share (EPS) (face value of H10 per equity share)			
Basic EPS	30-B	25.18	13.43
Diluted EPS	30-B	8.32	4.41
Notes forming part of the financial results	1 to 30		

As per our attached report of even date

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

For **Light Microfinance Pvt Ltd**

Hiren Shah
Partner
Membership No. : 100052

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer & Executive Director
DIN-03430670

Place: Ahmedabad

Aviral Saini
Chief Financial Officer & Executive Director

Madhavi Gajjar
Company Secretary & Chief Compliance
Officer

Date: May 23, 2024

DIN-03534719

M.No. A54522

Statement of cash flow

as at 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023 (Restated refer note 30 D)
Cash flow from Operating Activities		
Profit Before tax	8,036.23	4,149.62
Depreciation and amortization	763.40	253.12
Gain on sale of units of Mutual Fund	(693.52)	18.33
Prior Period Tax Adjustment		
Non Cash Employee Share Base Payment Expense	30.96	90.61
Loss/(Profit) on sale of Assets	(0.02)	(0.81)
Operating Profit before Working Capital Changes	8,137.05	4,510.87
Movements in Working Capital:		
Decrease/(Increase) in trade receivables	79.74	(3.04)
Decrease/(Increase) in loans	(35,317.52)	(63,341.73)
Decrease/(Increase) in other financial assets	(121.41)	(2,991.41)
Decrease/(Increase) in right of use	155.42	(105.46)
Decrease/(Increase) in other non financial assets	(72.36)	(126.87)
Increase/(Decrease) in trade payables	23.40	401.91
(Decrease)/Increase in other financial liabilities	(217.29)	3,397.04
(Decrease)/Increase in provisions	105.61	271.17
(Decrease)/Increase in other non financial liabilities	300.98	258.90
Cash Generated/(Used in) Operations:	(26,926.38)	(57,728.62)
Direct Taxes Paid (net of refunds)	1,851.58	146.33
Net Cash Flow from/(used in) Operating Activities (A)	(28,777.96)	(57,874.95)
Cash flow from Investing Activities		
Purchase of property, plant and equipment (net)	(854.48)	(579.27)
Redemption / (Purchase) of units of Mutual Funds (net)	693.52	(18.33)
Decrease/(Increase) in Investment	2,513.55	(3,526.27)
(Increase) / Decrease in fixed deposits	(1,830.25)	544.97
Purchase of intangible asset	(1,014.36)	(248.76)
Capital work in progress	(284.56)	-
Intangible assets under development	10.94	(101.04)
Proceeds from disposal of property, plant and equipment	249.28	33.28
Net Cash Flow from/(used in) Investing Activities (B)	(516.36)	(3,895.42)

Statement of cash flows

as at 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023 (Restated refer note 30 D)
Cash flow from Financing Activities		
Derivative Financial Instruments	(74.03)	-
Debt securities (repaid)/issued (net)	56.39	7,428.98
Borrowings other than debt securities repaid (net)	33,056.01	39,190.07
Subordinated Liabilities (net)	7,803.92	-
Increase /(Payment) of lease liabilities	(143.92)	(184.57)
Proceeds from issuance of Equity Share Capital	-	-
Proceeds from issue of share warrants	28.30	-
Proceeds from issuance Compulsory Convertible Preference Share (including premium)	-	19,594.40
(Decrease)/Increase in Interest accrued on borrowing	398.09	258.87
Expenditure on issuance of Compulsory Convertible Preference Share / Non Convertible Debenture	-	(358.15)
Net Cash Flow from/(used in) financing Activities (C)	41,124.76	65,929.60
Net Increase/(decrease) in cash and cash equivalents	11,830.44	4,159.23
Cash and Cash equivalents at the beginning of the year	13,630.63	9,471.42
Cash and Cash equivalents at the end of the year	25,461.08	13,630.65
Notes forming part of the financial results		

As per our attached report of even date

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

For **Light Microfinance Pvt Ltd**

Hiren Shah
Partner
Membership No. : 100052

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer & Executive Director
DIN-03430670

Place: Ahmedabad

Aviral Saini
Chief Financial Officer & Executive Director

Madhavi Gajjar
Company Secretary & Chief Compliance

Date: May 23, 2024

DIN-03534719

Officer
M.No. A54522

Statement of change in equity

for the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	Equity Share	Preference Share
Issued, Subscribed and Fully Paid-up Share Capital		
Balance as at 1 April, 2022	2,505.00	2,082.74
Issued During the Period	0.00	6,191.94
Balance as at 31 March, 2023	2,505.00	8,274.68
Issued During the Period	-	-
Balance as at 31 March, 2024	2,505.00	8,274.68
Other Equity		
Balance as at 1 April, 2022		5,402.95
Impact due to changes in accounting policy (restated refer note 30 D)		985.99
Restated balance as at 1 April, 2022 (restated refer note 30 D)		6,388.94
Amount Transferred from balance in the statement of profit and loss u/s 45 IC of Reserve Bank of India Act, 1934		668.94
Security Premium received		-
Security Premium utilized under section 52 of The Companies Act, 2013		-
Dividend Paid on Redeemable Preference Shares		-
Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934		-
Reserve added during the year Option Granted		-
Restated balance as at 31 March, 2023 (restated refer note 30 D)		90.61
Amount Transferred from balance in the statement of profit and loss u/s 45 IC of Reserve Bank of India Act, 1934		1,254.65
Security Premium received		-
Security Premium utilized under section 52 of The Companies Act, 2013		-
Surplus for the period		-
Dividend Paid on Redeemable Preference Shares		-
Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934		-
Reserve added during the year Option Granted		-
Restated balance as at 31 March, 2024		22,868.57
Amount Transferred from balance in the statement of profit and loss u/s 45 IC of Reserve Bank of India Act, 1934		1,254.65
Security Premium received		-
Security Premium utilized under section 52 of The Companies Act, 2013		-
Surplus for the period		-
Dividend Paid on Redeemable Preference Shares		-
Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934		-
Money received against share warrant		28.30
Reserve added during the year Option Granted		-
Other comprehensive income		30.96
Balance as at 31 March, 2024		29,145.69

*Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.

See accompanying notes to the financial statements in terms of our report attached

For C N K & Associates LLP.
Chartered Accountants

For **Light Microfinance Pvt Ltd**

FRN No. 101961WAW-100036

Hiren Shah
Partner
Membership No. : 100052

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Place: Ahmedabad
Date: May 23, 2024

Notes to financial statements for the year ended 31 March, 2024**NOTE 1: NOTES FORMING PART OF THE FINANCIAL STATEMENTS****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 9 states namely Gujarat, Haryana, Himachal Pradesh, Madhya Pradesh, Rajasthan, Odisha, Uttar Pradesh, Jharkhand and Uttarakhand.

b. Basis of Preparation**Statement of compliance with Indian Accounting Standards (Ind AS)**

The financial statements of the Company are prepared in accordance with Indian accounting standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), regulatory guidance issued by RBI on Implementation of Indian Accounting Standards and the Master Direction- Non-Banking Financial Company- Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('NBFC Master Directions') issued by RBI.

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 financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair value through profit and loss (FVTPL) or fair values through other comprehensive income (FVOCI) as explained in relevant accounting policies.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

These Ind AS Financial Statements have been reviewed by the Audit Committee and approved by the Board of

Directors at their meeting held on May 23 2024. The above results for the year ended 31 March, 2024 have been audited by the Statutory Auditors of the Company.

MATERIAL ACCOUNTING POLICY INFORMATION**c. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the 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 outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d. Critical Accounting estimates and judgements

In particular, Information about significant areas of estimates, uncertainty and critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

a. Fair Value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using the valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could effect the reported fair value of financial instruments. For further details about determination of fair value refer note j and para 30(J) of notes to accounts.

b. Impairment of Loan Portfolio

Judgement is required by management in the estimation of the amount and timing of future cash flow when determining an impairment allowance for loan and advances, In estimating these cash flows, the Company makes judgements the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ and resulting in changes to the impairment allowance.

c. Defined employee benefit assets and liabilities

The cost of defined benefit gratuity plan and other post-employment benefits and the present value

Notes to financial statements for the year ended 31 March, 2024

of the gratuity obligation using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future increase in salary and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d. Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment, that by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigations, arbitration regulatory investigations and proceedings in the ordinary course of Company's business. When the Company can reliably measure the outflow of economic benefits in relations to a specific case and considers such outflows to be probable, the company records a provision against the case. Where the outflow is considered to be probable but a reliable estimate cannot be made, a contingent liability is disclosed. Significant judgement is required to conclude on these estimates. For further details on provision and contingencies refer note u and v.

e. Provision for income tax and deferred tax

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that the future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Company exercises its judgment to reassess the carrying amount of deferred tax assets at the end of each reporting period.

f. Business model assessment

Refer Note i, j and k of the note of the financial statement. These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that these estimates used in preparation of the financial statements are prudent and reasonable.

e. Property, plant and equipment (PPE)

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 duties, freight and other directly/specifically attributable expenses related to the construction, acquisition and installation of the respective assets.

Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognized.

f. Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses to acquire property, plant and equipment. Assets which are not ready to intend use are also shown under capital work-in-progress.

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 and 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

Notes to financial statements for the year ended 31 March, 2024

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 useful life of the assets estimated by the management :

a)	Furniture and fixtures	10 years
b)	Computers	3 years
c)	Office equipment	5 years
d)	Electric Installation	10 years
e)	Leasehold improvements	Life based on the lease period
f)	Intangible Assets	5 years

i. Financial assets**Initial recognition and measurement**

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e. the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement➤ **Financial assets carried at amortised cost**

Financial assets like loan portfolio are measured at amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the

principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method less impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

➤ **Investments in Mutual Funds**

Mutual funds included within FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

➤ **Investments in security receipts**

Investment in security receipts issued by trust floated by asset reconstruction companies are accounted for at fair value through profit & loss (FVTPL).

j. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using various valuation techniques. Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The Company's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortized cost are required to be disclosed in the said financial statements. The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in theq financial statements, using a three level fair- value-hierarchy which reflects the significance of inputs used in the measurement.

All assets and liabilities for which fair value is measured are categorised with fair value hierachy into Level I, Level II and Level III based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Other than quoted prices included within Level 1,

Notes to financial statements for the year ended 31 March, 2024

that are observable for the asset or liability, either directly or indirectly;

Level 3 - Unobservable inputs for the asset or liability.

k. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortized cost. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

l. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the financial asset have expired. The Company also derecognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement.

Assignment arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the "original asset"), but assumes a contractual obligation to pay those cash flows to one or more entities ("eventual recipients"), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

- In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the year between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such financial asset previously carried under amortisation cost category. The Company continues to recognise their part of assignment transaction in the books of accounts and the same is recognised at amortised cost. The resulting interest only strip initially is recognised at FVTPL.

As per guidelines of RBI, the company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continue to recognise the portion retained by it as MRR.

Notes to financial statements for the year ended 31 March, 2024**m. Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

n. Hedge Accounting

The Company enters into swap contracts and other derivatives financial instruments to hedge its exposure to foreign exchange and interest rates. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

The Company designates their derivatives as hedges of foreign exchange risks associated with the cash flows of loan repayments including interest part.

Cash Flow hedge

A cash flow hedge is a hedge of the exposure to variabilities in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit and loss.

Here, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as hedged item.

Hedge accounting is discontinued when the hedging instruments expires or is sold, terminated, or exercised or when it no longer qualifies for the hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

o. Impairment of financial assets

In accordance with Ind AS 109, the Company is required to measure expected credit losses (ECL) on its financial instruments designated at amortized cost and fair value through other comprehensive income.

Accordingly, the Company is required to determine lifetime losses on financial instruments where credit risk has increased significantly since its origination. For other instruments, the Company is required to recognise credit losses over next 12-month period. The Company has an option to determine such losses on an individual basis or collectively depending upon the nature of underlying portfolio.

The Company has a process to assess credit risk of all exposures at each year end as follows:

Stage I

These represent exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Company has assessed that all standard exposures (i.e. exposures with no overdue) and exposures upto 30 days overdue fall under this category. In accordance with Ind AS 109, the Company measures ECL on such assets over next 12 months.

Stage II

Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. Based on empirical evidence, significant increase in credit risk is witnessed after the overdue on an exposure exceed a period of 30 days and upto 90 days. Accordingly, the Company classifies all exposures with overdue exceeding 30 days at each reporting date under this Stage. The Company measures lifetime ECL (LTECL) on stage II loans.

Stage III

All exposures having overdue balances for a period exceeding 90 days are defaults and are classified under this stage (91 to 179 Days DPD and 180+ Days DPD). Accordingly, the Company measures lifetime losses on such exposure. For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Methodology for calculating ECL

The Company determines ECL based on a probability weighted outcome of factors indicated below to measure the shortfalls in collecting contractual cash flows.

Notes to financial statements for the year ended 31 March, 2024

➤ **Probability of default (PD)**

The probability of default is an estimate of the likelihood of default over a given time horizon (12-month or lifetime, depending upon the stage of the asset).

➤ **Exposure at default (EAD)**

It represents an estimate of the exposure of the Company at a future date after considering repayments by the counterparty before the default event occurs.

➤ **Loss given default (LGD)**

It represents an estimate of the loss expected to be incurred when the event of default occurs.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macroeconomic trends reasonably.

p. Write-offs

Impaired Loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. However, financial assets that are written off could still be subject to enforcement activities under Company's recovery procedures, taking into account legal advice where appropriate.

q. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use asset

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are

measured at cost less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the lease payments.

Short-term leases

The Company has elected to account for short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date) and leases of low-value assets using the practical expedients. Instead of recognizing a right-of use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

r. Share based payment

The Company has formulated an Employees Stock Option Schemes. The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in other equity. The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. It recognizes the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

s. Taxes

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Notes to financial statements for the year ended 31 March, 2024

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

t. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings Per Share.

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue and bonus element in a right issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity

shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u. 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 measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

v. Contingent liabilities and assets

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.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not have any contingent assets in the financial statements.

w. 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.

x. Cash flow statement

Cash flows are reported using indirect method, whereby net profit 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.

Notes to financial statements for the year ended 31 March, 2024

y. Revenue Recognition

Interest Income

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost.

EIR is calculated by considering any fees and all incremental costs that are directly attributable to acquisition of a financial asset and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit impaired and is, therefore, regarded as 'Stage 3', the Company calculates the interest income to the extent recoverable. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on gross basis. Additional interest/overdue interest/other charges are recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions (refer para I of the notes to the account)

Gain arising on assignment transactions is recorded upfront in the statement of Profit and Loss with complete transfer of risks and rewards and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transactions in accordance with Ind AS 109. Further the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition itself as excess interest spread and correspondingly recognised as profit on derecognition of financial asset.

Fees and Commission income

Income in the form of fees and commission is recognised as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

Recovery from bad debts

Recovery from bad debts written off is recognised as income on actual realisation from the customers.

Recognition of other income

Revenue (other than for those items to which Ind AS 109

- Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115
- Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/ collection.

z. Borrowing Cost

Borrowing costs consists of interest and other cost (like fees, commission payable to arranger, external legal cost, and other related expenses) that the Company incurred in connection with the borrowing of funds. Borrowing costs charged to the Statement of Profit and Loss based on effective interest rate method.

aa. Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to financial statements for the year ended 31 March, 2024**2. CASH AND CASH EQUIVALENTS**

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Cash on Hand	52.40	56.26	41.73
Balances with Banks in Current accounts	21,408.68	12,074.38	8,629.69
Bank deposit with maturity of less than 3 months	4,000.00	1,500.00	800.00
Total	25,461.08	13,630.64	9,471.42

3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Fixed deposit with bank not considered as cash and cash equivalents*	5,991.33	4,161.08	4,706.05
Total	5,991.33	4,161.08	4,706.05

4. TRADE RECEIVABLES

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Trade receivables considered good-secured	-	-	-
Trade receivables considered good-unsecured	11.93	91.67	88.64
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
Total	11.93	91.67	88.64

As at 31 March, 2024

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 years	Total
(i) Undisputed Trade receivables – considered good	11.93	-	-	11.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-

As at 31 March, 2023

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 years	Total
(i) Undisputed Trade receivables – considered good	91.67	-	-	91.67
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-

Notes to financial statements for the year ended 31 March, 2024**As at 31 March, 2022**

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 years	Total
(i) Undisputed Trade receivables – considered good	88.64	-	-	88.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-

5. LOANS*

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
At Amortised cost			
(A) Term Loans			
Joint liability loans	183,824.54	145,453.36	84,220.88
Less: Impairment loss allowance	(4,974.03)	(1,920.37)	(4,029.62)
Total - Net	178,850.51	143,532.99	80,191.26
(B) Secured	3.86	-	-
Unsecured	183,820.68	145,453.36	84,220.88
Less: Impairment loss allowance	(4,974.03)	(1,920.37)	(4,029.62)
Total - Net	178,850.51	143,532.99	80,191.26
(C) (i) Loans in india			
(a) Public sector	-	-	-
(b) Others	183,824.54	145,453.36	84,220.88
Total - Gross	183,824.54	145,453.36	84,220.88
Less: Impairment loss allowance	(4,974.03)	(1,920.37)	(4,029.62)
Total - Net	178,850.51	143,532.99	80,191.26
(ii) Loans outside india			
Less: Impairment loss allowance	-	-	-
Total - Net	-	-	-
Total	178,850.51	143,532.99	80,191.26

*The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are-(a) repayable on demand or (b) without specifying any terms or period of repayment.

5-A PORTFOLIO CLASSIFICATION AS AT 31 MARCH, 2024

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Considered good	182,411.68	1,378.87	-	183,790.55
Considered doubtful	-	-	2,898.13	2,898.13
Total#	182,411.68	1,378.87	2,898.13	186,688.68

#Portfolio at gross amount

Notes to financial statements for the year ended 31 March, 2024**Portfolio classification as at 31 March, 2023**

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Considered good	146,071.52	423.49	-	146,495.01
Considered doubtful	-	-	774.52	774.52
Total#	146,071.52	423.49	774.52	147,269.53

#Portfolio at gross amount

Gross Portfolio Movement for the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at 1 April, 2023 (A)	146,071.52	423.49	774.52	147,269.53
Inter-stage movements				
Stage I	(4,670.35)	1,529.17	3,141.17	-
Stage II	1.29	(79.52)	78.23	-
Stage III	-	0.06	(0.06)	-
(B)	(4,669.06)	1,449.71	3,219.34	-
New assets originated, repaid and derecognised during the year (C)	41,009.23	(494.33)	(1,095.73)	39,419.17
Gross carrying amount as at 31 March, 2024 (A+B+C)	182,411.68	1,378.87	2,898.13	186,688.70

Gross Portfolio Movement for the year ended 31 March, 2023

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at 1 April, 2022 (A)	81,066.69	1,615.28	1,605.70	84,287.67
Inter-stage movements	-	-	-	
Stage I	(1,599.31)	513.40	1,085.91	-
Stage II	14.24	(34.79)	20.55	-
Stage III	2.11	0.90	(3.01)	-
(B)	(1,582.96)	479.51	1,103.45	-
New assets originated, repaid and derecognised during the year (C)	66,587.79	(1,671.30)	(1,934.63)	62,981.86
Gross carrying amount as at 31 March, 2023 (A+B+C)	146,071.52	423.49	774.52	147,269.53

ECL Movement for the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III	Total
ECL allowance as at 1 April, 2023 (A)	1,144.42	211.21	564.73	1,920.36
Inter-stage movements				
Stage I	(51.10)	11.70	39.40	-
Stage II	0.66	(39.74)	39.08	-
Stage III	-	0.04	(0.04)	-
(B)	(50.44)	(28.00)	78.44	-
New assets originated, repaid and derecognised during the year (C)	881.93	614.39	1,557.34	3,053.66
ECL allowance as at 31 March, 2024 (A+B+C)	1,975.91	797.59	2,200.51	4,974.01

Notes to financial statements for the year ended 31 March, 2024**ECL Movement for the year ended 31 March, 2023**

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III	Total
ECL allowance as at 1 April, 2022 (A)	1,261.75	492.83	2,275.04	4,029.62
Inter-stage movements				
Stage I	(114.90)	30.69	84.20	-
Stage II	11.05	(27.49)	16.44	-
Stage III	1.73	(2.44)	0.71	-
(B)	(102.12)	0.76	101.35	-
New assets originated, repaid and derecognised during the year (C)	(15.21)	(282.38)	(1,811.66)	(2,109.25)
ECL allowance as at 31 March, 2023 (A+B+C)	1,144.42	211.21	564.73	1,920.37

6. INVESTMENTS

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Investment in mutual fund			
SBI Magnum Gilt Mutual Fund (Units Nil) (Previous year: 36,50,105.32)	-	1,999.90	-
Investment in Others			
Pass through certificates under securitization transactions	-	437.51	-
Investment in SR-RARC 073 Trust (Units: 67,112 Face Value - ₹1,000 per unit, NAV - ₹1,509 per unit) (Previous year: Units: 83,759 Face Value - ₹1,000 per unit, NAV - ₹1,300 per unit)	1,012.72	1,088.87	-
	1,012.72	3,526.27	-
(i) Investments outside India	-	-	-
(ii) Investments in India	1,012.72	3,526.27	-
Total	1,012.72	3,526.27	-

7. OTHER FINANCIAL ASSETS

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Spread receivable on assigned portfolio	2,440.40	2,164.53	1,467.78
Pass through Certificates	-	1,100.89	-
Security deposits (unsecured, considered good)	156.08	103.90	245.64
Interest Accrued but not due on portfolio loans	2,826.07	2,108.53	977.28
Interest Accrued but not due on deposits placed with banks	184.25	146.08	90.56
Interest Accrued but not due on assigned portfolio & Pass through Certificates	599.50	438.86	312.19
Other financial assets	-	22.10	0.02
Total	6,206.30	6,084.88	3,093.47

8. CURRENT TAX ASSETS (NET)

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Current tax (net of provisions)	16.70	39.42	-
Total	16.70	39.42	-

Notes to financial statements for the year ended 31 March, 2024

9. DEFERRED TAX ASSET (NET)

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Fixed Assets : Impact of difference between tax depreciation & depreciation/amortization charged for the financial reporting	29.77	20.70	27.26
Impact of Preliminary Expenses	-	-	10.72
Provision of ESOP	50.04	42.25	19.44
Provision against Portfolio Loans	1,073.06	424.55	1,007.95
Provision against DA	60.45	7.94	0.01
Provision against PTC	-	(3.30)	-
Provision against TR	0.00	0.35	-
Gain /loss on Gratuity actuarial valuation transferred to OCI	11.85	(5.45)	(11.76)
Gain /loss on fair value of Derivative instrument transferred to OCI	18.63	-	-
Investment	(85.98)	(66.38)	-
Impact of amortised advance cost	720.85	457.10	182.11
Impact of ROU asset and Lease liabilities	-	17.75	7.38
Impact for Leave Encashment	57.44	-	-
Impact for Gratuity	38.74	-	-
Impact of Direct assignment	(825.53)	(661.76)	(449.12)
Total	1149.32	233.74	793.99

10-A. PROPERTY, PLANT & EQUIPMENTS AND INTANGIBLE ASSETS

(Amount in ₹ Lakhs)

Nature of assets	Property, plant and equipment (a)						Intangible assets (b)	
	Motor Car & Vehicle	Furniture & Fittings	Computer & System	Office Equipments	Electrical Installation	Total	Softwares	Total
Cost								
As at 1 April, 2022	11.54	137.24	383.92	65.83	29.56	628.09	183.46	183.46
Additions	-	108.33	377.68	33.99	27.36	547.37	248.76	248.76
Disposals	-	0.34	3.64	0.27	-	4.24	-	-
As at 31 March, 2023	11.54	245.23	757.96	99.55	56.92	1,171.22	432.22	432.22
Additions	-	136.91	343.77	57.42	67.26	605.35	1,014.36	1,014.36
Disposals	-	0.13	0.13	-	0.23	0.49	-	-
As at 31 March, 2024	11.54	382.01	1,101.60	156.97	123.95	1,776.08	1,446.58	1,446.58
Depreciation/amortisation								
As at 1 April, 2022	8.38	51.51	252.80	39.13	9.40	361.21	109.06	109.06
Depreciation/amortization charge	0.99	33.93	139.58	18.34	7.49	200.32	52.80	52.80
Disposal	-	0.15	3.36	0.15	-	3.67	-	-
As at 31 March, 2023	9.37	85.29	389.02	57.32	16.89	557.86	161.86	161.86
Depreciation/amortization charge	0.68	55.70	330.27	29.98	18.59	435.22	328.18	328.18
Disposal	-	0.09	0.13	-	0.13	0.35	-	-
As at 31 March, 2024	10.05	140.90	719.16	87.30	35.35	992.73	490.04	490.04
Net block value:								
As at 31 March, 2023	2.17	159.94	368.94	42.22	40.03	613.35	270.36	270.36
As at 31 March, 2024	1.49	241.11	382.44	69.67	88.60	783.36	956.54	956.54

Note: No revaluation of any class of asset is carried out during the period.

Notes to financial statements for the year ended 31 March, 2024

10-B. INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible assets under development	(Amount in ₹ Lakhs)
As at 1 April, 2022	25.93
Additions	133.74
Disposals	32.70
As at 31 March, 2023	126.97
Additions	238.21
Disposals	249.15
As at 31 March, 2024	116.03

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

Intangible Assets Under Development	To be Completed in			
	< 1 Year	1-2 Years	2-3 Years	>3 Years
As at 31 March, 2024				
LUMEN	116.03	-	-	-
LASER	-	-	-	-
Total	116.03	-	-	-

Intangible Assets Under Development	To be Completed in			
	< 1 Year	1-2 Years	2-3 Years	>3 Years
As at 31 March, 2023				
LUMEN	65.51	-	-	-
LASER	61.45	-	-	-
Total	126.97	-	-	-

10-C. CAPITAL WORK IN PROGRESS

Intangible assets under development	(Amount in ₹ Lakhs)
As at 1 April, 2022	-
Additions	-
Disposals	-
As at 31 March, 2023	-
Additions	284.56
Disposals	-
As at 31 March, 2024	284.56

Intangible Assets Under Development	To be Completed in			
	< 1 Year	1-2 Years	2-3 Years	>3 Years
As at 31 March, 2024				
New Head office Furniture & Fixtures	284.56	-	-	-
Total	284.56	-	-	-

Notes to financial statements for the year ended 31 March, 2024

11. OTHER NON FINANCIAL ASSETS

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Prepaid expenses	189.60	133.08	31.88
Advances to employees	2.40	0.02	0.02
Other advances	91.94	78.49	52.81
Total	283.94	211.58	84.71

12. DERRIVATIVE FINANCIAL INSTRUMENTS

As at March 2024

(Amount in ₹ Lakhs)

Part I	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Currency Derrivatives:				
Currency Swaps	-	-	10,264.75	74.03
Total Derrivatives Finanacial Instruments	-	-	10,264.75	74.03

(Amount in ₹ Lakhs)

Part II	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Included in the above are derivatives held for hedging and risk management purposes as follows (cash flow hedging)				
Currency Swaps	-	-	10,264.75	74.03
Total Derrivatives Finanacial Instruments	-	-	10,264.75	74.03

Derrivative Financial Instruments

As at March 2023

(Amount in ₹ Lakhs)

Part I	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Currency Derrivatives:				
Currency Swaps	-	-	-	-
Total Derrivatives Finanacial Instruments	-	-	-	-

(Amount in ₹ Lakhs)

Part II	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Included in the above are derivatives held for hedging and risk management purposes as follows (cash flow hedging)				
Currency Swaps	-	-	-	-
Total Derrivatives Finanacial Instruments	-	-	-	-

The company uses Currency Swap to hedge its risks associated with foreign currency risk arising from External Commercial Borrowings. Currency Swap provides hedging both principle and coupon payment on the underlying exposures.

Cash flow hedges: The Company uses Currency Swap to hedge its risks associated with foreign currency risk arising from External Commercial Borrowings. Currency Swap provides hedging of both principal and coupon payments on the underling exposure. The Company designates such contracts in a cash flow hedging relationship by applying the hedge accounting principles as per Ind AS. These contracts are stated at fair value at each reporting date. Changes in the fair value of these contracts that are designated and effective as hedges of future cash flows are recognised directly in "cash flow hedge reserve". Hedge accounting is discontinued when the hedging instruments expires or is sold, terminated, or exercised or no longer qualifies for hedge accounting.

Notes to financial statements for the year ended 31 March, 2024**As at March 2024**

(Amount in ₹ Lakhs)

Part I	Notional Amounts	Carrying amount	Change in fair value*	Cash Flow hedge reserve
The impact of hedging instruments (Net)	10,264.75	10,422.50	74.03	(55.40)

As at March 2023

(Amount in ₹ Lakhs)

Part I	Notional Amounts	Carrying amount	Change in fair value*	Cash Flow hedge reserve
The impact of hedging instruments (Net)	-	-	-	-

(* Line item in the statement of financial position-Derivative financial liabilities)

13. TRADE PAYABLES

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Trade Payables			
(i) Total outstanding dues of creditors Micro enterprises and small enterprises	339.01	137.01	0.90
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	334.78	513.38	247.58
Total	673.79	650.39	248.48

As at 31 March, 2024

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 years	Total
(i) MSME	339.01	-	-	339.01
(ii) Others	334.78	-	-	334.78
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-

As at 31 March, 2023

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 years	Total
(i) MSME	137.01	-	-	137.01
(ii) Others	513.38	-	-	513.38
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-

As at 31 March, 2022

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 years	Total
(i) MSME	0.90	-	-	0.90
(ii) Others	247.58	-	-	247.58
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-

Notes to financial statements for the year ended 31 March, 2024

14. DEBT SECURITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
At Amortised cost			
Secured debentures	20,776.03	20,719.64	13,290.67
Total	20,776.03	20,719.64	13,290.67
Debt securities in India	20,776.03	20,719.64	13,290.67
Debt securities outside India	-	-	-
Total	20,776.03	20,719.64	13,290.67

Debt securities (at amortised cost)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Non Convertible Debentures			
Nil (31 March, 2023 Nil), 13.95% (Sept 18,2019: 3572) Non Convertible Debentures of ₹100,000/- redeemable in 4 Instalments by September, 2022 (Secured)	-	-	1,190.67
Nil (31 March, 2023 Nil), 12.40% (Aug 24,2020: 150) Non Convertible Debentures of ₹10,00,000/- redeemable in 3 Instalments by September, 2022 (Secured)	-	-	1,000.00
Nil Nos, (31 March, 2023 300 Nos) 11% (Aug 11,2020: 300) Non Convertible Debentures of ₹10,00,000/- redeemable in 1 Instalment by April, 2023 (Secured)	-	3,000.00	3,000.00
Nil (31 March, 2023 375 Nos), 14.20% (Oct 12,2020: 500) Non Convertible Debentures of ₹100,000/- redeemable in 2 Instalments by October, 2023 (Secured)	-	375.00	500.00
3900 Nos (31 March, 2023 3900 Nos), 12.30% (Mar 31,2021: Nil) Non Convertible Debentures of ₹1,00,000/- redeemable in 1 Instalment by May 2024 (Secured)	3,900.00	3,900.00	3,900.00
150 Nos, (Mar 31,2023: 150 Nos) 12.30% (Mar 25, 2022: 150) Non Convertible Debentures of ₹10,00,000/- redeemable in 1 Instalment by March 2025 (Secured)	1,500.00	1,500.00	1,500.00
2200 Nos, (Mar 31,2023: 2200 Nos) 12.30% (Aug 20, 2021 : 2200) Non Convertible Debentures of ₹1,00,000/- redeemable in 1 Instalment by August 2024 (Secured)	2,200.00	2,200.00	2,200.00
160 Nos, (Mar 31,2023: Nil) 12.2902% (Sept 26, 2022 : 160) Non Convertible Debentures of ₹10,00,000/- redeemable in 1 Instalment by September 2026 (Secured)	1,600.00	1,600.00	-
12,228 Nos, (Mar 31,2023: 12,228) 11.95% (Nov 24, 2022 : 12228) Non Convertible Debentures of ₹10,000/- redeemable in 1 st Instalment by November 2025 & in 2 nd installment by November 2027 (Secured)	1,222.80	1,222.80	-
12,228 Nos, (Mar 31,2023: 12,228) 11.95% (Nov 24 26, 2022 : 12228) Non Convertible Debentures of ₹10,000/- redeemable in 1 st Instalment by November 2025 & in 2 nd installment by November 2027 (Secured)	1,222.80	1,222.80	-
320 Nos, (Mar 31,2023: 320) 12.2902% (Dec 12, 2022 : 320) Non Convertible Debentures of ₹10,00,000/- redeemable in 1 st Instalment by December 2025 (Secured)	3,200.00	3,200.00	-
2500 Nos, (Mar 31,2023: Nil) 12.65 % Non Convertible Debentures of ₹1,00,000/- redeemable in 1 st Instalment by August 2025 (Secured)	2,500.00	-	-

Notes to financial statements for the year ended 31 March, 2024

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
2050 Nos, (Mar 31,2023: Nil) 13.06% Non Convertible Debentures of ₹1,00,000/- redeemable in 1 st Instalment by January 2027 (Secured)	2,050.00	-	-
1200 Nos, (Mar 31,2023: 1200) 11.10% (Mar 28, 2022 : 1200) Non Convertible Debentures of ₹57,143 (Mar 31, 2023 ₹1,00,000)/- redeemable in 1 st Instalment by March 2025. (Secured)	685.71	1,200.00	-
1300 Nos, (Mar 31,2023: 1300) 11.10% (Mar 28, 2022 : 1300) Non Convertible Debentures of ₹61,905 (Mar 31, 2023 ₹1,00,000)/- redeemable in 1 st Instalment by March 2025. (Secured)	742.86	1,300.00	-
Unamortised borrowing cost	(48.14)	(0.96)	-
Total	20,776.03	20,719.64	13,290.67

15. BORROWINGS (OTHER THEN DEBT SECURITIES)

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
At Amortised cost			
(a) Term Loans (Secured)			
(i) from banks	110,137.78	84,438.39	53,931.05
(ii) from other parties (financial institutions)	19,367.83	23,115.35	13,164.04
(b) Term Loans (Unsecured)	-	-	1,268.58
(c) External commercial borrowing	10,315.77	-	-
(d) Cash Credit	788.37	-	-
Total	140,609.75	107,553.74	68,363.67
Borrowings in India	130,293.98	107,553.74	68,363.67
Borrowings Outside India	10,315.77	-	-
Total	140,609.75	107,553.74	68,363.67

15A. DETAILS OF DEBT SECURITIES, BORROWING AND SUBORDINATED LIABILITIES AND EXTERNAL COMMERCIAL BORROWINGS

Sr. No.	A) Term loans from banks	₹ in lakhs	Terms of Redemption / Repayment	Security
1	Bandhan Bank Term Loan from Bank	47.62	Repayable in 24 monthly installment from 31/05/2022 Rate of Interest : Fixed Maturity Period : 2 Years No of Installment due : 1 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
2	Bandhan Bank Term Loan from Bank	237.90	Repayable in 24 monthly installment from 01/06/2022 Rate of Interest : Fixed Maturity Period : 2 Years No of Installment due : 2 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
3	Bank of India Term Loan from Bank	527.71	Repayable in 36 monthly installment from 29/10/2021 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 6 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
4	Bank of Maharashtra Term Loan from Bank	662.58	Repayable in 36 monthly installment from 30/09/2021 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 5 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	A) Term loans from banks		₹ in lakhs	Terms of Redemption / Repayment	Security
5	ESAF Small Finance Bank	Term Loan from Bank	750.97	Repayable in 24 monthly installment from 14/11/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 7 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
6	Federal Bank	Term Loan from Bank	875.00	Repayable in 24 monthly installment from 15/07/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 3 Months and 15 Days	Secured by hypothecation of book debts created out of the loan availed
7	Federal Bank	Term Loan from Bank	562.50	Repayable in 24 monthly installment from 12/12/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 9 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
8	ICICI Bank	Term Loan from Bank	68.18	Repayable in 24 monthly installment from 30/04/2022 Rate of Interest : Fixed Maturity Period : 2 Years No of Installment due : 0 Months and 10 Days	Secured by hypothecation of book debts created out of the loan availed
9	ICICI Bank	Term Loan from Bank	68.18	Repayable in 24 monthly installment from 20/06/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 2 Months and 10 Days	Secured by hypothecation of book debts created out of the loan availed
10	ICICI Bank	Term Loan from Bank	1,100.00	Repayable in 24 monthly installment from 26/08/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 7 Months and 11 Days	Secured by hypothecation of book debts created out of the loan availed
11	ICICI Bank	Term Loan from Bank	1,600.00	Repayable in 24 monthly installment from 31/10/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 9 Months and 11 Days	Secured by hypothecation of book debts created out of the loan availed
12	ICICI Bank	Term Loan from Bank	577.78	Repayable in 24 monthly installment from 29/11/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 10 Months and 12 Days	Secured by hypothecation of book debts created out of the loan availed
13	ICICI Bank	Term Loan from Bank	833.33	Repayable in 24 monthly installment from 31/01/2023 Rate of Interest : Fixed Maturity Period : 2 Years No of Installment due : 12 Months and 10 Days	Secured by hypothecation of book debts created out of the loan availed
14	ICICI Bank	Term Loan from Bank	1,400.00	Repayable in 24 monthly installment from 16/03/2023 Rate of Interest : Fixed Maturity Period : 2 Years No of Installment due : 14 Months and 15 Days	Secured by hypothecation of book debts created out of the loan availed
15	ICICI Bank	Term Loan from Bank	466.67	Repayable in 24 monthly installment from 31/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 13 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
16	Industrial Development Bank of India (IDBI)	Term Loan from Bank	281.25	Repayable in 36 monthly installment from 31/12/2021 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 9 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	A) Term loans from banks		₹ in lakhs	Terms of Redemption / Repayment	Security
17	IDFC First Bank	Term Loan from Bank	33.33	Repayable in 72 monthly installment from 21/05/2018 Rate of Interest : Fixed Maturity Period : 6 Years No of Installment due : 1 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
18	Indian Bank	Term Loan from Bank	367.52	Repayable in 36 monthly installment from 29/09/2021 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 5 Months and 16 Days	Secured by hypothecation of book debts created out of the loan availed
19	Indian Overseas Bank	Term Loan from Bank	693.55	Repayable in 36 monthly installment from 07/01/2022 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 10 Months and 2 Days	Secured by hypothecation of book debts created out of the loan availed
20	Kotak Mahindra Bank	Term Loan from Bank	833.33	Repayable in 24 monthly installment from 21/11/2022 Rate of Interest : Fixed Maturity Period : 2 Years No of Installment due : 7 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
21	Kotak Mahindra Bank	Term Loan from Bank	400.00	Repayable in 24 monthly installment from 16/03/2023 Rate of Interest : Fixed Maturity Period : 2 Years No of Installment due : 11 Months and 15 Days	Secured by hypothecation of book debts created out of the loan availed
22	State Bank of India	Term Loan from Bank	351.96	Repayable in 36 monthly installment from 09/08/2021 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 2 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
23	State Bank of India	Term Loan from Bank	8,379.53	Repayable in 27 monthly installment from 30/11/2022 Rate of Interest : Floating Maturity Period : 2.25 Years No of Installment due : 9 Months and 16 Days	Secured by hypothecation of book debts created out of the loan availed
24	State Bank of Mauritius	Term Loan from Bank	437.50	Repayable in 24 monthly installment from 27/10/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 6 Months and 27 Days	Secured by hypothecation of book debts created out of the loan availed
25	Small Industrial Development Bank of India (SIDBI)	Term Loan from Bank	1,400.00	Repayable in 36 monthly installment from 01/02/2022 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 9 Months and 11 Days	Secured by hypothecation of book debts created out of the loan availed
26	Union Bank of India	Term Loan from Bank	226.39	Repayable in 36 monthly installment from 30/09/2021 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 5 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
27	Ujjivan Small Finance Bank	Term Loan from Bank	500.00	Repayable in 24 monthly installment from 30/11/2022 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 8 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	A) Term loans from banks		₹ in lakhs	Terms of Redemption / Repayment	Security
28	DCB Bank	Term Loan from Bank	1,595.15	Repayable in 26 monthly installment from 30/12/2022 Rate of Interest : Floating Maturity Period : 2.1 Years No of Installment due : 10 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
29	Indian Overseas Bank	Term Loan from Bank	1,295.32	Repayable in 28 monthly installment from 31/01/2023 Rate of Interest : Floating Maturity Period : 2.3 Years No of Installment due : 13 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
30	IDFC First Bank	Term Loan from Bank	2,833.33	Repayable in 30 monthly installment from 01/03/2023 Rate of Interest : Floating Maturity Period : 2.5 Years No of Installment due : 16 Months and 28 Days	Secured by hypothecation of book debts created out of the loan availed
31	IDFC First Bank	Term Loan from Bank	1,416.67	Repayable in 30 monthly installment from 21/03/2023 Rate of Interest : Floating Maturity Period : 2.5 Years No of Installment due : 16 Months and 21 Days	Secured by hypothecation of book debts created out of the loan availed
32	IDFC First Bank	Term Loan from Bank	1,500.00	Repayable in 30 monthly installment from 03/04/2023 Rate of Interest : Floating Maturity Period : 2.5 Years No of Installment due : 18 Months and 0 Days	Secured by hypothecation of book debts created out of the loan availed
33	Yes Bank	Term Loan from Bank	2,500.00	Repayable in 24 monthly installment from 28/03/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 11 Months and 27 Days	Secured by hypothecation of book debts created out of the loan availed
34	Federal Bank	Term Loan from Bank	2,187.50	Repayable in 24 monthly installment from 12/04/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 12 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
35	Federal Bank	Term Loan from Bank	1,875.00	Repayable in 24 monthly installment from 04/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 13 Months and 29 Days	Secured by hypothecation of book debts created out of the loan availed
36	Federal Bank	Term Loan from Bank	625.00	Repayable in 26 monthly installment from 03/06/2023 Rate of Interest : Floating Maturity Period : 2.1 Years No of Installment due : 10 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
37	State Bank of Mauritius	Term Loan from Bank	1,250.00	Repayable in 24 monthly installment from 14/06/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 14 Months and 14 Days	Secured by hypothecation of book debts created out of the loan availed
38	Small Industrial Development Bank of India (SIDBI)	Term Loan from Bank	4,336.00	Repayable in 36 monthly installment from 30/06/2023 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 26 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	A) Term loans from banks	₹ in lakhs	Terms of Redemption / Repayment	Security
39	Small Industrial Development Bank of India (SIDBI) Term Loan from Bank	7,000.00	Repayable in 36 monthly installment from 17/08/2023 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 26 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
40	Small Industrial Development Bank of India (SIDBI) Term Loan from Bank	2,000.00	Repayable in 36 monthly installment from 29/12/2023 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 32 Months and 29 Days	Secured by hypothecation of book debts created out of the loan availed
41	Small Industrial Development Bank of India (SIDBI) Term Loan from Bank	5,200.00	Repayable in 36 monthly installment from 16/01/2024 Rate of Interest : Floating Maturity Period : 3 Years No of Installment due : 33 Months and 17 Days	Secured by hypothecation of book debts created out of the loan availed
42	Federal Bank Term Loan from Bank	3,750.00	Repayable in 24 monthly installment from 31/07/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 14 Months and 3 Days	Secured by hypothecation of book debts created out of the loan availed
43	AU Small Finance Bank Term Loan from Bank	1,125.00	Repayable in 24 monthly installment from 31/08/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 17 Months and 19 Days	Secured by hypothecation of book debts created out of the loan availed
44	Utkarsh Small Finance Bank Term Loan from Bank	1,500.00	Repayable in 24 monthly installment from 01/09/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 17 Months and 16 Days	Secured by hypothecation of book debts created out of the loan availed
45	Federal Bank Term Loan from Bank	3,750.00	Repayable in 24 monthly installment from 20/09/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 17 Months and 21 Days	Secured by hypothecation of book debts created out of the loan availed
46	Federal Bank Term Loan from Bank	2,187.50	Repayable in 24 monthly installment from 08/11/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 19 Months and 9 Days	Secured by hypothecation of book debts created out of the loan availed
47	Federal Bank Term Loan from Bank	2,187.50	Repayable in 24 monthly installment from 17/11/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 19 Months and 18 Days	Secured by hypothecation of book debts created out of the loan availed
48	Bandhan Bank Term Loan from Bank	1,875.00	Repayable in 24 monthly installment from 30/09/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 17 Months and 2 Days	Secured by hypothecation of book debts created out of the loan availed
49	Bandhan Bank Term Loan from Bank	2,187.50	Repayable in 24 monthly installment from 30/10/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 18 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	A) Term loans from banks		₹ in lakhs	Terms of Redemption / Repayment	Security
50	Bandhan Bank	Term Loan from Bank	2,187.50	Repayable in 24 monthly installment from 30/12/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 20 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
51	Equitas Small Finance Bank	Term Loan from Bank	1,978.75	Repayable in 24 monthly installment from 30/09/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 18 Months and 0 Days	Secured by hypothecation of book debts created out of the loan availed
52	ICICI Bank	Term Loan from Bank	6,681.82	Repayable in 24 monthly installment from 30/12/2023 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 20 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
53	Indian Overseas Bank	Term Loan from Bank	2,129.57	Repayable in 27 monthly installment from 27/02/2024 Rate of Interest : Floating Maturity Period : 2.25 Years No of Installment due : 25 Months and 26 Days	Secured by hypothecation of book debts created out of the loan availed
54	Indian Overseas Bank	Term Loan from Bank	3,000.00	Repayable in 27 monthly installment from 28/03/2024 Rate of Interest : Floating Maturity Period : 2.25 Years No of Installment due : 26 Months and 28 Days	Secured by hypothecation of book debts created out of the loan availed
55	Indian Overseas Bank	Term Loan from Bank	4,500.00	Repayable in 27 monthly installment from 30/03/2024 Rate of Interest : Floating Maturity Period : 2.25 Years No of Installment due : 26 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
56	Yes Bank	Term Loan from Bank	3,833.33	Repayable in 24 monthly installment from 29/02/2024 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 22 Months and 29 Days	Secured by hypothecation of book debts created out of the loan availed
57	Karur Vysya Bank	Term Loan from Bank	2,500.00	Repayable in 27 monthly installment from 28/03/2024 Rate of Interest : Floating Maturity Period : 2.25 Years No of Installment due : 26 Months and 28 Days	Secured by hypothecation of book debts created out of the loan availed
58	Kotak Mahindra Bank	Term Loan from Bank	3,600.00	Repayable in 24 monthly installment from 28/03/2024 Rate of Interest : Floating Maturity Period : 2 Years No of Installment due : 23 Months and 27 Days	Secured by hypothecation of book debts created out of the loan availed
59	Bank Of Baroda	Term Loan from Bank	3,000.00	Repayable in 30 monthly installment from 30/03/2024 Rate of Interest : Floating Maturity Period : 2.5 Years No of Installment due : 29 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
60	IDFC First Bank	Sub Debt	5,000.00	Repayable in 66 monthly installment from 15/03/2024 Rate of Interest : Fixed Maturity Period : 5.5 Years No of Installment due : 65 Months and 16 Days	Unsecured
Total From Banks - (A)			116,270.23		

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	B) Term loans from NBFC	₹ in lakhs	Terms of Redemption / Repayment	Security	
1	Hinduja Leyland Finance Ltd	Term Loan from NBFC	370.40	Repayable in 24 monthly installment from 29/07/2022 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 3 Months and 28 Days	Secured by hypothecation of book debts created out of the loan availed
2	Incred Financial Services Ltd	Term Loan from NBFC	206.87	Repayable in 24 monthly installment from 11/08/2022 Rate of Interest : Fixed Maturity Period : 2 Years No Of Installment due : 4 Months and 10 Days	Secured by hypothecation of book debts created out of the loan availed
3	Nabsamruddhi Finance Ltd	Term Loan from NBFC	853.33	Repayable in 36 monthly installment from 15/06/2022 Rate of Interest : Fixed Maturity Period : 3 Years No Of Installment due : 10 Months and 2 Days	Secured by hypothecation of book debts created out of the loan availed
4	Northern Arc Capital Ltd	Term Loan from NBFC	384.49	Repayable in 24 monthly installment from 14/07/2022 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 3 Months and 15 Days	Secured by hypothecation of book debts created out of the loan availed
5	Northern Arc Capital Ltd	Term Loan from NBFC	583.20	Repayable in 24 monthly installment from 24/08/2022 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 5 Months and 17 Days	Secured by hypothecation of book debts created out of the loan availed
6	Vivriti Capital Pvt Ltd	Term Loan from NBFC	166.67	Repayable in 24 monthly installment from 05/07/2022 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 3 Months and 5 Days	Secured by hypothecation of book debts created out of the loan availed
7	Tata Capital	Term Loan from NBFC	193.18	Repayable in 24 monthly installment from 23/06/2022 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 3 Months and 5 Days	Secured by hypothecation of book debts created out of the loan availed
8	Cholamandalam Investment and Finance Company Ltd	Term Loan from NBFC	64.53	Repayable in 18 monthly installment from 19/09/2022 Rate of Interest : Floating Maturity Period : 1.5 Years No Of Installment due : 2 Months and 15 Days	Secured by hypothecation of book debts created out of the loan availed
9	Kisetsu Saison (India) Pvt Ltd	Term Loan from NBFC	750.00	Repayable in 24 monthly installment from 04/01/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 1 Months and 1 Days	Secured by hypothecation of book debts created out of the loan availed
10	Kissandhan Agri Financial Services Ltd	Term Loan from NBFC	533.27	Repayable in 24 monthly installment from 16/03/2023 Rate of Interest : Fixed Maturity Period : 2 Years No Of Installment due : 8 Months and 16 Days	Secured by hypothecation of book debts created out of the loan availed
11	Maanaveeya Development & Finance Pvt Ltd (Oiko)	Term Loan from NBFC	1,250.00	Repayable in 24 monthly installment from 27/03/2023 Rate of Interest : Fixed Maturity Period : 2 Years No Of Installment due : 11 Months and 15 Days	Secured by hypothecation of book debts created out of the loan availed
12	Piramal Fininvest Pvt Ltd	Term Loan from NBFC	1,625.00	Repayable in 24 monthly installment from 29/03/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 11 Months and 26 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	B) Term loans from NBFC		₹ in lakhs	Terms of Redemption / Repayment	Security
13	Manappuram Finance Ltd	Term Loan from NBFC	1,328.80	Repayable in 24 monthly installment from 30/03/2023 Rate of Interest : Fixed Maturity Period : 2 Years No Of Installment due : 11 Months and 27 Days	Secured by hypothecation of book debts created out of the loan availed
14	Shriram Finance Ltd	Term Loan from NBFC	573.61	Repayable in 24 monthly installment from 30/03/2023 Rate of Interest : Fixed Maturity Period : 2 Years No Of Installment due : 11 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
15	Northern Arc Capital Ltd	Term Loan from NBFC	3,084.56	Repayable in 24 monthly installment from 28/04/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 12 Months and 5 Days	Secured by hypothecation of book debts created out of the loan availed
16	Tata Capital	Term Loan from NBFC	812.50	Repayable in 24 monthly installment from 29/04/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 12 Months and 17 Days	Secured by hypothecation of book debts created out of the loan availed
17	MAS Financial Services Ltd	Term Loan from NBFC	233.33	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 12 Months and 15 Days	Secured by hypothecation of book debts created out of the loan availed
18	MAS Financial Services Ltd	Term Loan from NBFC	100.00	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
19	MAS Financial Services Ltd	Term Loan from NBFC	233.33	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
20	MAS Financial Services Ltd	Term Loan from NBFC	100.00	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
21	MAS Financial Services Ltd	Term Loan from NBFC	233.33	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
22	MAS Financial Services Ltd	Term Loan from NBFC	100.00	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
23	MAS Financial Services Ltd	Term Loan from NBFC	233.33	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
24	MAS Financial Services Ltd	Term Loan from NBFC	100.00	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	B) Term loans from NBFC		₹ in lakhs	Terms of Redemption / Repayment	Security
25	MAS Financial Services Ltd	Term Loan from NBFC	233.33	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
26	MAS Financial Services Ltd	Term Loan from NBFC	100.00	Repayable in 24 monthly installment from 23/05/2023 Rate of Interest : Floating Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
27	Oxyzo Financial Services Pvt Ltd	Term Loan from NBFC	2,500.00	Repayable in 24 monthly installment from 22/05/2023 Rate of Interest : Fixed Maturity Period : 2 Years No Of Installment due : 13 Months and 22 Days	Secured by hypothecation of book debts created out of the loan availed
28	JM Financials Products Ltd	Term Loan from NBFC	1,583.92	Repayable in 18 monthly installment from 23/08/2023 Rate of Interest : Floating Maturity Period : 1.5 Years No Of Installment due : 10 Months and 24 Days	Secured by hypothecation of book debts created out of the loan availed
29	Bajaj Finance Ltd	Term Loan from NBFC	1,000.00	Repayable in 18 monthly installment from 31/08/2023 Rate of Interest : Floating Maturity Period : 1.5 Years No Of Installment due : 10 Months and 30 Days	Secured by hypothecation of book debts created out of the loan availed
30	Maanaveeya Development & Finance Pvt Ltd (Oiko)	Sub Debt	2,000.00	Repayable in 72 monthly installment from 23/11/2021 Rate of Interest : Fixed Maturity Period : 6 Years No Of Installment due : 43 Months and 23 Days	Unsecured
Total From NBFCs - (B)			21,530.98		

Sr. No.	C) Non Convertible Debentures		₹ in lakhs	Terms of Redemption / Repayment	Security
1	Incofin India Investment Management Pvt Ltd	NCD	3,900.00	Repayable in 36 monthly installment from 06/05/2021 Rate of Interest : Fixed Maturity Period : 3 Years No Of Installment due : 1 Months and 6 Days	Secured by hypothecation of book debts created out of the loan availed
2	Incofin India Investment Management Pvt Ltd	NCD	2,200.00	Repayable in 36 monthly installment from 20/08/2021 Rate of Interest : Fixed Maturity Period : 3 Years No Of Installment due : 4 Months and 20 Days	Secured by hypothecation of book debts created out of the loan availed
3	Incofin India Investment Management Pvt Ltd	NCD	1,500.00	Repayable in 36 monthly installment from 25/03/2022 Rate of Interest : Fixed Maturity Period : 3 Years No Of Installment due : 11 Months and 24 Days	Secured by hypothecation of book debts created out of the loan availed
4	Japan Asean Women Empowerment Fund SA,SICAV-SIF	NCD	1,600.00	Repayable in 36 monthly installment from 26/09/2022 Rate of Interest : Fixed Maturity Period : 3 Years No Of Installment due : 29 Months and 25 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	C) Non Convertible Debentures		₹ in lakhs	Terms of Redemption / Repayment	Security
5	Symbiotics Investments SA	NCD	1,222.80	Repayable in 60 monthly installment from 14/11/2022 Rate of Interest : Fixed Maturity Period : 5 Years No Of Installment due : 43 Months and 24 Days	Secured by hypothecation of book debts created out of the loan availed
6	Symbiotics Investments SA	NCD	1,222.80	Repayable in 60 monthly installment from 14/11/2022 Rate of Interest : Fixed Maturity Period : 5 Years No Of Installment due : 43 Months and 24 Days	Secured by hypothecation of book debts created out of the loan availed
7	Microfinance Initiative for Asia (MIFA) Debt fund SA,SICAV -SIF	NCD	3,200.00	Repayable in 36 monthly installment from 12/12/2022 Rate of Interest : Fixed Maturity Period : 3 Years No Of Installment due : 20 Months and 12 Days	Secured by hypothecation of book debts created out of the loan availed
8	Developing World Markets	NCD	2,050.00	Repayable in 36 monthly installment from 26/12/2023 Rate of Interest : Fixed Maturity Period : 3 Years No Of Installment due : 32 Months and 26 Days	Secured by hypothecation of book debts created out of the loan availed
9	Yubi Invest	NCD	1,428.57	Repayable in 24 monthly installment from 28/03/2023 Rate of Interest : Fixed Maturity Period : 2 Years No Of Installment due : 11 Months and 27 Days	Secured by hypothecation of book debts created out of the loan availed
10	Northern Arc Capital Ltd	NCD	2,500.00	Repayable in 25 monthly installment from 28/07/2023 Rate of Interest : Fixed Maturity Period : 2.08 Years No Of Installment due : 16 Months and 28 Days	Secured by hypothecation of book debts created out of the loan availed
11	Northern Arc Capital Ltd	Sub Debt-NCD	1,000.00	Repayable in 63 monthly installment from 31/03/2021 Rate of Interest : Fixed Maturity Period : 5.25 Years No Of Installment due : 26 Months and 30 Days	Unsecured
12	A K Capital Finance Ltd	Sub Debt-NCD	3,000.00	Repayable in 65 monthly installment from 28/12/2023 Rate of Interest : Fixed Maturity Period : 5.4 Years No Of Installment due : 61 Months and 27 Days	Unsecured
Total From NCDs (C)			24,824.17		

Sr. No.	D) External Commercial Borrowings		₹ in lakhs	Terms of Redemption / Repayment	Security
1	ResponsAbility SICAV (LUX) Financial Inclusion Fund	ECB	2,501.40	Repayable in 72 monthly installment from 14/06/2023 Rate of Interest : Fixed Maturity Period : 6 Years No Of Installment due : 62 Months and 14 Days	Secured by hypothecation of book debts created out of the loan availed
2	ResponsAbility SICAV (LUX) Micro and SME Finance Leaders	ECB	1,250.70	Repayable in 72 monthly installment from 14/06/2023 Rate of Interest : Fixed Maturity Period : 6 Years No Of Installment due : 62 Months and 14 Days	Secured by hypothecation of book debts created out of the loan availed

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	D) External Commercial Borrowings	₹ in lakhs	Terms of Redemption / Repayment	Security
3	ResponsAbility SICA V (LUX) Micro and SME Finance Debt Fund	2,501.40	Repayable in 72 monthly installment from 14/06/2023 Rate of Interest : Fixed Maturity Period : 6 Years No Of Installment due : 62 Months and 14 Days	Secured by hypothecation of book debts created out of the loan availed
4	Japan Asean Women Empowerment Fund SA,SICA V-SIF	4,169.00	Repayable in 48 monthly installment from 27/06/2023 Rate of Interest : Fixed Maturity Period : 4 Years No Of Installment due : 38 Months and 27 Days	Secured by hypothecation of book debts created out of the loan availed
Total From ECBs (D)		10,422.50		

Sr. No.	E) CC	₹ in lakhs	Terms of Redemption / Repayment	Security
1	State Bank of India	788.37		Secured by hypothecation of book debts created out of the loan availed
Total From CC (E)		788.37		

Sr. No.	F) Hedging	₹ in lakhs	Terms of Redemption / Repayment	Security
1	Federal Bank	1,744.00		Secured by hypothecation of book debts created out of the loan availed
Total From Hedging Exposure (F)		1,744.00		

Grand Total(A+B+C+D+E) **173,836.26**

Note : Above total borrowing of ₹1,73,836.26 Lakhs includes ₹1989.98 Lakhs for which the personal guarantee has been given by Deepak Amin.

16. SUBORDINATED LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
(a) Term Loans (Unsecured)	7,000.00	2,000.00	2,000.00
(b) Debenture (Unsecured)			
100 Nos (March 22, 2023 100 Nos), 16% (Mar 31, 2021: 100) Non Convertible Debentures of ₹10,00,000/- redeemable in 1 Instalment by June, 2026 (Unsecured)	1,000.00	1,000.00	1,000.00
3,000 Nos (March 22, 2023 Nil), 14.5% Non Convertible Debentures of ₹1,00,000/- redeemable in 1 Instalment by May, 2029 (Unsecured)	3,000.00	-	-
Unamortised borrowing cost	(196.08)	-	-
Total	10,803.92	3,000.00	3,000.00
Subordinated Liabilities in India	10,803.92	3,000.00	3,000.00
Subordinated Liabilities outside India	-	-	-
Total	10,803.92	3,000.00	3,000.00

Notes to financial statements for the year ended 31 March, 2024

17. OTHER FINANCIAL LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Interest Accrued But Not Due on Borrowings	1,149.04	750.95	492.08
Dues to the assignees towards collections from assigned receivables	4,742.06	3,895.63	1,415.07
Joint Liability Group Loans placed as collateral towards securitization transaction	-	1,100.89	-
Other Payable	38.69	1.53	46.72
Total	5,929.79	5,749.00	1,953.87

18. PROVISIONS

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Provision for gratuity	153.91	80.91	49.39
Provision for compensated absences	228.24	136.84	54.74
Provision for Expenses	156.70	176.24	
Other Provision	20.26	12.41	6.04
Total	559.11	406.41	110.17

19. OTHER NON FINANCIAL LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Employee Benefits Payable	602.01	446.49	325.09
Statutory Dues Payable	424.00	278.53	141.04
Total	1,026.01	725.02	466.13

20. SHARE CAPITAL

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
Authorised Share Capital			
Equity Share			
6,31,80,000 (Mar 31,2023 6,31,80,000) Equity Shares of ₹10 each	6,318.00	6,318.00	7,250.00
Preference Share			
2,13,20,000 (Mar 31, 2023 2,13,20,000) Preference Share of ₹10 each	2,132.00	2,132.00	8,200.00
3,50,00,000 (Mar 31, 2023 3,50,00,000) Preference Share of ₹20 each	7,000.00	7,000.00	
Total Authorised Share Capital	15,450.00	15,450.00	15,450.00
Issued, Subscribed and Fully Paid-up Share Capital			
Equity Share			
2,50,50,009 (Mar 31, 2023: 2,50,49,999) Equity Shares of ₹10 each	2,505.00	2,505.00	2,505.00
Compulsory Convertible Preference Share			
82,65,801 (Mar 31, 2023 82,65,801) Compulsory Convertible Preference Shares (CCPS Series A) of ₹10 each bearing coupon dividend rate of 0.001%	826.58	826.58	826.58

Notes to financial statements for the year ended 31 March, 2024

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 1 April, 2022
1,25,61,572 (Mar 31, 2023 1,25,61,572) Compulsory Convertible Preference Shares (CCPS Series A1) of ₹10 each bearing coupon dividend rate of 0.001%	1,256.16	1,256.16	1,256.16
3,09,59,699 (Mar 31, 2023 3,09,59,699) Compulsory Convertible Preference Shares (CCPS Series B) of ₹20 each bearing coupon dividend rate of 0.001%	6,191.94	6,191.94	-
Total Paid up Share Capital	10,779.68	10,779.68	4,587.74

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

Particulars	As at 31 March, 2024		As at 31 March, 2023		As at 1 April, 2022	
	No. of Shares	(₹)	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the Period	25,050,009	2,505	25,049,999	2,505	25,049,999	2,505
Issued During the Period	-	-	10	0	-	-
Outstanding at the end of the Period	25,050,009	2,505	25,050,009	2,505	25,049,999	2,505

(a) (ii) Reconciliation of the number of Compulsory Convertible Preference shares and amount outstanding at the beginning and at the end of the year

Particulars	As at 31 March, 2024		As at 31 March, 2023		As at 1 April, 2022	
	No. of Shares	(₹)	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the Period	51,787,072	8,274.68	20,827,373	2,082.74	8,265,801	826.58
Issued During the Period	-	-	30,959,699	6,191.94	12,561,572	1,256.16
Outstanding at the end of the Period	51,787,072	8,274.68	51,787,072	8,274.68	20,827,373	2,082.74

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

Class of shares / Name of shareholder	As at 31 March, 2024		As at 31 March, 2023		As at 1 April, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of ₹10 each fully paid						
Deepak I. Amin	12,899,999	51.50%	12,899,999	51.50%	12,899,999	51.50%
Kaushik I. Amin	5,888,065	23.51%	5,888,065	23.51%	5,888,065	23.51%
VAR K NAL Holdings Inc.	5,531,935	22.08%	5,531,935	22.08%	5,531,935	22.08%
Compulsory Convertible preference shares (CCPS Series A) of ₹10 each fully paid						
NMI Fund IV KS	2,755,267	5.32%	2,755,267	5.32%	2,755,267	13.23%
Pettelaar Effectenbewaarbedrijf N.V.	2,755,267	5.32%	2,755,267	5.32%	2,755,267	13.23%
Agrif Cooperatief UA	2,755,267	5.32%	2,755,267	5.32%	2,755,267	13.23%

Notes to financial statements for the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Class of shares / Name of shareholder	As at 31 March, 2024		As at 31 March, 2023		As at 1 April, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Compulsory Convertible preference shares (CCPS Series A1) of ₹10 each fully paid						
NMI Fund IV KS	5,491,579	10.60%	5,491,579	10.60%	5,491,579	26.37%
Pettelaar Effectenbewaarbedrijf N.V.	3,530,630	6.82%	3,530,630	6.82%	3,530,630	16.95%
Agrif Cooperatief UA	3,539,363	6.83%	3,539,363	6.83%	3,539,363	16.99%
Compulsory Convertible preference shares (CCPS Series B) of ₹20 each fully paid						
British International Investment plc	11,628,999	22.46%	11,628,999	22.46%	-	-
NMI Fund IV KS	9,985,780	19.28%	9,985,780	19.28%	-	-
Pettelaar Effectenbewaarbedrijf N.V.	6,825,723	13.18%	6,825,723	13.18%	-	-

(c) Details of Shareholding of Promoters

Class of shares / Name of shareholder	As at 31 March, 2024		
	Number of shares held	% holding in that class of shares	“% change during the year”
Equity shares of ₹10 each fully paid			
Deepak I. Amin	12,899,999	51.50%	0.00%

Class of shares / Name of shareholder	As at 31 March, 2023		
	Number of shares held	% holding in that class of shares	% change during the year
Equity shares of ₹10 each fully paid			
Deepak I. Amin	12,899,999	51.50%	0.00%

Class of shares / Name of shareholder	As at 31 March, 2022		
	Number of shares held	% holding in that class of shares	% change during the year
Equity shares of ₹10 each fully paid			
Deepak I. Amin	12,899,999	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.
CCPS Series B	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.

Notes to financial statements for the year ended 31 March, 2024

(e) The Company has issued only one class of shares referred to as Equity Shares having a par value of ₹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.

21. OTHER EQUITY

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023 (Restated refer note 30 D)	As at 1 April, 2022 (Restated refer note 30 D)
Statutory Reserve			
Balance as per the beginning of the year	1,413.74	744.80	547.60
Add: Amount Transferred from balance in the statement of profit and loss u/s 45 IC of Reserve Bank of India Act, 1934	1,254.65	668.94	-
Impact due to changes in accounting policy (restated refer note 30 D)	-	-	197.20
Closing Balance	2,668.39	1,413.74	744.80
Security Premium			
Balance as per the last financial statements	18,575.95	5,531.65	5,531.65
Add: Security Premium received	-	13,402.45	-
Less: Security Premium utilized under section 52 of The Companies Act, 2013	-	358.15	-
Closing Balance	18,575.95	18,575.95	5,531.65
Share Options Outstanding Account			
Balance as per the beginning of the year	167.86	77.25	77.25
Add: Reserve added during the year Option Granted	30.96	90.61	-
Closing Balance	198.82	167.86	77.25
Money received against share warrants			
Balance as per the beginning of the year	-	-	-
Add: Share warrant received	28.30	-	-
Closing Balance	28.30	-	-
Surplus			
Surplus at the beginning of the year	2,711.02	35.24	(753.55)
Add: Surplus for the period	6,273.25	3,344.72	985.99
Less: Dividend Paid on Redeemable Preference Shares	-	-	-
Less: Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934	(1,254.65)	(668.94)	-
Impact due to changes in accounting policy (restated refer note 30 D)	-	-	(197.20)
Closing Balance	7,729.62	2,711.02	35.24
Other comprehensive Income			
Cashflow hedge reserve	(55.40)	-	-
Total Reserves and Surplus	29,145.69	22,868.57	6,388.94

Nature and purpose of reserve**Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)**

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.

Notes to financial statements for the year ended 31 March, 2024**Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013

Share option outstanding account

The share option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, general reserve or any other such other appropriations to specific reserves.

Money received against share warrants

On 20th January, 2024, the Company has allotted 42,87,511 share warrants, each exchangeable into 1 equity share of the Company at an exercise price of ₹66/- per share warrants, of which an initial warrant subscription amount of ₹0.66 per share warrant has been received at the time of allotment.

Cashflow hedge reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

22. INTEREST INCOME

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
At Amortised Cost		
Interest Income on Portfolio Loans	43,715.70	24,346.42
Total	43,715.70	24,346.42

23. OTHER OPERATING INCOME

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
On Financial assets held at Amortised Cost		
Income on securitization transaction	9.68	123.34
Interest on assignment transaction	6,736.89	4,168.68
Fees & Commission Income	254.06	660.52
Interest on deposits with banks	358.29	235.25
Total	7,358.92	5,187.79

24. OTHER INCOME

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Unrealised gain on investment in SR	90.34	251.28
Profit on sale of mutual fund units		
Realised	783.87	232.95
Unrealised	-	12.47
Profit on sale of fixed assets	0.02	0.81
Miscellaneous Income	8.55	16.56
Total	882.78	514.07

Notes to financial statements for the year ended 31 March, 2024

25. FINANCE COST

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
At Amortised Cost		
Interest on debt securities	2,662.65	1,783.91
Interest on Borrowings	15,478.73	8,757.57
Interest on subordinate liabilities	624.85	647.43
Interest on External commercial borrowing	874.72	-
Lease liability interest obligation	58.78	66.40
Foreign Exchange Fluctuation	157.75	-
Other charges	800.11	370.77
Total	20,657.59	11,626.08

26. IMPAIRMENT OF FINANCIAL INSTRUMENTS

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Impairment/(Reversal) of Impairment on Financial Instruments	3,199.03	(2,028.72)
Net loss on derecognition of financial instruments under amortised cost category	2,156.65	5,173.01
Total	5,355.68	3,144.29

27. EMPLOYEE BENEFIT EXPENSE

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Salaries and wages	10,935.48	6,869.99
Contribution to provident and other funds	908.58	625.81
Expense On Employee Stock Option Scheme (ESOP)	30.96	90.61
Staff Welfare Expenses	523.09	289.32
Total	12,398.11	7,875.73

28. DEPRECIATION & AMORTIZATION EXPENSES

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
On property, plant and equipment	435.22	200.32
On intangible assets	328.18	52.80
On right of use assets	155.42	137.31
Total	918.82	390.43

29. DEPRECIATION & AMORTIZATION EXPENSES

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Advertisement Expenses	2.38	5.45
Communication Expenses	235.89	119.61
Travelling & Conveyance Expenses	1,522.79	1,090.65
Corporate Social Responsibility Expenses	36.61	18.36
Electricity Expenses	58.50	42.43
Insurance Expenses	6.14	6.81
Office Expenses	258.45	217.29
Legal Expenses	3.81	7.05

Notes to financial statements for the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Postage & Courier	60.73	53.97
Professional Fees	1,157.35	677.87
Rent Expenses	460.44	5.79
Repairs & Maintenance Expenses	59.42	74.80
Rates and Taxes	387.55	251.11
Stationery and Printing Expenses	66.62	97.02
Payment to Auditors (as per note below)	32.71	25.78
Director Sitting Fees	24.70	7.50
Miscellaneous Expenses	216.88	160.63
Total	4,590.97	2,862.12

Breakup of Payments to Auditors

(Amount in ₹ Lakhs)

Payment to Auditors:	2023-24	2022-23
Statutory Audit Fee	14.20	14.80
Limited review Fee	8.00	3.00
Tax Audit Fee	2.00	2.00
Certification Fee	5.30	4.36
Other matters	3.21	1.62
TOTAL	32.71	25.78

30. NOTES TO ACCOUNTS**A. TAX EXPENSES**

(Amount in ₹ Lakhs)

Income tax recognised in the Statement of Profit and Loss:	2023-24	2022-23
Current tax	2,576.66	271.44
Deferred tax (credit)	(885.10)	566.56
Tax expense of earlier years	36.18	(51.86)
Total	1,727.74	786.15

(Amount in ₹ Lakhs)

Income tax recognised in other comprehensive income	2023-24	2022-23
Deferred tax arising on re-measurement gain on defined benefit plans.	11.85	6.31
Deferred tax arising on derivative financial instruments.	18.63	-
Total	30.48	6.31

(Amount in ₹ Lakhs)

Reconciliation of income tax expense and the accounting profit for the year:	2023-24	2022-23
Profit/ (loss) before tax	8,036.23	4,149.62
Enacted tax rates (%)	25.17%	25.17%
Income tax expense calculated at corporate tax rate	2,022.56	1,044.38
Reconciliation items		
Tax impact of expenses not deductible/ additional tax allowance	832.00	(529.83)
Impact of tax relating to the earlier year	36.18	(51.86)
NCD Expenses deductible	-	(44.71)
Impact on account of deductions claimed under Income Tax Act	(277.89)	(162.22)
Others – Deferred Tax	(885.10)	566.56
	1,727.74	822.32

Notes to financial statements for the year ended 31 March, 2024**B. EARNINGS PER SHARE**

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
(a) Net profit after tax as per Statement of Profit and Loss	6,308.48	3,363.48
(b) Weighted average number of equity shares for basic EPS	250.50	250.50
(c) Weighted average number of equity shares for diluted EPS	761.87	762.06
(d) Basic Earnings per Share (in rupees) (a/b)	25.18	13.43
(e) Diluted Earnings per Share (in rupees) (a/c)	8.32	4.41

C. FOREIGN CURRENCY TRANSACTIONS

Particulars	Currency	2023-24	2022-23
Expenditure in Foreign Currency- MIS Infrastructure Expenses and other Expenses	US Dollars	1,35,080.00	17,321.46
	Euro	495.00	8,308.00
	Indian Rupees (in Lakh)	120.27	21.20
Expenditure in Foreign Currency- processing Fees and other finance charges	US Dollars	99,629	29,824.00
	Indian Rupees (in Lakh)	90.30	24.46
Expenditure in Foreign Currency-Finance cost(interest)	US Dollars	6,41,382	-
	Indian Rupees (in Lakh)	533.10	-
Earning in Foreign Currency	-	-	-

D. CHANGES IN ACCOUNTING POLICIES**Assignment Transactions**

The accounting policies and practices followed in the preparation of the financial statements for the year ended 31 March, 2024 are the same as those followed in the preparation of the financial statements for the year ended 31 March, 2023, except for the change in accounting policy as explained in below paras.

Till 29 February, 2024, gain on assignment of financial asset was recognised as 'unearned income on assigned loans' under the head 'other non-financial liabilities' and was amortised in the statement of profit and loss over the period of the underlying residual tenure of the assigned loan portfolio. Such policy was adopted by the management for more prudent and fair presentation of financial statements by exercising their judgement under para 19 of Ind AS 1 "Presentation of financial statements". During the financial year ended 31 March, 2024, the Company has decided to book such gain upfront in the statement of profit and loss to comply with Ind AS 109 instead of amortising it over the period of the underlying residual tenure of the assigned loan portfolio and align as per Industry Practice.

The new accounting policy has been implemented retrospectively and being presented from the beginning of the earliest period i.e. 1 April, 2022. On account of new policy, in case of derecognition of loans upon assignment prior to 1 April, 2022, where underlying residual terms of the assigned portfolio was falling on or after 1 April, 2022, the Company has increased other equity by ₹985.99 Lakh, decreased the deferred tax assets by ₹331.65 Lakh, and decreased unearned income on assigned loans under the head other non-financial liabilities of ₹2,046.14 Lakh. The corresponding impact in decrease in spread on assigned assets by ₹728.50 Lakh.

As per the requirement of Ind AS 8, the Company has restated the financial information of previous financial year 2022-23 to reflect the change in accounting policy as explained above. The following table summarises the reconciliation of figures restated with previously reported figures. The tables show the adjustments recognised for each individual line item.

Notes to financial statements for the year ended 31 March, 2024**Balance Sheet**

(Amount in ₹ Lakhs)

Balance Sheet	31 March, 2023 as originally presented*	Adjustment	31 March, 2023 (Restated)	31 March, 2022 as originally presented*	Adjustment	1 April, 2022 (Restated)
Financial assets						
Cash and cash equivalents	13,630.64	-	13,630.64	9,471.42	-	9,471.42
Bank balances other than cash and cash equivalents	4,161.08	-	4,161.08	4,706.05	-	4,706.05
Derivative Financial Instruments	-	-	-	-	-	-
Trade Receivables	91.67	-	91.67	88.64	-	88.64
Loans	1,43,532.99	-	1,43,532.99	80,191.26	-	80,191.26
Investments	3,526.27	-	3,526.27	-	-	-
Other financial assets	6,548.74	(463.86)	6,084.88	3,821.97	(728.50)	3,093.47
	1,71,491.40	(463.86)	1,71,027.54	98,279.33	(728.50)	97,550.83
Non-Financial Assets						
Current tax assets (net)	39.42	-	39.42	-	-	-
Deferred tax asset (net)	793.12	(559.38)	233.74	1,125.64	(331.65)	794.00
Property, Plant & Equipment's	613.35	-	613.35	266.89	-	266.89
Capital work in progress	-	-	-	-	-	-
Right of Use	488.27	-	488.27	382.81	-	382.81
Intangible assets under development	126.97	-	126.97	25.93	-	25.93
Other Intangible assets	270.36	-	270.36	74.40	-	74.40
Other non-financial assets	211.58	-	211.58	84.71	-	84.71
	2,543.09	(559.38)	1,983.68	1,960.37	(331.65)	1,628.73
Total Assets	1,74,034.48	(1,023.25)	1,73,011.23	1,00,239.70	(1,060.15)	99,179.56
LIABILITIES & EQUITY						
Liabilities						
Financial Liabilities						
Derivative Financial Instruments						
Payables						
Trade Payables						
(i) Total outstanding dues of Micro enterprises and small enterprises	137.01	-	137.01	0.90	-	0.90
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises other payables	513.38	-	513.38	247.58	-	247.58
Debt securities	20,719.64	-	20,719.64	13,290.67	-	13,290.67
Borrowings (other than Debt securities)	1,07,553.74	-	1,07,553.74	68,363.67	-	68,363.67
Subordinated Liabilities	3,000.00	-	3,000.00	3,000.00	-	3,000.00
Other financial liabilities	5,749.01	-	5,749.01	1,953.87	-	1,953.87
Lease liabilities	558.77	-	558.77	743.34	-	743.34
	1,38,231.55	-	1,38,231.55	87,600.02	-	87,600.02

Notes to financial statements for the year ended 31 March, 2024

Balance Sheet	31 March, 2023 as originally presented*	Adjustment	31 March, 2023 (Restated)	31 March, 2022 as originally presented*	Adjustment	1 April, 2022 (Restated)
Non-Financial Liabilities						
Current tax liabilities (net)	-	-	-	26.55	-	26.55
Provisions	406.41	-	406.41	110.17	-	110.17
Other non Financial liabilities	3,411.31	(2,686.29)	725.02	2,512.26	(2,046.14)	466.13
	3,817.72	(2,686.29)	1,131.43	2,648.99	(2,046.14)	602.85
Equity						
Equity share capital	10,779.68	-	10,779.68	4,587.74	-	4,587.74
Other equity	21,205.53	1,663.04	22,868.57	5,402.96	985.99	6,388.95
	31,985.21	1,663.04	33,648.25	9,990.69	985.99	10,976.68
Total liabilities and equity	1,74,034.48	(1,023.25)	1,73,011.23	1,00,239.70	(1,060.15)	99,179.56

*The corresponding originally presented figures have been regrouped/reclassified, wherever necessary, to correspond with the figures of the current reporting period.

Profit & Loss

(Amount in ₹ Lakhs)

Particulars	31 March, 2023		
	As originally Presented*	Adjustment	Restated
Revenue from operations			
Interest income	24,346.42	-	24,346.42
Other operating income	4,238.48	949.31	5,187.78
Total revenue from operation(I)	28,584.90	949.31	29,534.20
Other income(II)	514.06	-	514.06
Total Income (III)=(I+II)	29,098.96	949.31	30,048.27
Expenses			
Finance cost	11,626.08	-	11,626.08
Impairment/(Reversal) of Impairment on Financial Instruments	(2,073.24)	44.52	(2,028.72)
Net loss on derecognition of financial instruments under amortised cost category	5,173.01	-	5,173.01
Employee Benefit Expense	7,875.73	-	7,875.73
Depreciation & Amortization Expenses	390.43	-	390.43
Other Expenses	2,862.11	-	2,862.11
Total Expenses (IV)	25,854.12	44.52	25,898.64
Profit/(loss) before tax (V)=(III-IV)	3,244.84	904.79	4,149.62
Tax Expenses			
Current Tax	271.44	-	271.44
Deferred Tax Charge / (Credit)	338.83	227.73	566.56
Excess/(Short)Provisions of earlier year	(51.86)	-	(51.86)
Total tax expense (VI)	558.40	227.73	786.15
Net profit/(loss) after tax VII=(V-VI)	2,686.43	677.05	3,363.48
Other Comprehensive income/(loss)			
(1) Items that will not be reclassified to profit and loss	(25.07)	-	(25.07)
(2) Income tax relating to items that will not be reclassified to profit and loss	6.31	-	6.31
Subtotal (a)	(18.76)	-	(18.76)

Notes to financial statements for the year ended 31 March, 2024

Particulars	31 March, 2023		
	As originally Presented*	Adjustment	Restated
(1) Items that will be reclassified to profit and loss-Fair value income/ (loss) on derivative financial instruments	-	-	-
(2) Income tax relating to items that will be reclassified to profit and loss	-	-	-
Subtotal (b)	-	-	-
Other Comprehensive income/(loss) (a+b)	(18.76)	-	(18.76)
Total comprehensive income (comprising profit and other comprehensive income/ (loss))	2,667.67	677.05	3,344.72
Earning per share (EPS) (face value of ₹10 per equity share)			
Basic EPS	10.72	2.71	13.43
Diluted EPS	3.53	0.88	4.41

*The corresponding originally presented figures have been regrouped/reclassified ,wherever necessary, to correspond with the figures of the current reporting period.

E. SEGMENT REPORTING

The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 on 'Operating segments' notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Company operates in a single geographical segment i.e. domestic.

F. LEASE

The Company has entered into agreements for taking its office premises under leave and license arrangements. The carrying amounts of right-of-use of assets recognised and the movements during the period are as follows: (Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Balance at the beginning of the year	488.27	382.81
Modification in Lease term		
Additions made during the year	-	242.77
Depreciation charged during the year	155.42	137.31
Balance at the end of the year	332.85	488.27

The carrying amounts of lease liabilities and the movements during the period are as follows: (Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Balance at the beginning of the period	558.77	743.34
Modification in Lease term		
Additions made during the year		170.19
Interest accretion for the year	58.78	66.40
Payments made during the year	202.70	421.16
Balance at the end of the year	414.85	558.77

Total lease liabilities are analysed as follows:

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Current	136.86	143.92
Non-Current	277.99	414.85
Total	414.85	558.77

Notes to financial statements for the year ended 31 March, 2024

The followings are the amounts recognised in profit and loss:

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Depreciation expense in respect of right-of-use-of-asset	155.42	137.31
Interest Expense in respect of lease liabilities	58.78	66.40
Total amount recognised in profit and loss	214.20	203.71

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could be different from expectations:

(Amount in ₹ Lakhs)

Maturity Analysis	2023-24	2022-23
Less than 1 year	136.86	143.92
Between 1 and 2 years	130.24	160.70
Between 2 and 5 years	147.74	254.15
Total	414.85	558.77

G. RELATED PARTY DISCLOSURES

Names of related parties under Ind AS 24 with whom transactions have taken place during the year

Sr. No.	Name	Relationship
1.	Mr. Deepak Amin	Managing Director
2.	Mr. Rakesh Kumar	Chief Executive Officer and Executive Director
3.	Mr. Aviral Saini	Chief Financial Officer and Executive Director
4.	Mr. Chandan Sinha	Independent Director
5.	Mr Anuj Kumar	Independent Director
6.	Mr. Parveen Kumar Gupta (from 11 February, 2022 to 07 June, 2023)	Independent Director
7.	Mr. Aditya Bhandari (from 02 September, 2022)	Nominee Director
8.	Mr. Thomas Klungsøyr (from 02 September, 2022)	Nominee Director
9.	Mr. Hemant Contractor (from 01 September 01, 2023 to 03 January, 2024)	Additional Independent Director
10.	Ms. Madhavi Gajjar (promoted to Chief Compliance officer w.e.f. 01 October, 2023)	Company Secretary and Chief Compliance Officer

Transactions with related parties

(Amount in ₹ Lakhs)

Related party	Nature of Transactions	Transactions		(Payable)/Receivables	
		2023-24	2022-23	31 March, 2024	31 March, 2023
Mr. Chandan Sinha	Sitting Fees	9.10	2.90	Nil	Nil
Mr Anuj Kumar	Sitting Fees	11.00	1.45	Nil	Nil
Mr. Parveen Kumar Gupta	Sitting Fees	1.90	3.15	Nil	Nil
Mr. Hemant Contractor	Sitting Fees	2.70	Nil	Nil	Nil
Mr. Deepak Amin	Salary + Incentive	174.42	183.00	Nil	Nil
Mr. Rakesh Kumar	Salary + Incentive	180.91	164.50	Nil	Nil
Mr. Aviral Saini	Salary + Incentive	152.20	137.00	Nil	Nil
Ms. Madhavi Gajjar	Salary + Incentive	11.98	8.93	Nil	Nil

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.

Notes to financial statements for the year ended 31 March, 2024**H. REVENUE FROM CONTRACTS WITH CUSTOMERS**

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the statement of profit and loss: (Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Type of Income		
Others	254.06	660.52
Total revenue from contracts with customers	254.06	660.52
Geographical markets		
India	254.06	660.52
Outside India	-	-
Total revenue from contracts with customers	254.06	660.52
Timing of revenue recognition		
Services transferred at a point in time	254.06	660.52
Services transferred over time	-	-
Total revenue from contracts with customers	254.06	660.52

I. CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
(A) Contingent Liabilities		
Performance Security provided by the Company pursuant to business Correspondent / service provider agreement	Nil	Nil
Cash collateral given and outstanding for the assigned Loans	Nil	Nil
Claims against the Company not acknowledged as debt:		
- Tax matter in dispute under appeal	Nil	Nil
(B) Capital Commitments		
- Capital work in progress- out of total estimated project cost of ₹519.71 Lakh and contract remaining to be executed and amount not provided	278.56	Nil

J. FAIR VALUE MEASUREMENT**Valuation Principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principle (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly/indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair value hierarchy of Asset and Liabilities measured at fair value

Particulars	As at 31 March, 2024		
	Level 1	Level 2	Level 3
At fair value through OCI			
Derivative Liabilities			
- Forward currency swaps	-	74.03	-
At fair value through Profit and Loss			
Investments			
- Security Receipts	-	-	1,012.72
- Mutual Funds	-	-	-
Total	-	74.03	1,012.72

Notes to financial statements for the year ended 31 March, 2024

Particulars	As at 31 March, 2023		
	Level 1	Level 2	Level 3
At fair value through OCI			
Derivative Liabilities			
- Forward currency swaps	-	-	-
At fair value through Profit and Loss			
Investments in			
- Pass through Certificate under securitization transactions	-	-	437.50
- Security Receipts	-	-	1,088.87
- Mutual Funds	-	1,999.90	-
Total	-	1,999.90	1,526.37

Fair Value hierarchy of Asset and Liabilities not measured at fair value

The management assessed that carrying value of financial asset and financial liabilities are a reasonable approximation of their fair value and hence carrying values are deemed to be fair values.

K. CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy is to ensure that the Company complies with capital adequacy requirements required by the Reserve Bank of India and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flows generated.

As an NBFC-MFI, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time.

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Debts	1,72,189.71	1,31,273.38
Total equity	39,925.37	33,648.25
Debt to equity ratio	4.31	3.90

The Liquidity Coverage Ratio (LCR) is not applicable to the Company as the asset size of the Company is less than Rupees 5,00,000 Lakhs.

L. RETIREMENT BENEFITS

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under tier

(i) Defined Contribution Plans**Provident and other funds**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Employers' contribution to provident and other fund	955.66	650.88

(ii) Defined Benefit Plan**Gratuity**

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the scheme is managed by Life Insurance Companies. The liability of Gratuity is recognized on the basis of actuarial valuation.

Notes to financial statements for the year ended 31 March, 2024

The following tables summarize the components of net benefit expense recognised in the statement of profit and loss and the amounts recognised in the Balance Sheet for the gratuity plan.

Movement in Defined Benefit Obligations

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Defined benefit obligations as at the beginning of Year	156.90	114.88
Current Service Cost	20.02	15.07
Interest on defined benefit obligations	11.44	5.19
Re-measurements - Actuarial (Gain)/Loss on total Liabilities	45.06	25.52
Benefits paid	(24.73)	(3.77)
Defined benefit obligations as at the end of Year	208.69	156.90

Amount recognised in balance sheet

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Present Value of Benefit Obligation at the end of the Period	(208.69)	(156.90)
Fair value of plan assets at the end of the period	54.78	75.99
Funded Status (Surplus/ (Deficit))	(153.91)	(80.91)
Net defined benefit liability recognised in balance sheet	(153.91)	(80.91)

Expense charged to the statement of profit and loss

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Current service cost	20.02	15.07
Net Interest Cost	5.90	2.25
Expenses Recognized	25.92	17.32

Re-measurement (gain)/loss in other comprehensive income

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Actuarial (Gains)/Losses on Obligation For the Period	45.07	25.52
Return on Plan Assets, Excluding Interest Income	2.01	(0.45)
Change in Asset Ceiling	Nil	Nil
Net (Income)/Expense For the Period Recognized in OCI	47.08	25.07

Summary of Actuarial Assumptions

Particulars	31 March, 2024	31 March, 2023
Discount rate	7.11%	7.29%
Rate of Increase in compensation levels	7.00%	7.00%
Retirement age (years)	60 years	60 years

A quantitative sensitivity analysis for significant assumptions as at the balance sheet date are as shown below:

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Defined Benefit Obligation on Current Assumptions	208.69	156.90
Delta Effect of +1% Change in Rate of Discounting	(2.60)	(1.82)
Delta Effect of -1% Change in Rate of Discounting	2.70	1.90
Delta Effect of +1% Change in Rate of Salary Increase	2.25	1.44
Delta Effect of -1% Change in Rate of Salary Increase	(2.20)	(1.41)
Delta Effect of +1% Change in Rate of Employee Turnover	(1.62)	(0.92)
Delta Effect of -1% Change in Rate of Employee Turnover	1.67	0.95

Notes to financial statements for the year ended 31 March, 2024**Maturity Profile of Defined Benefit Obligation**

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
1 st Following Year	86.34	66.25
2 nd Following Year	51.60	42.60
3 rd Following Year	37.58	25.30
4 th Following Year	22.47	17.60
5 th Following Year	15.36	9.99
Sum of years 6 to 10	16.64	10.53
After 11 years and above	0.72	0.45

Discount rate: The discount rate is based on government bond yields as at the balance sheet date for the estimated term of the obligations.

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

M. MICRO, SMALL AND MEDIUM ENTERPRISES

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below.

(Amount in ₹ Lakhs)

	2023-24	2022-23
(a) The principal amount remaining unpaid to any supplier at the end of each accounting year;	339.01	137.01
(b) The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	Nil	Nil
(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;	Nil	Nil
(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;	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(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.	Nil	Nil

N. RISK MANAGEMENT & FINANCIAL OBJECTIVES.

Risk is an integral part of the Company's business and sound risk management is critical to its success. The Company's activities are exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company continuously identifies potential risks in advance, analyzes them and takes precautionary steps to reduce/curb the risk. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company assumes following risks (i.e. Credit risk, Liquidity risk, Market risk and Operation risk) in the normal course of business.

Notes to financial statements for the year ended 31 March, 2024

- Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's asset on finance. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk.

The Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; socio-economic and law and order risks in the proposed area. Further, client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet the company's criteria.

The Company is a rural focused NBFC with a geographically diversified presence in India and offers income generation loans under the joint liability group model, predominantly to women from low-income households in rural areas. Further, as it focuses on providing micro-loans in rural areas, The Company's results of operations are affected by the performance and the future growth potential of microfinance in rural India. The Company's clients typically have limited sources of income, savings and credit histories and the loans are typically provided free of collateral. Such clients generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, the Company rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of loans.

In order to mitigate the impact of credit risk in the future profitability, the Company makes reserves basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date. (Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Loans	1,78,850.51	1,43,532.99
Trade receivable	11.93	91.67
Other Financial Assets	6,206.30	6,084.88

- Liquidity Risk**

Liquidity risk is defined as the risk of incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is managing liquidity to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions in a timely manner, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company consistently forecaste cash flows and accordingly generates sufficient cash flows to meet its financial obligations as and when they fall due. The Company has obtained funding lines from multiple sources, including from borrowings, debt securities, subordinated liabilities to maintain a healthy mix of sources. The Company also manages liquidity by raising funds through Securitisation / assignment transactions.

The maturity schedule for all financial liabilities is regularly reviewed and monitored. Company has an Asset Liability Management (ALM) policy and has constituted an ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement.

Maturity pattern of Liabilities as on 31 March, 2024

(Amount in ₹ Lakhs)

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Total
Borrowing*	8,713.90	12,224.25	8,578.12	26,826.34	42,626.27	59,272.53	13,948.30	1,72,189.71

*Borrowing includes debt securities and subordinated liabilities

Notes to financial statements for the year ended 31 March, 2024**Maturity pattern of Liabilities as on 31 March, 2023**

(Amount in ₹ Lakhs)

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Total
Borrowing*	6,170.22	5,438.92	8,750.58	16,652.77	30,316.90	56,843.99	7,100.00	1,31,273.38

* Borrowing includes debt securities and subordinated liabilities

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return. The Company is exposed to following types of market risks:

- Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. The Company's ALM Committee evaluates the maturities of assets and liabilities and ensures that all significant mismatches, if any, are being managed appropriately. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds.

- Price risk**

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

- Foreign Currency risk**

The Company is exposed to foreign currency fluctuation risk for its external commercial borrowings (ECB). The ECB are governed by RBI guidelines. The Company hedges its entire ECB exposure for the full tenure of the ECB.

The Company manages its currency risks by entering into derivative contracts as hedge positions. The Company's exposure of foreign currency risk at the end of the reporting period expressed as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Hedged		
Liability-External Commercial Borrowings	1,25,00,000 USD	-
Assets-Cross Currency Interest rate Swap Contract	1,25,00,000 USD	-

- Operational Risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The company recognises that operational risk event types that have the potential to result in substantial losses includes Internal fraud, external fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

Notes to financial statements for the year ended 31 March, 2024**O. TRANSFER OF FINANCIAL ASSETS**

In the ordinary course of business, the Company enters into transactions that result in the transfer of financial assets. In accordance with the accounting policy, the transferred financial assets continue to be recognised or derecognised as per the conditions specified in Ind AS 109 "Financial Instruments".

Securitisation Transaction:

During the period, the Company has entered into securitisation arrangement. Under such arrangement, the Company retains substantial risks and rewards of such loan transferred and accordingly, does not derecognise the loans transferred in its entirety and recognises an associated liability for the consideration received.

The value of financial assets and liabilities as on:

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Carrying amount of transferred assets measured at amortised cost	-	1,100.89
Carrying amount of associated liabilities	-	1,100.89

P. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

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:

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
a) Gross amount required to be spent by the Company during the year	36.59	18.36
b) Amount of Expenditure incurred		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	36.61	18.36
c) Shortfall at the end of the year (a-b)	Nil	Nil
Total of previous years short fall	Nil	Nil
Reason for shortfall of CSR expenditure		
Nature of CSR activities	1. Child Education 2. Health Checkup Camp 3. Women Empowerment	1. Tribal Child Education 2. Eye Checkup Camp 3. Women Empowerment
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard.	Nil	Nil
Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

Q. MATURITY ANALYSIS OF ASSETS AND LIABILITIES**Maturity analysis of assets and liabilities as at 31 March, 2024**

(Amount in ₹ Lakhs)

	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	25,461.07	-	25,461.07
Bank balances other than cash and cash equivalents	4,066.75	1,924.58	5,991.33
Trade Receivables	11.93	-	11.93
Loan portfolio	1,04,914.38	73,936.12	1,78,850.50
Investments	-	1,012.72	1,012.72
Other financial assets	4,767.04	1,439.26	6,206.30
Total financial assets	1,39,221.17	78,312.68	2,17,533.85

Notes to financial statements for the year ended 31 March, 2024

	Within 12 months	After 12 months	Total
Non-financial assets			
Current tax assets (net)	16.70	-	16.70
Deferred tax assets (net)	-	1,149.32	1,149.32
Property, plant and equipment	-	783.35	783.35
Capital work in progress	-	284.56	284.56
Right of Use	128.60	204.25	332.85
Intangible assets under development	116.04	-	116.03
Other Intangible assets	-	956.54	956.54
Other non-financial assets	283.94	-	283.94
Total non-financial assets	545.28	3,378.02	3,923.29
Total assets	1,39,766.45	81,690.70	2,21,457.15
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative Financial Instruments	-	74.03	74.03
Payables			
Trade payables			
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	339.01	-	339.01
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	334.78	-	334.78
Debt securities*	9007.70	11768.33	20,776.03
Borrowings (other than debt securities)*	89,961.18	50,648.58	1,40,609.76
Subordinated liabilities*	-	10,803.92	10,803.92
Other financial liabilities	5,929.79	-	5,929.79
Lease liabilities	136.86	277.98	414.84
Total financial liabilities	1,05,709.32	73,572.84	1,79,282.16
Non-financial liabilities			
Current tax liabilities (net)	-	664.50	664.50
Provisions	559.11	-	559.11
Other non-financial liabilities	1,026.00	-	1,026.00
Total non-financial liabilities	1,585.11	664.50	2,249.61
EQUITY			
Equity share capital	-	10,779.68	10,779.68
Other equity	-	29,145.70	29,145.70
Total equity	-	39,925.38	39,925.38
Total liabilities and equity	1,07,294.43	1,14,162.72	2,21,457.15

*All borrowings are disclosed based on the contractual maturities. There is no covenant breaches.

Notes to financial statements for the year ended 31 March, 2024

Maturity analysis of assets and liabilities as at 31 March, 2023

(Amount in ₹ Lakhs)

	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	13,630.64	-	13,630.64
Bank balances other than cash and cash equivalents	2,935.50	1,225.58	4,161.08
Trade Receivables	91.67	-	91.67
Loan portfolio	70,181.29	73,351.69	1,43,532.98
Investments	1,999.90	1,526.37	3,526.27
Other financial assets	5851.03	233.86	6,084.89
Total financial assets	94,690.03	76,337.49	1,71,027.53
Non-financial assets			
Current tax assets (net)	-	39.42	39.42
Deferred tax assets (net)	-	233.74	233.74
Property, plant and equipment	-	613.35	613.35
Right of Use	155.42	332.85	488.27
Intangible assets under development	-	126.98	126.98
Other Intangible assets	-	270.36	270.36
Other non-financial assets	178.16	33.42	211.58
Total non-financial assets	333.58	1,650.12	1,983.70
Total assets	95,262.46	77,753.76	1,73,011.23
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	137.01	-	137.01
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	513.38	-	513.38
Debt securities*	4,445.47	16,274.17	20,719.64
Borrowings (other than debt securities)*	66,557.19	40,996.55	1,07,553.74
Subordinated liabilities*	-	3,000.00	3,000.00
Other financial liabilities	5,749.01	-	5,749.01
Lease liabilities	143.92	414.85	558.77
Total financial liabilities	77,545.98	60,685.57	1,38,231.55
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	406.41	-	406.41
Other non-financial liabilities	725.01	-	725.01
Total non-financial liabilities	1,131.43	-	1,131.43
EQUITY			
Equity share capital	-	10,779.68	10,779.68
Other equity	-	22,868.57	22,868.57
Total equity	-	33,648.25	33,648.25
Total liabilities and equity	78,677.41	94,333.82	1,73,011.23

*All borrowings are disclosed based on the contractual maturities. There is no covenant breaches.

Notes to financial statements for the year ended 31 March, 2024**R. DISCLOSURE OF INVESTING AND FINANCING ACTIVITIES THAT DO NOT REQUIRE THE USE OF CASH AND CASH EQUIVALENTS**

For the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Name of instrument	Opening	Cash flows	Others	Closing
Debt Securities	20,720.60	103.57	(48.14)	20,776.03
Borrowings (other than debt securities)	1,07,552.78	33,464.89	(407.92)	1,40,609.76
Sub-debt	3,000.00	8,000.00	(196.08)	10,803.92
Total	1,31,273.38	41,568.46	(652.14)	1,72,189.71

For the year ended 31 March, 2023

(Amount in ₹ Lakhs)

Name of instrument	Opening	Cash flows	Others	Closing
Debt Securities	13,290.67	7,429.93	-	20,720.60
Borrowings (other than debt securities)	68,363.67	40,777.11	(1,588.00)	1,07,552.78
Sub-debt	3,000.00	-	-	3,000.00
Total	84,654.34	48,207.04	(1,588.00)	1,31,273.38

S. SHARE BASED PAYMENT

Pursuant to a resolution passed by the members holding Equity shares vide Extra ordinary General Meeting held on 23 June, 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 20 May, 2021, and further amended and approved by the shareholders vide an ordinary resolution dated 17 January, 2024. The Plan covers 61,27,511 options. The plan allows the issue of options to employees of the company which are convertible to one equity share of the company.

During the year ended 31 March, 2024, the following stock option grants were in operation:

Sr. No.	Particulars	Details		
1	Date of Grant	23/06/2018	15/06/2021	17/01/2024
2	No. of options granted	9,84,400	5,02,000	28,13,380
3	No of employees to whom such options were granted	4	35	41
4	Method of Settlement	Equity/Cash	Equity/Cash	Equity/Cash
5	Graded Vesting period:			
	at the end of year 1	20%	20%	20%
	at the end of year 2	20%	20%	20%
	at the end of year 3	20%	20%	20%
	at the end of year 4	20%	20%	20%
	at the end of year 5	20%	20%	20%
	Subject to any other terms as stipulated in the LMF Employee Stock Option Plan 2018	Performance based vesting	Performance based vesting	Performance based vesting
6	Exercise Period			
	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)	-	2.25	4.75
9	Average exercise price per option (₹)	10.63	37.70	66.00

Notes to financial statements for the year ended 31 March, 2024

Particulars	Year ended on 31 March, 2024	Year ended on 31 March, 2023
Employee Stock Option Plan 2018		
Employee Stock Option outstanding at beginning of the year	14,86,400	14,86,400
Granted during the year	28,13,380	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	83,400	-
Outstanding during the year	42,16,380	14,86,400
Exercisable at the end of the year	-	-

Fair Valuation

The fair value of the options used to compute proforma net profit and earnings per share have been done by the independent valuer on the date of grant using Black-Scholes Merton formula. The key assumptions and the Fair value are as :

Particulars	ESOP – I	ESOP – II	ESOP-III
Risk Free Interest Rate(%)	8.25%	5.43% to 5.91%	3.52% to 5.35%
Option Life (years)	5 years	5 years	5 years
Historical Volatility	50.00%	50.00%	50.00%
Expected Volatility	-	-	-
Expected Dividend yield (%)	0.00%	0.00%	0%

T. SHARE WARRANTS

On 20 January, 2024, the Company has allotted 42,87,511 share warrants, each exchangeable into 1 equity share of the Company at an exercise price of ₹66/- per share warrants, of which an initial warrant subscription amount of ₹0.66 per share warrant has been received at the time of allotment.

U. ADDITIONAL REGULATORY INFORMATION

- The Company does not hold any immovable property as on 31 March, 2024 and 31 March, 2023. All the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.
- No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder, as at 31 March, 2024 and 31 March, 2023.
- The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March, 2024 and 31 March, 2023.
- The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March, 2024 and 31 March, 2023.
- There was no delay in the registration or satisfaction of any charges with Registrar of Companies during the year ended 31 March, 2024 and 31 March, 2023.
- The company does not have any investment in any subsidiary company. Therefore, there is no requirement to comply with the number of layers prescribed under clause (87) of section 2 of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- There was no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended 31 March, 2024 and 31 March, 2023.
- The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.
- The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March, 2024 are held by the Company in the form of deposits and invested in short term fund till the time the utilisation is made subsequently.

Notes to financial statements for the year ended 31 March, 2024

- x. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March, 2024 and 31 March, 2023, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March, 2024 and 31 March, 2023.
- xi. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March, 2024 and 31 March, 2023.
- xii. Other than the transactions that are carried out as part of Company' normal lending business:
- A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall –
- (a) 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
- (b) provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.
- B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall –
- (a) 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
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Additional Disclosures required by the Reserve Bank of India

(Figures in the below disclosures are as per Ind AS financial statements except otherwise stated)

V. CAPITAL TO RISK ASSETS RATIO ('CRAR')

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
i) CRAR	25.90%	21.33%
ii) CRAR – Tier I Capital	19.68%	19.14%
iii) CRAR – Tier II Capital	6.21%	2.20%
iv) Amount of Subordinated debt raised as capital Tier-II capital	8,000	Nil
v) Amount raised by issuing perpetual debt instrument	Nil	Nil

W. INVESTMENTS

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	1012.72	3,526.27
(b) Outside India	Nil	Nil
(ii) Provisions for Depreciation		
(a) In India	Nil	Nil
(b) Outside India	Nil	Nil
(iii) Net Value of Investments		
(a) In India	1012.72	3526.27
(b) Outside India	Nil	Nil
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	Nil	Nil
(ii) Add: Provisions made during the year	Nil	Nil
(iii) Less Write-off/ write-back of excess	Nil	Nil
(iv) Closing Balance	Nil	Nil

Notes to financial statements for the year ended 31 March, 2024**X. DERIVATIVES:**

The Company's activities expose it to the financial risk of changes in foreign exchange rates. The Company uses derivative contracts such as currency swap to hedge its exposure to movements in foreign exchange. The use of these derivative contracts reduces the risk to the Company and the Company does not use those for trading or speculation purposes. The company uses hedging instruments. All derivative transactions that are entered into by the company are reported to the board, and the mark-to-mark on its portfolio is monitored regularly by the senior management.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive(positive market to market value) or as liabilities when the fair value is negative(negative market to market value). Derivative assets and liabilities are recognised on the balance sheet at fair value. Currency swaps held for the purpose of hedging foreign currency denominated external commercial borrowings are accounted as cash flow hedge. Fair value of derivative is ascertained by mark to market value received from the counter -Party Bank. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised , no longer qualifies for hedge accounting.

Quantitative Disclosure:

(Amount in ₹ Lakhs)

Sr. No.	Particulars	31 March, 2024	31 March, 2023
i)	Derivatives(Notional Principle Amount)	10,264.75	-
ii)	Market to Market positions	74.03	-
	(a) Assets(+)	-	-
	(b) Liabilities(-)	74.03	-
iii)	Credit Exposure	Nil	Nil
iv)	Unhedged Exposures	Nil	Nil

Y. DISCLOSURES RELATING TO SECURITISATION

During the year the Company has sold loans through securitisation. The information on securitisation activity is as below :

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Total number of loans securitised during the year	Nil	9,130
Total book value of loans securitised during the year	Nil	3,500.05
Sale consideration received for loans securitised	Nil	3,062.54
Credit enhancements provided and outstanding (Gross) as at balance sheet date	Nil	612.51
Interest subordination	Nil	Nil
Principal subordination	Nil	Nil
Cash Collateral	Nil	175.00

(Amount in ₹ Lakhs)

Sr. No.	Particulars	31 March, 2024	31 March, 2023
1	No. of SPVs sponsored by the NBFC for securitisation transactions	Nil	1
2	Total amount of securitised assets as per the books of the SPVs sponsored by the NBFC as on date of balance sheet:	Nil	1,100.51
3	Total amount of exposures retained to comply with minimum retention requirement ('MRR') as on date of balance sheet:		
	a) Off balance sheet exposures		
	- First loss	Nil	175.00
	- Others	Nil	437.50

Notes to financial statements for the year ended 31 March, 2024

Sr. No.	Particulars	31 March, 2024	31 March, 2023
	b) On balance sheet exposures (cash collateral and over collateral)		
	- First loss	Nil	Nil
	- Others	Nil	Nil
4	Amount of exposures to other than MRR:		
	a) Off balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	ii) Exposure to third party securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	b) On balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	ii) Exposure to third party securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil

Z. DETAILS OF ASSIGNMENT TRANSACTION UNDERTAKEN

The Company has assigned loans by way of direct assignment. As per terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 85%-90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet.

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety, the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as 'Spread receivable on assignment portfolio' with a corresponding profit on derecognition of financial asset. (refer para 30(D) of note to the account)

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
No. of loans	1,15,670	1,16,219
Aggregate value of loans assigned	56,102.05	47,908.09
Aggregate consideration received	50,491.84	41,940.89
Income recognized in the statement of profit and loss*	6,736.89	4,168.68
Cash collateral	Nil	Nil

(*Figures are restated as per note no.30(D) of notes to the account)

AA. DETAILS OF FINANCIAL ASSETS SOLD TO SECURITISATION/RECONSTRUCTION COMPANY FOR ASSET RECONSTRUCTION

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Total number of loans	Nil	36,892
Aggregate principal outstanding of loans transferred (₹ In Lakhs)	Nil	4,947.54
Weighted average residual maturity (in months)	Nil	10.7
Net book value of loans transferred (at the time of transfer)	Nil	4,947.54
Aggregate Consideration	Nil	1,038.98
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil

Notes to financial statements for the year ended 31 March, 2024**BB. DETAILS OF NON-PERFORMING FINANCIAL ASSETS PURCHASED / SOLD**

Particulars	2022-23	2021-22
	NIL	

CC. ASSET LIABILITY MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES (AS COMPILED BY MANAGEMENT AND RELIED UPON BY THE AUDITOR)**Maturity pattern of assets and liabilities as on 31 March, 2024****

(Amount in ₹ Lakhs)

Particulars	Up to 30/31 Days	1 -2 Months	2-3 Months	3 – 6 Months	6 Months to 1 Year	1 -3 Years	3 -5 Years	5 Years & above	Total
Advances	7,649.53	8,236.33	8,436.34	26,237.66	54,354.49	73,936.12	-	-	1,78,850.51
Investment	-	-	-	-	-	1,012.72	-	-	1,012.72
Borrowings*	8,713.90	12,224.25	8,578.12	26,826.34	42,626.27	59,272.53	6,090.90	7,857.40	1,72,189.71

*Borrowings include foreign currency borrowings in the form of ECB which have been fully hedged.

**The amount mentioned above represent only principle outstanding on advance and borrowings.

Maturity pattern of assets and liabilities as on 31 March, 2023**

(Amount in ₹ Lakhs)

Particulars	Up to 30/31 Days	1 -2 Months	2-3 Months	3 – 6 Months	6 Months to 1 Year	1 -3 Years	3 -5 Years	5 Years & above	Total
Advances	4,624.61	5,314.67	5,586.56	17,498.36	37,157.10	73,351.70	-	-	1,43,532.99
Investment	1,999.90	-	-	-	-	1,526.37	-	-	3,526.27
Borrowings	8,485.97	5,647.25	5,958.92	17,634.91	32,281.19	57,064.90	4,200.24	-	1,31,273.38

**The amount mentioned above represent only principle outstanding on advance and borrowings.

DD. EXPOSURES

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

EE. DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS

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

FF. INTRA-GROUP EXPOSURES

The company has not given advances to Group companies as on 31 March, 2024 (31 March, 2023- Nil)

GG. UNHEDGED FOREIGN CURRENCY EXPOSURE

The Company has no unhedged foreign currency exposure as on 31 March, 2024 (31 March, 2023- Nil)

HH. DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING

There is no Divergence assessed by Reserve Bank of India.

II. 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.

JJ. 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.

KK. REGISTRATION OBTAINED FROM OTHER FINANCIAL SECTOR REGULATORS

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

LL. 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.

Notes to financial statements for the year ended 31 March, 2024**MM. RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR ENDED 31 MARCH, 2024**

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in Lakhs)	Rating Assigned
NCD	CRISIL	14 February, 2024	22,200.00	CRISIL BBB+/Stable
Term Loan Bank Facilities	CRISIL	14 February, 2024	42,500.00	CRISIL BBB+/Stable
Term Loan Bank Facilities	CARE	05 September, 2023	1,15,000.00	CARE BBB+; Stable
NCD	CARE	05 September, 2023	5,000.00	CARE BBB+; Stable
NCD	Brickworks	15 June, 2023	1,000.00	BWR BBB/Stable/Reaffirmation
MFI Grading	SMERA Grading	28 July, 2023	N.A.	SMERA M1 (Highest 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 31 March, 2023

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in Lakhs)	Rating Assigned
NCD	CRISIL	28/11/2022	18,000.00	CRISIL BBB/Stable
Securitisation	CARE	28/11/2022	2,756.00	CARE A- (SO)
Securitisation	CARE	28/11/2022	306.00	CARE BBB+ (SO)
Securitisation	CARE	28/11/2022	438.00	CARE B+ (SO)
Term Loan Bank Facilities	CARE	30/03/2023	1,15,000.00	CARE BBB+; Stable
NCD	CARE	30/03/2023	2,500.00	CARE BBB+; Stable
MFI Grading	SMERA Grading	05/08/2022	N.A.	SMERA MFI M1 (Highest Capacity of the MFI to manage its operations in a sustainable manner)

NN. 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 E above.

OO. POSTPONEMENT OF REVENUE RECOGNITION

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

PP. PROVISIONS AND CONTINGENCIES

Particulars	(Amount in ₹ Lakhs)	
	31 March, 2024	31 March, 2023
Provision made towards Income Tax	2,576.66	271.44
Provision towards NPA	2,200.53	564.71
Provision for standard assets	2,773.49	1,355.67
Provision for fraud	20.25	12.41
Provision for gratuity	153.91	80.91
Provision for compensated absence	228.24	136.84

QQ. DRAW DOWN FROM RESERVES

There has been no draw down from Reserves including security premium during the year ended 31 March, 2024 (previous year: Nil) other than those disclosed under Note 21.

RR. CONCENTRATION OF DEPOSITS

The Company has not accepted any deposits during the year ended 31 March, 2023 (previous year: Nil).

Notes to financial statements for the year ended 31 March, 2024**SS. CONCENTRATION OF ADVANCES, EXPOSURES AND NPAS**

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Concentration of Advances		
Total Advances to twenty largest borrowers	24.31	23.42
(%) of Advances to twenty largest borrowers to Total Advances	0.01%	0.02%
Concentration of Exposures		
Total Advances to twenty largest borrowers	24.31	23.42
(%) of Advances to twenty largest borrowers to Total Exposure	0.01%	0.02%
Concentration of NPAs		
Total Exposure to top four NPA accounts	3.40	3.40

TT. SECTOR-WISE NPAS

Sr. No.	Sector	(%) of NPAs to total advances in that sector as at 31 March, 2024	(%) of NPAs to total advances in that sector as at 31 March, 2023
1	Agriculture & allied activities	Nil	Nil
2	MSME	Nil	Nil
3	Corporate Borrowers	Nil	Nil
4	Services	Nil	Nil
5	Unsecured personal loans	Nil	Nil
6	Auto Loans	Nil	Nil
7	Other personal loans*	1.58%	0.54%

*Microfinance

UU. MOVEMENT OF NPAS

(Amount in ₹ Lakhs)

Sr. No.	Particulars	31 March, 2024	31 March, 2023
1	Net NPAs to Net Advances (%)	0.41%	0.16%
2	Movement of NPAs (Gross)		
	(i) Opening balance	793.53	1,678.61
	(ii) Additions during the year	4479.07	5,466.39
	(iii) Reductions during the year	176.44	139.48
	(iv) Write-off	2156.65	6,211.99
	(v) Closing balance	2939.51	793.53
3	Movement of Net NPAs		
	(i) Opening balance	228.79	(596.43)
	(ii) Additions during the year	639.95	4,942.07
	(iii) Reductions during the year	129.76	4,116.85
	(iv) Closing balance	738.98	228.79
4	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(i) Opening balance	564.74	2,275.04
	(ii) Provisions made during the year	3,839.12	524.32
	(iii) Write-off / write-back of excess provisions	(2,203.32)	(2,234.62)
	(iv) Closing balance	2,200.53	564.74

Notes to financial statements for the year ended 31 March, 2024**a. 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.

VV. DISCLOSURE OF COMPLAINTS

Particulars	2023-24	2022-23
No. of complaints pending at the beginning of the year	Nil	Nil
No. of complaints received during the year	155	40
No. of complaints redressed during the year	155	40
No. of complaints pending at the end of the year	Nil	Nil

Top five grounds of complaints received by the NBFC from Customers**2023-24**

Grounds of Complaints, (i.e. complaints relating to)	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	% of increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Loan Instalment	-	45	246% Increased	-	-
Credit Bureau Issue	-	33	371% Increased	-	-
Wrong Calling	-	18	100% Increased	-	-
Staff Behaviour	-	15	1400% Increased	-	-
NOC	-	4	33% Increased	-	-

2022-23

Grounds of Complaints, (i.e. complaints relating to)	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	% of increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Loan Instalment	-	13	63% Reduction	-	-
Wrong Calling	-	9	900% Increased	-	-
Credit Bureau Issue	-	7	12.5% Reduction	-	-
Insurance	-	4	97% Reduction	-	-
NOC	-	3	50% Reduction	-	-

WW. DISCLOSURE OF FRAUDS RECORDED DURING THE YEAR TO RBI VIDE DNBS PD.CC NO. 256/03.10.042/2012-13 DATED MARCH 02, 2012

(Amount in ₹ Lakhs)

Nature of fraud (cash embezzlement)	2023-24	2022-23
Number of cases	135	48
Amount of fraud	18.74	13.21
Recovery	10.89	6.84
Amount written off / Provision made	7.84	6.37

Notes to financial statements for the year ended 31 March, 2024

XX. COMPARISON OF PROVISION REQUIRED UNDER IRACP NORMS AND IMPAIRMENT ALLOWANCES MADE UNDER IND AS 109:

For the year ended 31 March, 2024:

(Amount in ₹ Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms		
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)		
Performing Assets								
Standard	Stage 1	1,82,410.54	1,975.91	1,80,434.63	1,867.25	3106.78		
	Stage 2	1,338.66	797.59	541.07				
Subtotal (A)		1,83,479.20	2,773.50	1,80,975.70				
Non-Performing Assets (NPA)								
Sub-standard	Stage 3 **	2,939.51	2,200.53	738.98				
Doubtful								
Upto 1 year	-	-	-	-				
1 to 3 years	-	-	-	-				
More than 3 years	-	-	-	-				
Loss assets	-	-	-	-				
Subtotal (B)		2,939.51	2,200.53	738.98				
Total	Stage 1	1,82,410.54	1,975.91	1,80,434.63	1867.25	3106.78		
	Stage 2	1,338.66	797.59	541.07				
	Stage 3	2,939.51	2,200.53	738.98				
	Total	1,86,688.71	4,974.03	1,81,714.68			1867.25	3106.78

For the year ended 31 March, 2023:

(Amount in ₹ Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms		
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)		
Performing Assets								
Standard	Stage 1	1,46,085.98	1,144.42	1,44,941.56	1667.93	252.45		
	Stage 2	390.06	211.22	178.84				
Subtotal (A)		146,476.04	1,355.64	1,45,120.37				
Non-Performing Assets (NPA)								
Sub-standard	Stage 3 **	793.53	564.74	228.79				
Doubtful								
Upto 1 year	-	-	-	-				
1 to 3 years	-	-	-	-				
More than 3 years	-	-	-	-				
Loss assets	-	-	-	-				
Subtotal (B)		793.53	564.74	228.79				
Total	Stage 1	1,46,085.98	1,144.42	1,44,941.56	1667.93	252.45		
	Stage 2	390.06	211.22	178.84				
	Stage 3	793.53	564.74	228.79				
	Total	1,47,269.57	1,920.38	1,45,349.17			1667.93	252.45

* The provision required as per IRACP norms has been calculated on the aggregate loan portfolio after derecognising the securitised assets which meets the de-recognition criteria under the previous GAAP. The details are as under.

Notes to financial statements for the year ended 31 March, 2024

(Amount in ₹ Lakhs)

Provision as per IRACP norms	2023-24	2022-23
1% of Loan portfolio (A)	1865.83	1,472.40
50% of 90+ overdue and 100% of 180+ overdue (B)	902.86	162.05
Higher of (A) or (B)	1865.83	1,472.40
Other off book and covid provision	1.42	195.53
Total Provision	1867.25	1,667.93

**Stage 3 assets contain those loan accounts also which are below 90 DPD but falls under NPA Category.

YY. INFORMATION ON NET INTEREST MARGIN

Quarterly Net Interest Margin

Particulars	31 March, 2024			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Average lending rate	22.77%	22.99%	23.52%	24.10%
Average effective cost of borrowing	11.73%	12.09%	12.42%	12.33%

Particulars	31 March, 2023			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Average lending rate	19.43%	21.37%	23.78%	23.56%
Average effective cost of borrowing	10.81%	10.91%	11.36%	11.42%

The company has calculated above average lending rate and effective cost of borrowing as per pricing of credit guidelines prescribed in master directions issued by Reserve Bank of India no. DNBR.PD.008/03.10.119/2016-17.

ZZ. DISCLOSURES AS REQUIRED FOR LIQUIDITY RISK

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

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Number of significant counter parties*	47	41
Amount	1,73,836.26	1,32,267.81
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities	100%	100.00%

*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 04 November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Top 20 large deposits

Particulars	31 March, 2024	31 March, 2023
Total amount of top 20 deposits	Nil	Nil
Percentage of amount of top 20 deposits to total deposits	Nil	Nil

Top 10 borrowings

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
Total amount of top 10 borrowings	1,13,243.00	84,010.00
Percentage of amount of top 10 borrowings to total borrowings	65.14%	63.52%

Notes to financial statements for the year ended 31 March, 2024**Funding Concentration based on significant instrument/product***

(Amount in ₹ Lakhs)

Sr. No.	Name of the instrument/product	31 March, 2024	% of Total Liabilities
1	Non-Convertible Debentures (Secured)	20824.17	11.98%
2	Term Loans from Banks	1,11,270.24	64.01%
3	Term Loans from Non-banking financial companies	19,530.98	11.24%
4	External commercial borrowings	10,422.50	6.00%
5	Non-Convertible Debentures (Unsecured) Tier II	4,000.00	2.30%
6	Non-Convertible Preference Shares	-	-
7	Subordinated Debt Tier II	7,000.00	4.03%
8	Cash Credit	788.37	0.45%

(Amount in ₹ Lakhs)

Sr. No.	Name of the instrument/product	31 March, 2023	% of Total Liabilities
1	Non-Convertible Debentures (Secured)	20,720.60	15.67%
2	Term Loans from Banks	85,216.94	64.43%
3	Term Loans from Non-banking financial companies	23,330.27	17.64%
4	External commercial borrowings	-	-
5	Non-Convertible Debentures (Unsecured)	1,000.00	0.76%
6	Non-Convertible Preference Shares	-	-
7	Subordinated Debt (Tier II)	2,000.00	1.51%
8	Cash Credit	-	-

*Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) C.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Stock ratios

Sr. No.	Stock Ratios	31 March, 2024	31 March, 2023
1	Commercial papers as a % of total public funds	Nil	Nil
2	Commercial papers as a % of total liabilities	Nil	Nil
3	Commercial papers as a % of total assets	Nil	Nil
4	Non-Convertible Debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil
5	Non-Convertible Debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil
6	Non-Convertible Debentures (original maturity of less than one year) as a % of total assets	Nil	Nil
7	Other short-term liabilities as a % of total public funds	Nil	Nil
8	Other short-term liabilities as a % of total liabilities	Nil	Nil
9	Other short-term liabilities as a % of total assets	Nil	Nil

*Public funds is as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Notes to financial statements for the year ended 31 March, 2024**AAA. DISCLOSURE ON TRANSFER OF LOAN EXPOSURES**

Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 - Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 – dated 24 September, 2021

(i) Details of loans not in default transferred through assignment:

(Amount in ₹ Lakhs)

Particulars	2023-24	2022-23
Aggregate amount of loans transferred	56,102.05	47,908.09
Weighted average maturity (in months)	18.32	16.38
Weighted average holding period (in months)	7.43	8.84
Retention of beneficial economic interest by the originator	10% -11 transactions	10% - 7 transactions 15% - 4 transactions
Tangible security cover	Nil	Nil
Rating-wise distribution of rated loans	Not Rated	Not Rated

(ii) The Company has not acquired any loan through assignment during the year ended 31 March, 2024.**(iii) The Company has not transferred any non-performing assets (NPA's) during the year ended 31 March, 2024.**

Particulars	2023-24	2022-23
Aggregate principal outstanding of loans transferred (₹ In Lakhs)	Nil	4,947.54
Weighted average residual maturity (in months)	Nil	10.7
Net book value of loans transferred (at the time of transfer)	Nil	4,947.54
Aggregate Consideration	Nil	1,038.98
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil

(iv) The Company has not acquired any stressed loan during the year ended 31 March, 2024.**BBB. SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY**

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

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Liabilities side :				
1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid*:				
(a) Debentures				
Secured	20,776.03	-	20,719.64	-
Unsecured	4,000.00	-	1,000.00	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	1,36,309.53	-	1,09,553.74	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
- External Commercial borrowing	10,315.77	-	-	-
- Cash Credit	788.37	-	-	-

Notes to financial statements for the year ended 31 March, 2024

Particulars	As at 31 March, 2024		As at 31 March, 2023	
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
Assets side:				
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]**:				
(a) Secured	3.83	-	-	-
(b) Unsecured	1,78,846.68	1,258.94	1,43,532.99	427.84
4 Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities				
(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	-	-	-	-
5 Break-up of Investments:				
Current Investments:				
1. Quoted:				
(i) Shares:	-	-	-	-
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	1,999.90	-
(iv) Government Securities	-	-	-	-
(v) Others – Pass through Certificate	-	-	437.51	-
Others - Security Receipts	1,012.72	-	1,088.87	-
2. Unquoted:				
(i) Shares:	-	-	-	-
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others - Fixed Deposits	9,991.33	-	5,661.08	-

Notes to financial statements for the year ended 31 March, 2024

6 Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

As at 31 March, 2024

Category	Amount net of provisions (Amount in ₹ Lakhs)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	3.83	1,78,846.67	1,78,850.51
Total	3.83	1,78,846.67	1,78,850.51

As at 31 March, 2023

Category	Amount net of provisions (Amount in ₹ Lakhs)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	1,43,532.99	1,43,532.99
Total	Nil	1,43,532.99	1,43,532.99

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

As at 31 March, 2024

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	1,012.72	1,012.72
Total	1,012.72	1,012.72

As at 31 March, 2023

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	3,526.27	3,526.27
Total	3,526.27	3,526.27

Notes to financial statements for the year ended 31 March, 2024**8 Other information**

(Amount in ₹ Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) Gross Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	2,939.51	793.53
(ii) Net Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	738.98	228.79
(iii) Assets acquired in satisfaction of debt	Nil	Nil

*Refer with schedule 14,15 and 16 of financial statement.

**Refer with schedule 5 of the financial statement.

CCC. LOANS TO DIRECTORS, SENIOR OFFICERS AND RELATIVES OF DIRECTORS

(Amount in ₹ Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	-	-

DDD. 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 17 April, 2020 on COVID-19 Regulatory Package- Asset Classification and Provisioning.

(Amount in ₹ Lakhs)

Particulars	31 March, 2024	31 March, 2023
i) Respective amounts in SMA/Overdue Categories where the moratorium/deferment was extended*	Nil	Nil
ii) Respective amount where asset classification benefits is extended.	Nil	Nil
iii) Provision made during quarter four for FY 2020 and Quarter one FY 2021 in terms of paragraphs (as on 30 June, 2020).	Nil	Nil
iv) Provision adjusted during the respective accounting periods against slippages.	Nil	Nil
v) Residual provisions at the end of the financial year written back or adjusted against the provisions required for all other accounts.	Nil	Nil

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

Notes to financial statements for the year ended 31 March, 2024

EEE. During the year ended 31 March, 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 06 August, 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 31 March, 2024

(Amount in ₹ Lakhs)

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	3,970	1,054.54	-	-	Nil

Disclosures to be made year ended 31 March, 2024

(Amount in ₹ Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the year (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the year
Personal Loans	Nil	Nil	Nil	Nil	Nil
Corporate persons*	Nil	Nil	Nil	Nil	Nil
Of which MSMEs	Nil	Nil	Nil	Nil	Nil
Others	13.50	1.73	7.58	3.95	0.23
Total	13.50	1.73	7.58	3.95	0.23

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Notes to financial statements for the year ended 31 March, 2024

FFF. Details of resolution plan implemented under the RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated 05 May, 2021, are given below: (Amount in ₹ Lakhs)

Sl. No.	Description	Individual Borrowers		Small businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process under Part A	Nil	3,456	Nil
(B)	Number of accounts where resolution plan has been implemented under this window	Nil	2,983	Nil
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	Nil	790.57	Nil
(D)	Of (C), aggregate amount of debt that was converted into other securities	Nil	-	Nil
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Nil	-	Nil
(F)	Increase in provisions on account of the implementation of the resolution plan	Nil	99.15	Nil

As per our attached report of even date

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

For **Light Microfinance Pvt Ltd**

Hiren Shah
Partner
Membership No. : 100052

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer & Executive Director
DIN-03430670

Place: Ahmedabad

Aviral Saini
Chief Financial Officer & Executive Director

Madhavi Gajjar
Company Secretary & Chief Compliance
Officer
M.No. A54522

Date: May 23, 2024

DIN-03534719

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, Prahladnagar, Ahmedabad - 380015
Website : www.lightfinance.com Email : info@lightfinance.com
CIN: U67120DL1994PTC216764

Notice

NOTICE IS HEREBY GIVEN THAT THE THIRTIETH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF LIGHT MICROFINANCE PRIVATE LIMITED WILL BE HELD ON WEDNESDAY SEPTEMBER 25, 2024, AT 11:30 AM IST THROUGH FOLLOWING VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS TO TRANSACT THE FOLLOWING BUSINESS:

- **ORDINARY BUSINESS**

ITEM 01:

TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024, AND REPORTS OF THE BOARD OF DIRECTORS AND AUDITOR THEREON.

NOTE

To receive, consider and adopt the audited financial statements of the Company for the financial year ended on March 31, 2024, and reports of Board of Directors and Auditor thereon.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited financial statement of the company for the financial year ended March 31, 2024, and the reports of Board of Directors and Auditor thereon, as circulated to the members, be and are hereby considered and adopted.”

“RESOLVED FURTHER THAT Mr. Deepak Amin, Managing Director, Mr. Rakesh Kumar, CEO & Executive Director, and Mr. Aviral Saini, CFO & Executive Director of the Company be & are hereby severally authorized to do all such acts, things and deeds as may be necessary and incidental thereto.”

“RESOLVED FURTHER THAT a copy of the foregoing resolution certified to be true under the signature of any of the Directors or Company Secretary of the Company be provided to any regulator or any other concerned departments for their reference and records.”

ITEM 02:

APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

NOTE

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors)

Rules, 2014, and Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including Housing Finance Companies) dated April 27, 2021 issued by the Reserve Bank of India (“RBI”) (including any statutory modification(s) or re-enactments thereof for the time being in force), **M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377)** be and is hereby appointed as the Statutory Auditor of the Company commencing from the conclusion of 30th Annual General Meeting till the conclusion of 33rd Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the reimbursement of applicable taxes and actual out of pocket and traveling expenses incurred in connection with the audit and billed progressively.”

“RESOLVED FURTHER THAT Mr. Deepak Amin, Managing Director, Mr. Rakesh Kumar, CEO & Executive Director, and Mr. Aviral Saini, CFO & Executive Director of the Company be & are hereby severally authorized to do all such acts, things and deeds as may be necessary and incidental thereto.”

“RESOLVED FURTHER THAT a copy of the foregoing resolution certified to be true under the signature of any of the Directors or Company Secretary of the Company be provided to any regulator or any other concerned departments for their reference and records.”

- **SPECIAL BUSINESS**

ITEM 03:

RATIFICATION OF RE-APPOINTMENT OF MR. DEEPAK AMIN (DIN: 01289453) AS MANAGING DIRECTOR OF THE COMPANY.

NOTE

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196 and 203 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being

in force), approvals of members of the Company be and is hereby accorded to the re-appointment Mr. Deepak Amin (DIN: 01289453) as the Managing Director of the Company for a period of 5 years with effect from February 15, 2024, upon the terms & conditions as finalized by the Board of Directors of the Company in the Board Meeting held on January 10, 2019 and thereafter from time to time.

“RESOLVED FURTHER THAT Mr. Rakesh Kumar, CEO & Executive Director, and Mr. Aviral Saini, CFO & Executive Director of the Company be & are hereby severally authorized to do all such acts, things and deeds as may be necessary and incidental thereto.”

“RESOLVED FURTHER THAT a copy of the foregoing resolution certified to be true under the signature of any of the Directors or Company Secretary of the Company be provided to any regulator or any other concerned departments for their reference and records.”

ITEM 04:

APPOINTMENT OF MS. DAKSHA NIRANJAN SHAH (DIN: 00376899) AS AN INDEPENDENT DIRECTOR.

NOTE

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Ms. Daksha Niranjana Shah (DIN: 00376899) 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 Ms. Daksha Niranjana Shah (DIN: 00376899), as an Independent Director of the Company, not liable to retire by rotation, for a period of Five years effective from August 12, 2024.”

“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”

“RESOLVED FURTHER THAT a copy of the foregoing resolution certified to be true under the signature of any of the Directors or Company Secretary of the Company be provided to any regulator or any other concerned departments for their reference and records.”

By Order of the Board of Directors

LIGHT MICROFINANCE PRIVATE LIMITED

RAKESH KUMAR

CEO & Executive Director

DIN: 03430670

Date: 12 August, 2024

Place: Ahmedabad

• **NOTES**

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular no. 20/2020 dated May 05, 2020, and General Circular No. 10/2022 dated December 28, 2022, allowed the companies to hold Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). Accordingly, this Annual General Meeting (AGM) is being held through Video Conferencing mode. The Deemed venue for the AGM shall be the Registered Office of the Company.
2. Since the AGM will be held through Video conferencing or other Audio-visual mode the route map of the venue of the meeting is not annexed hereto.
3. Electronic copy of the Notice of the 30th 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 30th Annual General Meeting of the Company is being sent in the permitted mode.
4. Members may also note that the Notice of the 30th Annual General Meeting, and the Annual Report for 2023-24 will also be available on the Company's website www.lightfinance.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@lightfinance.com
5. 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.
6. Members desiring to vote shall send the Ballot Paper enclosed with this Notice to the Scrutinizer, CS Chirag Shah, Practicing Company Secretary, duly completed and signed on pcschirag@gmail.com not later than 24 hours of conclusion of AGM. Any Ballot Paper received after that will be strictly treated as if the reply from the Members has not been received.
7. The Ballot Paper should be signed by the Member as per the specimen signature registered with the Company/ Depository Participants. In case of joint holding, the Ballot Paper should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney ("POA") holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot Paper is not permitted through proxy.
8. For shares held by corporate and institutional shareholders (companies, mutual funds, trusts, societies, etc.), the duly completed Ballot Paper should be accompanied by a certified copy of the relevant Board Resolution/Authorization together with attested specimen signature(s) of the duly authorized signatory(ies).
9. Votes should be cast in case of each resolution, either in favor or against, by putting the tick (✓) mark in the column provided in the Ballot Paper for assent / dissent.
10. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Papers will be rejected. A Ballot Paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favor or against or if the signature cannot be verified.
11. The decision of the Scrutinizer on the validity of the Ballot Paper and any other related matters shall be final.

By Order of the Board of Directors
LIGHT MICROFINANCE PRIVATE LIMITED

RAKESH KUMAR
CEO & Executive Director
DIN: 03430670

Date: 12 August, 2024
Place: Ahmedabad

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

ITEM NO. 3:

RATIFICATION OF RE-APPOINTMENT OF MR. DEEPAK AMIN (DIN: 01289453) AS MANAGING DIRECTOR OF THE COMPANY.

The Board of Directors of the Company ("**the Board**") at its meeting held on January 10, 2019, appointed Mr. Deepak Ishwarbhai Amin (DIN: 01289453) as the Managing Director of the Company for a period of five years effective from February 15, 2019. Board of Directors of the Company in its meeting held on August 12, 2024, have approved the ratification of re-appointment of Mr. Deepak Ishwarbhai Amin as a Managing Director on the existing terms & conditions as finalized by the Board of Directors of the Company in the Board Meeting held on January 10, 2019 and thereafter from time to time.

The material terms of the appointment and remuneration are as follows:

- | | | |
|-----------------------------|---|---|
| 1. Period of Re-appointment | : | Five Years w.e.f. 15 February, 2024 |
| 2. Nature of Duties | : | As assigned by the Board of Directors from time to time |
| 3. Title | : | Managing Director |
| 4. Remuneration | : | As determined by Board of Directors from time to time |
| 5. Perquisites | : | As determined by Board of Directors from time to time |

Mr. Deepak Amin in the capacity of the Managing Director, will be entrusted with the powers/Authorities, Functions, Duties, Responsibilities, etc. by the Board of Directors of the Company, from time to time.

Accordingly, the Board recommends the re-appointment of Mr. Deepak Amin as managing Director, for the approval by the shareholders of the Company.

The Directors recommend the resolution for members' approval as an **Ordinary Resolution**.

Except Mr. Deepak Amin, none of the Directors of the Company or Key Managerial Personnel or their relatives is, in any way, concerned or interested in the resolution.

ITEM NO. 4:

APPOINTMENT OF MS. DAKSHA NIRANJAN SHAH (DIN: 00376899) AS AN INDEPENDENT DIRECTOR

Ms. Daksha Niranjana Shah, 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 August 12, 2024, holding office upto the date of this Annual General Meeting and is eligible for appointment as an Independent Director.

Ms. Daksha Niranjana Shah is a business graduate, PGP 1967 from Indian Institute of Management (IIM), Ahmedabad, specializing in Finance and Marketing and a student of Economics and Statistics. Ms. Shah has rich experience of more than five decades in diversified fields of textile, Chemical and Financial Services. After graduation she worked in her own family business of cotton textiles for two decades. Having passion for Women Empowerment, she joined the social sector and worked as a Program Director of Friends of Women's World Banking (FWWB) for twelve years by serving building capacity of more than 18 Microfinance Organizations all over India. She has participated in various training programmes in India and abroad. She has undergone various courses such as course in Microfinance at the Economic institute at Boulder, Colorado, USA, Handsome organised Women's World Banking, USA. She has served on the Board of various MFIs and now she is a trustee of various trust involved in a social educational and humanitarian work. She was the founder Managing Director of Pahal Financial Services Pvt. Ltd. At present she is the Managing Director of Altura Financial Services Limited since 2014. She is also on the Board of MAS Financial Services Limited as an Independent Director

Ms. Daksha Niranjana Shah 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 Ms. Daksha Niranjana Shah as Independent Director, for the approval by the shareholders of the Company.

Except Ms. Daksha Niranjana Shah, 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 Ordinary 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

RAKESH KUMAR
CEO & Executive Director

DIN: 03430670

Date: 12 August, 2024

Place: Ahmedabad



CORPORATE OFFICE
310, PINNACLE BUSINESS PARK, CORPORATE ROAD,
PRAHLAD NAGAR, AHMEDABAD,
GUJARAT – 380015.
www.lightfinance.com