

Independent Auditor's Report

To the Members of Sindhuja Microcredit Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sindhuja Microcredit Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit and its cash flows for the year ended on that date.

Basis for Opinion.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note No. 45 to the financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations, recoverability of receivables and other assets and management's evaluation of the future performance of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the Directors Report, but does not include the financial statements and our auditor's report thereon.



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

In connection with our audit of 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.

When we read the above report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the rule 7 of the Companies (Accounts) Rules, 2014, as amended and Companies (Accounting Standard) Rule, 2021. 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 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.

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 responsibility 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 on the basis of 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 system 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, makes 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.



Other Matter

The financial statements for the year ended 31st March, 2021, have been audited by predecessor auditor. The report of the predecessor auditor on the comparative financial statements dated 22nd June, 2021 expressed an unmodified opinion.

Our opinion on the financial statements and our report on other Legal and Regulatory Requirements below is not modified in respect of this matter.

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 -A, which forms a part of this report, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

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

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

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

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

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

(e) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2022 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.

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

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 issued by the Central Government of India in terms of clause (j) of sub-section (3) of section 143 of the Act, in our opinion and to the best of our information and according to the explanation given to us:



- i. The Company does not have any pending litigations which would impact its financial position as at 31st March, 2022;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2022;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2022;
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed fund or share premium or any other sources of kinds 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. Refer note 47(vi) to the financial statements.

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entity ("Funding Parties", with the understanding, whether recording in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entities identified in any manner whatsoever by or on behalf of Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries; Refer note 47(vii) to the financial statements


c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

Place: Noida

Dated: 9th June, 2022



For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089


Abhinav Khosla

Partner

Membership No.: 087010
UDIN: 22087010AKQNOP7243

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of Sindhuja Microcredit Private Limited ("the Company") on the Financial Statements for the year ended 31st March 2022)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into considerations in the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i)(a)(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (i)(a)(B) The Company has maintained proper records showing full particulars of intangible assets.
- (i)(b) Property, plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification. In our opinion, the frequency of verification of the Property, plant and Equipment is reasonable having regard to the size of the Company and nature of its assets.
- (i)(c) There are no immovable property (other than properties where the Company is lessee and the lease agreement are duly executed in favour of the lessee), held by the company and accordingly, the requirement to report on paragraph 3(i)(c) of the Order is not applicable to the Company.
- (i)(d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year.
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The Company does not have any inventory. accordingly, the requirement to report on paragraph 3(ii)(a) of the Order is not applicable to the Company.
- (ii)(b) The Company has not been sanctioned working capital limits in excess of Rs Five Crore in aggregate from banks and financial institutions during at any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) During the year, the Company has provided guarantee and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties. The Company has not made investments in nor provided security to any other parties. With respect to such guarantee and loans and advances:
 - (a) The Company's principal business is to give loans, and hence the reporting on paragraph 3(iii)(a) of the Order is not applicable to the Company.



- (b) According to information and explanation given to us and based on audit procedures performed by us, we are of the opinion that the guarantees provided and terms and conditions of loans and advances in the nature of loans granted by the Company during the year are not prima facie prejudicial to the Company's interest.
- (c) According to information and explanation given to us and based on audit procedures performed by us, we are of the opinion that in respect of loans and advances in the nature of loans the schedule of repayment of principal and payment of interest has been stipulated. The repayment or receipts are regular except as mentioned below:

Name of Entity	Amount Overdue (Rs.in lacs)	Due Date	Extent of delay	Remarks If any
Refer comment mentioned in remarks column	509.96	Refer comment mentioned in remarks column	Refer comment mentioned in remarks column	Having regard to nature of Company's business and the volume of information involved, it is not practicable to provide an itemised list of loans where delinquencies in the repayment of principal and interest have been identified.

- (d) The total amount overdue for more than ninety days, in respect of loans, as at the year-end is as below:

Number of Cases	Principal Amount Overdue (Rs.in lacs)	Interest Overdue (Rs.in lacs)	Total Overdue (Rs.in lacs)	Remarks If any
6174	425.51	38.18	463.69	-

Reasonable steps have been taken by the Company for recovery of the principal and interest as stated in the applicable regulations and loan agreement.

- (e) According to information and explanation given to us, Company's principal business is to give loans. Accordingly, the requirement to report on paragraph 3(iii)(e) of the Order is not applicable to the Company.



- (f) According to information and explanation given to us and based on audit procedures performed by us, we are of the opinion that the 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 during the year. Accordingly, the requirement to report on paragraph 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to information and explanations given to us, the Company has not advanced loans, made Investments in or provided guarantees or security to parties covered by section 185 and 186 of the Companies Act, 2013. Hence reporting under paragraph 3(iv) of the order is not applicable to the Company.
- (v) According to information and explanations given to us, the company has not accepted any deposit or amounts which are deemed to be deposits during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any court or any other Tribunals in regard to the Company. Hence, reporting under paragraph 3(v) of the order is not applicable to the Company.
- (vi) According to information and explanations given to us, the Central Government has not specified maintenance of cost records under sub- section (1) of section 148 of the Companies Act, 2013 in respect of services rendered by the Company. Accordingly, the requirement to report on paragraph 3(v) of the Order is not applicable to the Company.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us and based on audit procedures performed by us, no undisputed amount payable in respect of these statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

We are informed that the operations of the Company during the year did not give rise to any dues for sales-tax, service tax, duty of customs, duty of excise, value added tax.

- (b) According to the information and explanation given to us and based on audit procedures performed by us, no undisputed amount payable in respect of these statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (vii)(c) According to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, cess and any other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessment under the Income Tax Act ,1961 as income during the year. Accordingly, the requirement to report on paragraph 3 (viii) of the order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or interest thereon to any lender during the year.



- (ix)(b) According to information and explanation given to us and based on audit procedures performed by us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lenders.
- (ix)(c) In our opinion and according to the information and explanations given to us, the Company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year.
- (ix)(d) The Company did not raise any funds on short term basis during the year hence, the requirements to report on clause (ix)(d) of the order is not applicable to the Company.
- (ix)(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on paragraph 3(ix)(e) of the Order is not applicable to the Company.
- (ix)(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on paragraph 3(ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments). Accordingly, the requirement to report on paragraph 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debenture during the year under audit and hence, the requirement to report on paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) According to information and explanation given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi)(b) No report under Sub section (12) of section 143 of Companies Act, 2013 has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provision of the Companies Act, 2013. Therefore, the requirement to report on paragraph 3(xii)(a),(b),(c) of the order is not applicable to the Company.
- (xiii) Transactions with related parties are in compliance with section 188 of the 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. Further, in our opinion, the Company is not required to constitute audit committee under section 177 of the Companies Act, 2013.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of the business.
- (xiv) (b) We have considered, the reports of the Internal Auditor's to the year under audit.



- (xv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The Company 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.
- (xvi)(b) The Company has not conducted any Non -Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (xvi)(d) There is no core investment company as part of the group, hence the requirement to report on clause (xvi)(d) of the order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditor's during the year and no issues, objections or concerns have been raised by the outgoing auditors.
- (xiv) According to information and explanation given to us and on the basis of the financial ratios disclosed in note no. 48 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statement, our knowledge of the Board of Directors and management plan and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that Company is not capable of meeting its liabilities existing at date of balance sheet as and when they fall due with in a period of one year from the balance sheet date. We, however, state that this is not the 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 audit report and we neither give any guarantee nor any assurance that all the 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) According to the information and explanations given to us and on the basis of our audit procedures, we report that the section 135 of the Companies Act, 2013 is not applicable to Company. Therefore, the provisions of paragraph 3(xx)(a), (b) of the Order are not applicable to the Company.



- (xxi) The provisions of paragraph 3(xxi) are not applicable to the Company as the Company is not required to prepare consolidated financial statements as the Company does not have any subsidiary, associate and joint venture.

Place: Noida

Dated: 9th June, 2022



For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

Abhinav Khosla

Abhinav Khosla

Partner

Membership No.: 087010

UDIN: 22087010AKQNOP7243

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of Sindhuja Microcredit Private Limited ("the Company"), on the Financial Statements for the year ended 31st March 2022)

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

We have audited the internal financial controls over financial reporting of Sindhuja Microcredit Private Limited ("the Company"), as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place: Noida

Dated: 9th June, 2022



For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089


Abhinav Khosla
Partner

Membership No.: 087010
UDIN: 22087010AKQNOP7243

Sindhuj Microcredit Private Limited
Balance Sheet as at 31 March 2022
(Rs in Lakhs, unless stated otherwise)

	Notes	As at 31 March 2022	As at 31 March 2021
Equity and Liabilities			
Shareholders' funds			
Share capital	3	3,192.82	3,192.82
Reserves and surplus	4	7,293.75	6,974.82
		10,486.57	10,167.64
Non-current liabilities			
Long-term borrowings	5	16,726.88	8,300.79
Other long-term liabilities	6	2.19	-
Long-term provisions	7	83.12	77.97
		16,812.19	8,378.76
Current liabilities			
Short-term borrowings	8	17,864.88	10,528.34
Trade Payable	9	-	-
(A) total outstanding dues of Micro enterprises and Small Enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		18.05	19.87
Other current liabilities	10	1,082.25	465.81
Short-term provisions	11	603.47	335.65
		19,568.65	11,349.67
Total		46,867.41	29,896.07
Assets			
Non-current assets			
Property, plant and equipment and Intangible assets			
i) Property, plant and equipment	12	179.30	123.69
ii) Intangible assets	13	2.06	2.36
Deferred tax assets (net)	14	150.08	93.07
Long-term loans and advances	15	12,413.95	4,928.95
Other non-current assets	16	864.87	42.28
		13,610.26	5,190.35
Current assets			
Trade Receivables	17	51.16	58.38
Cash and cash equivalents	18.1	5,801.86	6,552.15
Other bank balances	18.2	-	323.57
Short-term loans and advances	19	26,925.48	17,428.32
Other current assets	20	478.65	343.30
		33,257.15	24,705.72
Total		46,867.41	29,896.07

The accompanying notes form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date

For SCV & Co LLP

Chartered Accountants

Firm Registration No. 000235N/N500089

Abhinav Khosla

Abhinav Khosla

Partner

Membership No.: 087010



Place: Noida

Date: 09 June 2022

For and on behalf of Board of Directors

Abhisheka Kumar

Abhisheka Kumar

Managing Director

DIN : 02972579

Malkit Singh Didiyala

Malkit Singh Didiyala

Whole Time Director

DIN : 07957488

Pankaj Kumar Sinha

Pankaj Kumar Sinha

Company Secretary

Membership No. : 021971

Place: Noida

Date: 09 June 2022



Sindhuja Microcredit Private Limited
Statement of Profit and Loss for the year ended 31 March 2022
(Rs in Lakhs, unless stated otherwise)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	21	6,243.87	4,137.63
Other income	22	11.53	5.52
Total Income		6,255.40	4,143.15
Expenses			
Employee benefits expense	23	1,876.24	1,261.86
Finance costs	24	2,689.38	2,003.63
Depreciation and amortisation expenses	25	45.02	34.34
Other expenses	26	1,202.95	554.64
Total expenses		5,793.59	3,854.47
Profit before tax		461.81	288.68
Tax expenses:			
Current tax		199.89	128.97
Deferred tax credit		(57.02)	(62.34)
Total tax expenses		142.87	66.63
Profit for the year		318.94	222.05
Earnings per equity share			
[Nominal value per share ₹ 10 (previous year: ₹ 10)]	34		
Basic earnings per share		2.03	1.42
Diluted earnings per share		1.12	0.92
[Nominal value per share ₹ 10 (previous year: ₹ 10)]			

The accompanying notes form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For SCV & Co LLP
Chartered Accountants
Firm Registration No. 000235N/N500089

Abhinav Khosla

Abhinav Khosla
Partner
Membership No.: 087010



For and on behalf of Board of Directors

Abhisheka Kumar

Abhisheka Kumar
Managing Director
DIN : 02972579

Maikrit Singh Didyala

Maikrit Singh Didyala
Whole Time Director
DIN : 07957488

Pankaj Kumar Sinha
Pankaj Kumar Sinha
Company Secretary
Membership No. 1021971

Place: Noida
Date: 09 June 2022

Place: Noida
Date: 09 June 2022



	For the year ended 31 March 2022	For the year ended 31 March 2021
A) Cash flows from operating activities		
Profit before tax	461.81	288.68
Adjustments to reconcile profit before tax to net cashflows		
Depreciation and amortisation expenses	45.02	34.34
Provision towards loan assets	251.85	226.66
Provision for employee benefits	21.12	17.14
(Gain)/Loss on sale of property, plant and equipment	0.28	-
(Reversal)/expense on Employee Stock Option Scheme (ESOP)	-	(3.97)
Operating profit before working capital changes	780.08	562.85
Adjustments for change in working capital:		
Increase in loans and advances		20.85
Long term loans and advances	(7,495.00)	(7,080.52)
Short term loans and advances	(9,476.98)	-
Trade Receivables	7.22	-
Decrease in Assets		
Other Non Current Assets	(730.16)	541.17
Other Current Assets	(80.38)	(83.31)
Other Bank balances	323.57	(323.57)
Increase in liabilities		
Other long term liabilities	2.19	(1.51)
Trade Payable	(1.81)	-
Other Current liabilities	616.41	45.03
Cash flows used in operating activities	(16,044.86)	(6,319.01)
Income taxes paid (net of refunds)	(220.05)	(125.24)
Net cash used in operating activities (A)	(16,264.91)	(6,444.25)
B) Cash flows from investing activities		
Purchase of property, plant and equipment	(100.91)	(33.35)
Proceeds from sale of property, plant and equipment	-	-
Investment in mutual funds	-	-
Proceeds from sale of property, plant and equipment	0.30	-
Net cash (used in)/ generated from investing activities (B)	(100.61)	(33.35)
C) Cash flow from financing activities		
Proceeds from issue of compulsory convertible preference shares (including premium)	-	6,500.00
Share issue expense on issue of equity and compulsory convertible preference shares	-	(210.79)
Proceeds from long term borrowings	23,854.51	13,609.90
Repayment of long term borrowings	(11,739.27)	(8,135.46)
Net cash generated from financing activities (C)	12,115.24	11,763.65
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(4,250.29)	5,285.07
Cash and cash equivalents at the beginning of the year	6,552.15	1,266.08
Cash and cash equivalents at the end of the year	2,301.86	6,552.15
Note:		
Cash and cash equivalent comprise of following (refer note 18)		
Cash and cash equivalents		
Balances with banks		
- in current accounts	1,280.07	212.19
- in deposit accounts	4,385.00	6,267.00
Cash on hand	136.79	72.96
	5,801.86	6,552.15

This is Cash Flow Statement referred to in our report of even date

For and on behalf of Board of Directors

For SCV & Co LLP
Chartered Accountants
Firm Registration No. 000235N/N500089

Abhinav Khosla
Abhinav Khosla
Partner

Membership No. : 087010



Place: Noida
Date: 09 June 2022

Abhisheka Kumar *Malik Singh Didyala*

Abhisheka Kumar
Managing Director
DIN: 02972579

Malik Singh Didyala
Whole Time Director
DIN: 07957486

Pankaj Kumar Singh
Pankaj Kumar Singh
Company Secretary
Membership No. : 021971



Place: Noida
Date: 09 June 2022

1 General Information**1.01 Background and corporate information**

Sindhuja Microcredit Private Limited ("the Company") is a Private Limited Company and incorporated under the provisions of the Companies Act, 2013 (the "Act") and having its registered office at Noida Uttar Pradesh, India. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC -ND') and is registered as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with the Reserve Bank of India ("RBI") on 11th September 2018. The Company is engaged primarily in providing micro finance services to women in the rural and semi-rural areas of India who are enrolled as members and organized as Joint Liability Groups ('JLG').

1.02 Use of estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles in India and requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities including contingent liabilities at the end of the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. The actual results could differ from these estimates and the differences between the actual results and the estimates are recognized in the years in which the results are known / materialise and their effects disclosed in the notes to the financial statements.

2 Significant Accounting Policies**2.01 Basis of preparation of financial statements**

These financial statements have been prepared on a going concern basis under historical cost convention, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and the applicable accounting standards specified under the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and Companies (Accounting Standard) Amendment Rule, 2021 other accounting pronouncements of the Institute of Chartered Accountants of India ("ICAI"), relevant provision of the Companies Act, 2013 as applicable and the guidelines issued by the Reserve Bank of India ("RBI"). Accounting policies have been consistently applied except where a newly issued accounting standard or a guideline is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

An asset or liability is respectively classified as current when it is expected to be realized or settled in the company's normal operating cycle or within 12 months after the reporting date. Current assets and liabilities include the current portion of non-current assets and non-current liabilities respectively. All other assets and liabilities are classified as non-current as required by Schedule III of the Companies Act, 2013.

2.02 Property, plant and equipment

- i) **Tangible assets:** Tangible assets are carried at cost less accumulated depreciation, if any. The cost of a tangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising on disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Capital work in progress:

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

- ii) **Intangible assets:** Intangible assets are carried at cost of acquisition less amortisation. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Assets which are not ready for their intended use are shown as intangible assets under development which comprises of all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management.

2.03 Depreciation and amortisation

- i) Depreciation on tangible fixed assets is provided on the straight-line method over the useful lives of assets prescribed under Part 'C' of Schedule II of the Companies Act, 2013

Block of Assets	Estimated useful lives (years)
Vehicle	8
Electrical equipments	10
Office equipment	5
Furniture and fittings	10
Computer equipment	3



Depreciation is calculated on pro-rata basis from the date on which the asset is ready for use till the date the asset is sold or disposed. Losses arising from retirement or gains or losses arising from disposal of fixed assets are recognized in the statement of profit and loss.

The estimated useful life of the assets is reviewed at the end of each financial year and the amortisation and depreciation method are revised, if necessary.

- ii) Intangible assets are amortized over their estimated useful lives from the date they are available for use based on the expected pattern of consumption of economic benefits of the asset. Intangible asset is being amortised over a period of 3 years.
- iii) Leasehold improvements are depreciated over the lease term.

2.04 Impairment of tangible and intangible assets

The Company assesses at each balance sheet date whether there is any indication of impairment based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or cash generating unit to which asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as impairment loss and is recognized in its Statement of Profit and Loss. If at the balance sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

2.05 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date on which these investments are made, are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost or fair value.

2.06 Portfolio Loans

Portfolio loans have been classified as 'short term loans and advances' and 'long-term loans and advances' according to their tenure.

2.07 Revenue recognition

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

- a) Interest income on loans is recognized on accrual basis except in the case of non-performing assets where it is recognized upon realization and any such income recognized before the asset became non-performing and remaining unrealized is reversed.
- b) Interest income on fixed deposits with bank is recognized on a time proportion accrual basis taking into account the amount outstanding and the interest rate applicable.
- c) Processing fee collected on loans disbursed are recognized at the inception of the loan.
- d) Income from business correspondent is recognised as and when the services are rendered as per agreed terms and conditions of the contract.
- e) Dividend income is recognised at the time when the right to receive the dividend is established.
- f) All other income is recognized on an accrual basis, when there is no uncertainty as to its ultimate realization/collection.

2.08 Asset classification and provisioning norms

a) Assets classification

Loans to Customers are classified as Standard and Non-performing assets, based on the criteria laid down below:

Standard asset

The asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business;

Non-performing asset

An asset for which, interest/principal payment has remained overdue for a period of 90 days or more.

b) Provisioning norms

Provisioning norms for MFI loan portfolio:

The total provision for loan portfolio to be higher of

- (i) 1% of the outstanding loan portfolio or
- or
- (ii) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

Apart from the above, the Company also creates additional provision on overdue managed portfolio, if the overdue period exceeds 90 days upto 180 days, then the provision of 50% of overdue amount is recognised and if overdue period exceeds 180 days, then, 100% provision on overdue managed portfolio is recognised.



2.09 Borrowing Costs

Borrowing cost, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalised.

Borrowing cost consists of interest and other cost that the Company incurred in connection with borrowing of funds. Other ancillary borrowing costs incurred in connection with obtaining loan are amortised over the period of loan. All other borrowing costs are expensed in the period they are incurred. In case any loan is prepaid/cancelled then the unamortised portion of such borrowing cost is charged to the Statement of Profit and Loss in the year such loan is prepaid / cancelled.

2.10 Foreign currency transactions and translationsInitial recognition

Transactions in foreign currency entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

Conversion

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or expense in the Statement of Profit and Loss.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

2.11 Provisions and contingent liabilities / assetsProvision

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Further the Company being a NBFC-MFI also complies with the guidelines issued by the Reserve Bank of India regarding the various provisioning norms.

Contingent liability

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

Contingent assets

Contingent Assets are neither recognised nor disclosed in the financial statements.

2.12 Employee benefits**(a) Short term benefits**

Short term benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

(b) Defined contribution plan

Company's contributions to Provident Fund, Pension Fund and Employee State Insurance Scheme are charged as expense based on the amount of contribution required to be made and when services are rendered by the employees.

(c) Defined benefit plan

Liabilities for gratuity, are determined by actuarial valuation on Projected Unit Credit Method made at the end of each Balance Sheet date and provision for liabilities pending remittance to the fund is carried in the Balance Sheet.



(d) Long term employee benefits

Compensated absences which are not expected to occur within 12 months after the end of period in which the employee rendered the related services are provided for based on actuarial valuation carried out at the end of the financial period using projected unit Credit Method. Past services cost is recognized immediately to the extent that the benefits are already used and otherwise is amortized on straight line base over the average period until the benefits become vested. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefits obligation as adjusted for unrecognized past service cost, as redeemed by the fair value of scheme assets.

Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

(e) Expense on Employee Stock Option Scheme (refer note 29)

The Employees Stock Option Scheme (the Scheme) provides for grant of the equity shares of the Company to employees. The scheme provides that employees are granted an option to subscribe to the equity shares of the Company that vest in a graded manner. The options may be exercised within the specified period. The Company follows the intrinsic value method as per the Guidance note on Accounting for Share-based payments issued by The Institute of Chartered Accountants of India for accounting for stock based employee compensation plans. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purposes is measured on the basis of a fair valuation specified by an Independent valuer in respect of the stock options granted.

2.13 Segment reporting

The Company identifies primary segment based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

2.14 Taxes on Income**(a) Current-tax**

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

(b) Excess/short provision of income tax relating to earlier years is disclosed separately in the accounts.**(c) Deferred tax**

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

(d) Minimum Alternate Tax ('MAT')

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specific period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is recognised by way of a credit to the statements of profit and loss and presented as a MAT credit entitlement.



2.15 Earnings per equity share (EPS)

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Lease

- (a) Lease arrangements where the significant portion of the risks and rewards of ownership vests with the Lessor are recognized as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of lease.
- (b) Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value of the leased property and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets.

2.17 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of less than three months), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
3 Share capital				
Authorised share capital				
Equity shares of face value of ₹10 each	16,000,000	1,600.00	16,000,000	1,600.00
Preference Shares of ₹10 each	16,250,000	1,625.00	16,250,000	1,625.00
	32,250,000	3,225.00	32,250,000	3,225.00
Issued, subscribed and paid-up				
Equity shares of face value of ₹ 10 each fully paid up	15,678,190	1,567.82	15,678,190	1,567.82
Compulsory Convertible Preference shares	16,250,000	1,625.00	16,250,000	1,625.00
	31,928,190	3,192.82	31,928,190	3,192.82

a) **The reconciliation of equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	15,678,190	1,567.82	15,678,190	1,567.82
Outstanding at the end of the year	15,678,190	1,567.82	15,678,190	1,567.82

b) **The reconciliation of Compulsorily convertible preference shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	16,250,000	1,625.00	-	-
Issue of compulsory convertible preference shares (refer (i) below)	-	-	16,250,000	1,625.00
Outstanding at the end of the year	16,250,000	1,625.00	16,250,000	1,625.00

(i) During the year ended 31 March 2021, 5,000,000 Compulsorily convertible preference shares of face value of ₹ 10 each were issued and allotted to Carpediem Capital Partners Fund II and 11,250,000 compulsory convertible preference shares of face value of ₹ 10 each were issued and allotted to NMI Fund IV KS.

c) **Details of shareholders holding more than 5% equity shares in the Company:**

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Numbers	% of holding	Numbers	% of holding
Equity shares				
Mr. Abhishek Kumar	2,622,600	16.73%	2,452,600	15.64%
Carpediem Capital Partners Fund II	7,389,890	47.13%	7,389,890	47.13%
Mr. Malik Singh Didiyala	1,970,000	12.57%	1,810,000	11.54%
	11,982,490	76.43%	11,652,490	74.31%

d) **Details of shareholders holding more than 5% compulsorily convertible preference shares in the Company:**

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Numbers	% of holding	Numbers	% of holding
Compulsorily convertible preference shares				
Carpediem Capital Partners Fund II	5,000,000	30.77%	5,000,000	30.77%
NMI Fund IV KS	11,250,000	69.23%	11,250,000	69.23%
	16,250,000	100.00%	16,250,000	100%

e) **Details of shareholdings of Promoters**

Name of shareholder	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Numbers	% of total shares	Numbers	% of total shares	
Equity shares					
Mr. Abhishek Kumar	2,622,600	16.73%	2,452,600	15.64%	1.09%
Mr. Malik Singh Didiyala	1,970,000	12.57%	1,810,000	11.54%	1.03%
	4,592,600	29.30%	4,262,600	27.18%	

f) **Rights, preferences and restrictions attached to equity shares**
The Company has only one class of equity shares having the face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors if any, is subject to the approval of shareholders in the ensuing Annual General Meeting.

g) **Rights, preferences and restrictions attached to preference shares**
The holders of the Preference shares shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an As if Converted Basis. Upon conversion of the preference shares into Equity Shares, such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

h) **Terms of compulsory convertible preference shares**
During the year ended 31 March 2021, 1,12,50,000 and 50,00,000 number of Compulsorily Convertible Preference Shares ("CCPS") of face value ₹ 10 ("Series B") each were allotted to NMI Fund IV KS and Carpediem Capital Partners Fund II respectively at a price of ₹ 40.00 (including premium of ₹ 30.00) per share. These CCPS shall be converted into equity shares on or before nineteen years and eleven months from the date of allotment of "series B" at a conversion price based upon pre-money multiple to be determined by the Board of Directors basis the financial performance of the Company.

i) Since the company has been in existence for less than five years, no shares have been allotted, as fully paid up pursuant to contract(s) without payment being received in cash or by way of the bonus shares and no shares have been bought back by the company during the preceding previous years from the date of incorporation.



	As at 31 March 2022	As at 31 March 2021
4 Reserves and surplus		
Securities premium		
Balance at the beginning of the year	6,805.72	2,141.51
Add: Issue of equity shares	-	-
Issue of compulsory convertible preference shares	-	4,875.00
Less: Share issue expenses	-	(210.79)
Balance at the end of the year (A)	6,805.72	6,805.72
Reserve fund [u/s 45(IC) of the Reserve Bank of India Act, 1934 ('RBI')]		
Balance at the beginning of the year	87.98	43.55
Add: Amount transferred during the year *	63.79	44.41
Balance at the end of the year (B)	151.75	87.96
Surplus/ (deficit) in the statement of Profit and Loss		
Balance as at the beginning of the year	79.45	(98.19)
Add: Profit for the year	318.94	222.05
Less: Amount transferred during the year to Reserve fund (u/s 45(IC) of RBI Act, 1934) *	63.80	44.41
Balance as at the end of the year (C)	334.59	79.45
Share options outstanding account		
Balance as at the beginning of the year	1.69	5.66
Add: Amount transferred during the year	-	-
Less: Amount reversed during the year	-	3.97
Share Options Outstanding Account (D)	1.69	1.69
Total Reserves and surplus (A+B+C+D)	7,293.75	6,974.82
* In terms of Section 45-IC of the RBI Act, 1934, the Company is required to transfer at least 20% of its net profits to a reserve before any dividend is declared. As at the year-end, the Company has transferred an amount of ₹ 63.79 lacs (previous year ₹ 44.41 Lacs).		
5 Long-term borrowings		
<u>Unsecured</u>		
(A) Debentures		
Non convertible debentures*	1,350.00	1,350.00
Less: Current maturities of long-term borrowings	1,350.00	-
	-	1,350.00
<u>Secured</u>		
(A) Debentures		
Non convertible debentures*	7,000.00	2,000.00
Less: Current maturities of long-term borrowings	2,000.00	-
	5,000.00	2,000.00
(B) Term Loans		
From financial institutions*	9,557.47	14,479.13
Less: Current maturities of long-term borrowings	6,672.35	10,214.05
	2,885.12	4,265.08
From banks*	16,684.29	1,000.00
Less: Current maturities of long-term borrowings	7,842.53	314.29
	8,841.76	685.71
	16,726.88	8,300.79
* for terms and conditions refer note 30		
6 Other long term liabilities		
Lease equalisation reserve	2.19	-
	2.19	-
*Refer Note No 33		



	As at 31 March 2022	As at 31 March 2021
7 Long-term provisions		
Provision for employee benefits		
Provision for gratuity (refer note 28)	29.32	17.32
Provision for compensated absences	19.50	13.10
Provision on loan portfolio (owned)		
Contingent provision against standard assets	34.30	47.55
	83.12	77.97
8 Short-term borrowings		
<u>Unsecured</u>		
(A) Current maturities of debentures		
Non convertible debentures*	1,350.00	-
<u>Secured</u>		
(A) Current maturities of debentures		
Non convertible debentures*	2,000.00	-
(B) Current maturities Term Loans		
From financial institutions*	6,672.35	10,214.05
From banks*	7,842.53	314.29
	14,514.88	10,528.34
	17,864.88	10,528.34
* for terms and conditions refer note 30		
9 Trade Payable		
(A) Total outstanding dues of Micro enterprises and small enterprises	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises*	18.05	19.87
	18.05	19.87
*for ageing refer Note No 42		
10 Other current liabilities		
Interest accrued but not due on borrowings	108.46	75.01
Payable on managed portfolio	515.90	196.91
Statutory dues	77.65	60.09
Employee related payable	145.37	83.51
Other payable*	234.87	50.29
	1,082.25	465.81
*Other payable includes majority Insurance payable		
11 Short-term provisions		
Provision for employee benefits		
Provision for gratuity (refer note 28)	1.18	0.04
Provision for compensated absences	4.54	2.95
Provision on loan portfolio (owned and managed)		
Contingent provision against standard assets	8.93	13.75
Provision on non performing assets (own portfolio)	382.18	231.77
Provision on non performing assets (managed portfolio)	206.64	87.14
	603.47	335.65



Sindhujia Microcredit Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(Rs in Lakhs, unless stated otherwise)

12. Property, plant and equipment - tangible assets

Particulars	Furniture and fittings	Vehicle	Office equipment	Electrical equipments	Computer and peripherals	Total
Gross block						
Balance as at 1 April 2020	26.69	48.51	2.71	13.49	60.67	152.07
Additions during the year	9.29	1.00	0.15	4.42	17.95	32.81
Disposals/adjustments during the year	-	-	-	-	-	-
Balance as at 31 March 2021	35.98	49.51	2.86	17.91	78.62	184.88
Additions during the period	23.28	-	0.51	9.27	66.60	99.66
Disposals/adjustments during the year	0.62	-	-	0.55	-	1.17
Balance as at 31 March 2022	58.64	49.51	3.37	26.63	145.22	283.37
Accumulated depreciation						
Balance as at 1 April 2020	2.35	3.44	0.24	2.86	19.17	28.06
Depreciation for the year	2.85	5.88	1.81	0.84	21.75	33.13
Deductions/adjustments during the year	-	-	-	-	-	-
Balance as at 31 March 2021	5.20	9.32	2.05	3.70	40.92	61.19
Depreciation for the year	4.17	5.88	0.56	3.84	29.02	43.47
Depreciation of earlier years	-	-	-	-	-	-
Deductions/adjustments during the year	0.24	-	-	0.35	-	0.59
Balance as at 31 March 2022	9.13	15.20	2.61	7.19	69.94	104.07
Net block						
Balance as at 31 March 2022	49.51	34.31	0.76	19.44	75.28	179.30
Balance as at 31 March 2021	30.78	40.19	0.81	14.21	37.70	123.69



13 Intangible assets

Particulars	Intangible assets	
	Computer software	Total
Gross block		
Balance as at 1 April 2020	3.43	3.43
Additions during the year	0.55	0.55
Disposals/adjustments during the year	-	-
Balance as at 31 March 2021	3.98	3.98
Additions during the period	1.26	1.26
Disposals/adjustments during the year	-	-
Balance as at 31 March 2022	5.24	5.24
Accumulated amortisation		
Balance as at 1 April 2020	0.41	0.41
Amortisation for the year	1.21	1.21
Deductions/adjustments during the year	-	-
Balance as at 31 March 2021	1.62	1.62
Amortisation for the year	1.56	1.56
Deductions/adjustments during the year	-	-
Balance as at 31 March 2022	3.18	3.18
Net block		
Balance as at 31 March 2022	2.06	2.06
Balance as at 31 March 2021	2.36	2.36



	As at 31 March 2022	As at 31 March 2021
14 Deferred tax assets (net)		
Deferred tax assets		
Disallowance under section 40A(7) of the Income tax Act, 1961	7.68	4.37
Disallowance under section 43B of the Income tax Act, 1961	6.05	4.04
Provision for loan portfolio	137.35	84.49
Preliminary expenses	0.37	0.37
Deferred tax liability		
Depreciation and amortisation expenses	(1.37)	(0.20)
	150.08	93.07
15 Long-term loans and advances (Unsecured, considered good, unless otherwise stated)		
Portfolio loans		
Gross loan assets	13,902.72	5,341.03
Less: Managed assets	1,543.26	585.91
Net loan assets (# same as note 19)	12,359.46	4,755.12
Other loans and advances		
Security deposits *	20.55	58.07
Prepaid expenses	26.81	92.63
Advance against borrowings	-	15.00
Other advances	7.13	8.13
	12,413.95	4,928.95
* (Includes deposits aggregating to ₹ 3.09 lacs (31 March 2021: ₹ 49.5 lacs) placed as cash collateral to avail term loans from financial institutions and as cash collateral in connection with transactions)		
16 Other non-current assets		
Deposits with remaining maturity for more than 12 months #	718.13	-
Interest accrued on fixed deposits	12.31	-
Interest accrued on security deposits	-	0.28
Prepaid ancillary borrowing cost	134.43	42.00
	864.87	42.28
# Represents deposits amounting to 712.50 lacs (previous year: ₹ 245 lacs) maintained as collateral against term loans availed.		
17 Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	51.16	58.38
Doubtful	-	-
Allowances for bad and doubtful debts	-	-
Debts due by directors or other officer of the company	-	-
	51.16	58.38
*for ageing refer Note No 43		
18 Cash and bank balances		
18.1 Cash and cash equivalents		
Balances with banks	-	-
- in current accounts	1,280.07	212.19
- in deposit accounts having original maturity of less than 3 months #	4,385.00	6,267.00
Cash on hand	136.79	72.96
	5,801.86	6,552.15
18.2 Other bank balances		
Deposits with remaining maturity for more than 3 months but less than 12 months	-	323.57
	5,801.86	6,875.72



	As at 31 March 2022	As at 31 March 2021
19 Short-term loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Portfolio loans		
Gross loan assets	29,479.41	19,857.54
Less: Managed assets	3,169.83	3,243.79
Net loan assets #	26,309.58	16,613.75
Other loans and advances		
Advances recoverable in cash or in kind	2.91	3.37
Security deposits *	51.47	252.45
Advance tax (including tax deducted at source and net off provision for taxation)	38.29	18.12
Prepaid expenses	68.44	54.04
Advance against borrowings	86.17	112.83
Balances with statutory authorities	42.54	18.51
Other advances**	326.08	355.25
	26,925.48	17,428.32
# Loan portfolio amounting to ₹ 29,620.28 lacs (previous year: ₹ 14,105.66 lacs) is hypothecated with banks and financial institutions against amounts borrowed from the said banks and financial institutions		
* (Includes deposits aggregating to ₹ 43.48 lacs (31 March 2021: ₹ 252.45 lacs) placed as cash collateral to avail term loans from financial institutions and as cash collateral in connection with transactions)		
** Other Advances includes majorly Recoverable from managed portfolio		
20 Other current assets		
Interest accrued but not due on loans	232.75	152.84
Interest accrued on fixed deposits	4.23	41.60
Interest accrued on security deposits	3.84	-
Prepaid ancillary borrowing cost	147.12	92.15
Other current assets	90.71	56.71
	478.65	343.30



	For the year ended 31 March 2022	For the year ended 31 March 2021
21 Revenue from operations		
Interest income on loan portfolio	5,200.88	3,491.42
Servicing fees	367.66	272.03
Processing fee on loan portfolio	412.20	184.09
Interest on fixed deposits	263.13	190.09
	6,243.87	4,137.63
22 Other income		
Miscellaneous income	11.53	5.52
	11.53	5.52
23 Employee benefits expense		
Salaries and wages	1,715.58	1,156.01
Gratuity Expenses	13.14	9.39
Contribution to provident and other funds	132.69	93.07
Expense on Employee Stock Option Scheme (refer note 29)	-	(3.97)
Staff welfare expense	14.84	7.36
	1,876.25	1,261.86
24 Finance costs		
Interest expenses	2,534.41	1,900.19
Other borrowing costs	134.97	103.44
	2,669.38	2,003.63
25 Depreciation and amortisation expenses		
Depreciation on property, plant and equipment	43.46	33.13
Amortisation of intangible assets	1.56	1.21
	45.02	34.34
26 Other expenses		
Rent (refer note 33)	135.98	92.37
Legal and professional charges	56.55	29.75
Rates and taxes	11.61	14.43
Travelling and conveyance expenses	41.41	14.76
Directors sitting fees	5.45	4.36
Printing and stationery	36.17	15.95
Communication expenses	30.63	21.77
Advertisement and recruitment expenses	14.37	2.37
Power and fuel	15.36	7.98
Contingent provision against standard assets	(18.07)	(82.76)
Unrealised loans written Off	400.00	-
Provision for non-performing loans	269.92	309.43
Unrealised managed loans written Off	22.97	-
Software expenses	63.07	56.75
Auditor's remuneration (refer note 39)	12.70	11.99
Repairs and maintenance	46.66	27.18
Bank charges	9.57	7.57
Miscellaneous expenses	28.60	20.75
	1,202.95	554.65



27 Related party disclosures

a) Names of related parties and description of relationship

Relationship	Name of the related party
Key Management Personnel (KMP)	Abhisheka Kumar Malkit Singh Didyala
Entities which are able to exercise control or have significant influence	Carpediem Capital Partners Fund I Carpediem Capital Partners Fund II NMI Fund IV KS

b) Transactions with related parties

	Year ended 31 March 2022	Year ended 31 March 2021
Issue of compulsory convertible preference shares		
NMI Fund IV KS	-	4,500.00
Carpediem Capital Partners Fund II	-	2,000.00
Reimbursement of expenses received		
Abhisheka Kumar	3.84	1.14
Malkit Singh Didyala	0.60	0.33
Remuneration		
Abhisheka Kumar	50.73	40.36
Malkit Singh Didyala	50.73	40.36
Contribution towards Provident fund and other Funds		
Abhisheka Kumar	2.70	2.08
Malkit Singh Didyala	2.70	2.08
Termination benefits		
Abhisheka Kumar	2.04	0.92
Malkit Singh Didyala	2.02	0.93

c) Year-end balances

	As at 31 March 2022	As at 31 March 2021
Abhisheka Kumar	4.03	1.99
Malkit Singh Didyala	4.03	2.00



28 Employee benefit plan

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

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statement of Profit and Loss		
Net employee benefit expense (recognised in employee cost)		
Current service cost	12.17	8.80
Interest cost	1.09	0.53
Expected return on plan assets	-	-
Net actuarial loss recognized in the year	(0.12)	0.05
Total employer expense recognized in the Statement of profit and loss	13.14	9.38
Balance Sheet		
Benefit (assets)/ liability		
Present value of obligation	30.50	17.36
Fair value of plan assets		
Net liability recognized	30.50	17.36
Movement in benefit liability		
Opening defined benefit obligation	17.36	7.97
Interest cost	1.09	0.53
Current service cost	12.17	8.80
Benefit paid	-	-
Actuarial loss on obligation	(0.12)	0.05
Closing defined benefit obligation	30.50	17.35

(i) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the reporting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long-term basis.

Description	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	6.90%	6.30%
Future salary increases	10.00%	10.00%
Expected average working lives of the employees (years)	34.31	34.45

(ii) Demographic assumptions

Description	For the year ended 31 March 2022	For the year ended 31 March 2021
Retirement Age	60	60
Mortality table	IAIM (2012-14)	IAIM (2012-14)
Withdrawal rate		
-All ages	20%	20%

(b) Defined Contribution Plan

The contribution made to various statutory funds is recognized as expense and included in Note 20 "Employee benefits expense" under "Contribution to provident and other funds" in the Statement of Profit and Loss. The total contribution made towards provident fund and other funds for year ended 31 March 2022 is ₹ 132.69 lacs (Previous year ₹ 93.07 lacs)



29 Share-based employee remuneration
Employee Stock Option Plan - ESOP 2019

Pursuant to a resolution passed by the members holding equity shares vide Extra Ordinary General Meeting held on 30 October 2019, the Company introduced the Employee Stock Option Plan ("ESOP") pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Guidance note on Accounting for Share-based payments. Under this scheme, the total pool of options, which can be granted to eligible employees of the Company, not exceeding 425,082 (Four Lakh twenty-five thousand and eighty-two) equity shares (Number of ESOP Options in aggregate). During the year ended 31 March 2022, the Company has granted 90,000 number of options (Previous year 1,40,934) to the eligible employees of the Company.

There shall be a minimum period of one year between the grant of Options and vesting of option or as decided by the Board. Subject to Participant's continuing the employment with the Company, all the Options granted to an employee shall vest in him or her as under:

- 25 % of total options granted to an employee shall vest at the expiry of one year from the date of grant of options.
- 25 % of total options granted to an employee shall vest at the expiry of two years from the date of grant of options.
- 25 % of total options granted to an employee shall vest at the expiry of three years from the date of grant of options.
- 25 % of total options granted to an employee shall vest at the expiry of four years from the date of grant of options, provided that the grant date may be different for different category of employees.

Employee stock option schemes:

Details of grant and exercise of such options are as follows:

SMPL ESOP- 2019			
Type of arrangement	82,917 Options	140,934 Options	90,000 Options
Date of grant of options	5-Nov-19	10-Nov-20	25-Nov-21
Number of options granted	82,917	140,934	90,000
Number of employee to whom such options were granted	19	45	25
Number of employees who have exercised the option	NIL	NIL	NIL
Number of options exercised	NIL	NIL	NIL
Date of Board approval	30-Sep-19	10-Nov-20	25-Jun-21
Vesting period	5-Nov-20	10-Nov-21	25-Nov-22
Exercise period	5 November 2020 to 4 November 2024	10 November 2021 to 10 November 2025	25 November 2022 to 24 November 2026
Exercise Price	33.83	33.83	33.83
Option Life	4 years	4 years	4 years
Fair Value of the option	33.81	40	40
Intrinsic Value	-	6.17	6.17
Risk free interest rate	7.71%	7.71%	7.05%

The details of ESOP 2019 are summarized below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Outstanding options at the beginning of the year	2.11	37.68	0.80	33.83
Granted during the year	0.90	33.83	1.41	40.00
Forfeited during the year	0.26	39.29	0.10	39.69
Exercised during the year	-	-	-	-
Number of shares arising as a result of exercise of options	-	-	-	-
Expired during the year	-	-	-	-
Outstanding options at the end of the year	2.75	36.74	2.11	37.68
Exercisable at the end of the year	-	36.74	-	37.68

Other information regarding employee share-based payment plans is as below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Expense arising from employee share-based payment plans	-	(3.97)
Expense arising from share and stock option plans	-	(3.97)
Closing balance of liability for cash stock appreciation plan	-	-
Expense arising from increase in fair value of liability for cash stock	-	-

Principal assumption

- The value of benefit for the purpose of calculating the amount of tax or for such other purpose as may be necessary shall be the fair market value of the shares in the Company as determined by a Category I Merchant Banker registered with the Securities and Exchange Board of India, on the Specified date.
- Discounted cash flow method is used to calculate the fair market value of the Employee stock option plan of the Company.



30 Borrowings

A. Secured term loan (TL) from Banks #						
Nature of Facility	Amount outstanding as at		Amount outstanding as at		Interest Rate	Terms of repayment
	31 March 2022		31 March 2021			
	Current	Non-current	Current	Non-current		
TL2	342.90	342.78	314.29	685.71	13.50%	36 monthly instalments
TL3	500.00	500.00	-	-	12.65%	24 monthly instalments
TL4	886.67	333.33	-	-	12.50%	18 monthly instalments
TL5	948.00	1,394.00	-	-	9.35%	36 monthly instalments
TL6	250.95	125.48	-	-	12.75%	26 monthly instalments
TL7	125.00	104.16	-	-	12.75%	26 monthly instalments
TL8	416.67	583.33	-	-	10.50%	26 monthly instalments
TL9	545.45	272.73	-	-	9.60%	24 monthly instalments
TL10	1,000.00	954.55	-	-	10.25%	24 monthly instalments
TL11	750.00	750.00	-	-	10.90%	27 monthly instalments
TL12	363.60	636.40	-	-	9.25%	36 monthly instalments
TL13	250.00	365.83	-	-	9.35%	36 monthly instalments
TL14	545.45	772.73	-	-	9.00%	36 monthly instalments
TL15	363.64	515.15	-	-	9.00%	36 monthly instalments
TL16	774.20	1,161.29	-	-	9.35%	36 monthly instalments
Total (A)	7,842.53	8,841.76	314.29	685.71		
B. Secured term loan (TL) from financial institutions #						
	Current	Non-current	Current	Non-current		
TL5	-	-	125.00	-	15.25%	24 monthly instalments
TL6	-	-	91.67	-	15.25%	24 monthly instalments
TL7	-	-	137.50	-	15.25%	24 monthly instalments
TL8	-	-	93.61	-	15.25%	24 equated monthly instalments
TL9	-	-	248.02	-	15.25%	24 equated monthly instalments
TL10	246.62	134.90	216.64	381.52	12.10%	36 equated monthly instalments
TL11	-	-	94.80	-	15.75%	24 equated monthly instalments
TL12	12.19	-	132.68	12.19	15.25%	24 equated monthly instalments
TL13	224.87	-	238.05	224.87	14.00%	24 equated monthly instalments
TL14	-	-	-	-	15.75%	24 monthly instalments
TL15	-	-	-	-	15.75%	24 monthly instalments
TL16	-	-	20.83	-	15.25%	24 monthly instalments
TL17	-	-	20.83	-	15.25%	24 monthly instalments
TL18	-	-	41.67	-	15.25%	24 monthly instalments
TL19	-	-	41.67	-	15.25%	24 monthly instalments
TL20	-	-	104.17	-	15.00%	24 monthly instalments
TL21	-	-	114.58	-	15.00%	24 monthly instalments
TL22	-	-	270.83	-	14.75%	24 monthly instalments
TL23	-	-	270.83	-	14.75%	24 monthly instalments
TL24	187.50	-	250.00	187.50	14.00%	24 monthly instalments
TL25	250.00	20.83	229.17	270.83	13.65%	24 monthly instalments
TL26	250.00	20.83	229.17	270.83	13.65%	24 monthly instalments
TL27	-	-	48.26	-	15.75%	24 equated monthly instalments
TL28	-	-	52.40	-	15.85%	24 equated monthly instalments
TL29	-	-	34.04	-	15.85%	24 equated monthly instalments
TL30	-	-	136.97	-	15.75%	24 equated monthly instalments
TL31	-	-	91.31	-	15.75%	24 equated monthly instalments
TL32	-	-	162.63	-	15.85%	24 equated monthly instalments
TL33	-	-	108.42	-	15.85%	24 equated monthly instalments
TL34	-	-	161.06	-	15.10%	24 equated monthly instalments
TL35	-	-	161.06	-	15.10%	24 equated monthly instalments
TL36	-	-	161.48	-	15.10%	24 equated monthly instalments
TL37	-	-	161.48	-	15.10%	24 equated monthly instalments
TL38	15.17	-	159.02	15.17	15.10%	24 equated monthly instalments
TL39	15.17	-	159.02	15.17	15.10%	24 equated monthly instalments
TL40	28.78	-	157.13	28.78	15.10%	24 equated monthly instalments
TL41	28.78	-	157.13	28.78	15.10%	24 equated monthly instalments
TL42	28.78	-	157.13	28.78	15.10%	24 equated monthly instalments
TL43	109.61	-	148.11	109.61	14.15%	24 equated monthly instalments



Nature of Facility	Amount outstanding as at 31 March 2022		Amount outstanding as at 31 March 2021		Interest Rate	Terms of repayment
	Current	Non-current	Current	Non-current		
TL44	109.61	-	146.11	109.61	14.15%	24 equated monthly instalments
TL45	146.32	-	194.69	146.32	14.15%	24 equated monthly instalments
TL46	-	-	-	0.1525	18 equated monthly instalments	
TL47	-	-	95.50	-	15.25%	18 equated monthly instalments
TL48	-	-	24.11	-	15.75%	24 equated monthly instalments
TL49	-	-	213.41	268.60	15.00%	24 equated monthly instalments
TL50	646.38	353.61	191.40	228.31	15.00%	24 equated monthly instalments
TL51	-	-	-	-	15.50%	24 equated monthly instalments
TL52	247.71	-	23.68	-	15.50%	24 equated monthly instalments
TL53	210.95	-	524.52	95.79	15.50%	24 equated monthly instalments
TL54	-	-	250.00	208.33	14.00%	24 monthly instalments
TL55	-	-	250.00	229.17	14.00%	24 monthly instalments
TL56	-	-	-	-	-	-
TL57	208.33	-	42.16	-	15.75%	18 monthly instalments
TL58	229.17	-	272.73	181.82	14.25%	22 monthly instalments
TL59	-	-	272.73	204.55	14.25%	22 monthly instalments
TL60	-	-	274.51	-	14.45%	24 monthly instalments
TL61	-	-	500.00	375.00	14.00%	24 monthly instalments
TL62	159.09	-	149.84	-	15.50%	24 monthly instalments
TL63	181.82	-	192.39	-	15.50%	24 monthly instalments
TL64	-	-	92.27	-	15.25%	21 equated monthly instalments
TL65	375.00	-	93.05	106.95	14.00%	24 equated monthly instalments
TL66	-	-	144.30	-	14.25%	18 equated monthly instalments
TL67	-	-	253.65	-	13.65%	18 equated monthly instalments
TL68	322.50	-	277.50	322.50	13.25%	24 equated monthly instalments
TL69	106.95	-	371.41	-	14.00%	12 equated monthly instalments
TL70	213.89	-	185.89	214.11	14.00%	24 equated monthly instalments
TL71	175.00	160.42	-	-	13.15%	24 monthly instalments
TL72	75.00	68.74	-	-	13.15%	24 monthly instalments
TL73	175.00	190.42	-	-	13.15%	24 monthly instalments
TL74	75.00	68.75	-	-	13.15%	24 monthly instalments
TL75	479.13	439.25	-	-	13.10%	24 equated monthly instalments
TL76	459.31	540.69	-	-	13.10%	24 equated monthly instalments
TL77	95.79	-	-	-	13.10%	24 monthly instalments
TL78	583.33	916.67	-	-	13.10%	24 monthly instalments
Total (B)	6,672.35	2,885.11	10,214.05	4,265.07		



C. Unsecured Non-Convertible Debentures					
Nature of Facility	Amount outstanding as at 31 March 2022		Amount outstanding as at 31 March 2021		Interest Rate
	Current	Non-current	Current	Non-current	
NCD-1A	150.00	-	-	150.00	14.50%
	-	-	-	-	For Early redemption- 30% in the 1st year, 30% in 2nd year or upto maximum of 60% and 40% in the 3rd year or Bullet payment at the end of year 3 from the date of issue.
NCD-1B	150.00	-	-	150.00	14.50%
	-	-	-	-	For Early redemption- 30% in the 1st year, 30% in 2nd year or upto maximum of 60% and 40% in the 3rd year or Bullet payment at the end of year 3 from the date of issue.
NCD-1C	200.00	-	-	200.00	14.50%
	-	-	-	-	For Early redemption- 30% in the 1st year, 30% in 2nd year or upto maximum of 60% and 40% in the 3rd year or Bullet payment at the end of year 3 from the date of issue.
NCD - 2A	300.00	-	-	300.00	14.00%
NCD - 2B	150.00	-	-	150.00	14.00%
NCD 3	200.00	-	-	200.00	14.00%
NCD 4	200.00	-	-	200.00	14.00%
Total (C)	1,350.00	-	-	1,350.00	
D. Secured Non-Convertible Debentures*					
Nature of Facility	Amount outstanding as at 31 March 2022		Amount outstanding as at 31 March 2021		Interest Rate
	Current	Non-current	Current	Non-current	
NCD 5	1,000.00	1,000.00	-	2,000.00	15.70%
	-	-	-	-	50% in the 2nd year and 50% in the 3rd year or 100% in 2nd year.
NCD 6	1,000.00	1,000.00	-	-	13.00%
	-	-	-	-	Half yearly bullet payment
NCD 7	-	3,000.00	-	-	12.85%
	-	-	-	-	Bullet payment at the end of year 2 from the date of issue.
Total (D)	2,000.00	5,000.00	-	2,000.00	
Total (A+B+C)	17,864.88	16,726.87	10,528.34	8,350.79	

* All term loans were secured by way of exclusive charge on the standard asset portfolio receivables pertaining to micro credit loans and cash collateral as per the respective agreements. The above term loans are also secured by way of personal guarantee of Mr. Abhisheka Kumar and Mr. Malik Singh Delyala.

* All NCD were secured by way of exclusive charge on the standard asset portfolio receivables pertaining to micro credit loans and cash collateral as per the respective agreements. The above NCD are also secured by way of personal guarantee of Mr. Abhisheka Kumar and Mr. Malik Singh Delyala.



31 Ratings assigned by credit rating agencies

Particulars	For the year ended	For the year ended
		31 March 2021
(a) Micro Finance Institution Grading	IRR MFI 2	IRR MFI 3
(b) Long Term Bank Loans	"IND BBB-" / POSITIVE	"IND BBB-" / STABLE

32 Segment reporting

Business Segment

The Company operated in a single reportable segment i.e. micro financing activities exclusively to rural women living below poverty line identified and organized in Joint Liability Group (JLG) which have similar risk and returns. Accordingly, there is no reportable segment to be disclosed as required by Accounting Standard 17 "Segment Reporting".

Geographical Segment

The significant operations of the Company are within India and therefore there is no separate geographical segment which needs to be disclosed as required by Accounting Standard 17 "Segment Reporting".

33 Disclosure in respect Company's operating lease arrangements entered into by the company, under Accounting Standard (AS-19) "Leases" issued by the Institute of Chartered Accountants of India.

The year-wise breakup of future minimum lease payments in respect of leased premises is as under:

Premises taken on lease	For the year ended 31 March 2022	For the year ended 31 March 2021
Operating lease payments recognized during the year	133.79	92.37
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	2.19	-
Later than 5 years	-	-

34 Earning per equity share

In accordance with Accounting Standard 20, Earnings Per Share as notified by the Companies (Accounting Standards) Rules, 2014:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit after tax available for appropriation (₹)	318.94	222.05
Weighted average number of equity shares – Basic EPS	156.78	156.78
Weighted average number of equity shares – Diluted EPS	232.10	242.00
Basic earnings per share (₹)	2.03	1.42
Diluted earnings per share (₹)	1.37	0.92

35 Capital commitment

Estimated amount of contract remaining to be executed on capital account and not provided for is ₹ Nil (Previous year Nil)



Sindhuj Microcredit Private Limited
Summary of significant accounting policies and other explanatory information
(₹s in Lakhs, unless stated otherwise)

36 Provision for outstanding loan portfolio

Provision for outstanding own loan portfolio

Asset Classification	As at 31 March 2022		As at 31 March 2021	
	Loan portfolio	Provision	Loan portfolio	Provision
Standard portfolio	38,104.62	43.23	20,848.80	61.30
Sub Standard portfolio	166.06	46.30	409.03	120.73
Doubtful portfolio	398.36	335.89	111.04	111.04
Loss portfolio	-	-	-	-
Total	38,669.04	425.42	21,368.87	293.07

Provision for outstanding managed loan portfolio

Asset Classification	As at 31 March 2022		As at 31 March 2021	
	Loan portfolio	Provision	Loan portfolio	Provision
Standard portfolio	4,466.55	-	3,661.39	-
Sub-standard portfolio	24.09	8.37	96.84	28.35
Doubtful portfolio	222.47	198.27	71.47	58.79
Loss portfolio	-	-	-	-
Total	4,713.11	206.64	3,829.70	87.14

The movement in provision during the year is explained below:

Own Portfolio

Particulars	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Standard portfolio	Sub-standard & Doubtful portfolio	Total	Standard portfolio	Sub-standard & Doubtful portfolio	Total
Opening balance	61.30	231.77	293.07	144.06	5.27	149.33
Additions/ reversals, net	(18.07)	150.42	132.35	(82.76)	226.50	143.74
Closing balance	43.23	382.19	425.42	61.30	231.77	293.07

Managed Portfolio

Particulars	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Standard portfolio	Sub-standard & Doubtful portfolio	Total	Standard portfolio	Sub-standard & Doubtful portfolio	Total
Opening balance	-	87.14	87.14	-	4.21	4.21
Additions/ reversals, net	-	119.50	119.50	-	82.93	82.93
Closing balance	-	206.64	206.64	-	87.14	87.14

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Disclosures pertaining to Securitization
The Company has not entered into any Securitization transactions during the year ended 31 March 2022 (Previous year: Nil)



38 Contingent Liabilities

- i) The Company has entered into an arrangement towards rendering of financial services and accordingly has given guarantees towards loans referred by the Company aggregating to ₹ 1404.29 lacs (previous year: ₹ 1251.15 lacs). The guarantee is provided by way of corporate guarantee and cash collateral.

39 Auditors remuneration (excluding Goods and Service Tax)

Particulars	For year ended 31-Mar-22	For year ended 31-Mar-21
Payment to Auditor		
- as an auditor	11.50	11.00
- for other services	0.63	-
-for reimbursement of expenses	0.57	0.99
Total	12.70	11.99

40 Amounts payable to Micro and Small enterprises

The disclosure in respect of the amounts payable to Micro and Small enterprises as at 31 March 2022 has been made in the financial statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
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;	-	-
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;	-	-
The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
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.	-	-



41 Additional disclosures as required by the Reserve Bank of India :

i) Capital to Risk Asset Ratio (CRAR)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
CRAR %	24.50%	42.72%
CRAR- Tier I Capital (%)	23.77%	41.77%
CRAR- Tier II Capital (%)	0.72%	0.95%

ii) The Company has no direct exposure to real estate sector

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Residential	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-

iii) Maturity pattern of certain items of assets and liabilities:

As at 31 March 2022

Particulars	1-7 days	8-14 days	15 to 30 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
(Mar-2022)										
Borrowings	219.17	154.54	763.66	1,224.90	1,167.96	4,221.99	10,092.66	16,726.89	-	-
Advances	990.41	581.66	1,212.00	2,457.51	2,398.73	6,810.10	11,859.17	12,359.46	-	-
Investments	-	-	-	-	-	-	-	-	-	-

(Amount in ₹ lakhs)

As at 31 March 2021

Particulars	1-7 days	8-14 days	15 to 30 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
(Mar-2021)										
Borrowings	281.34	81.14	559.16	1,087.48	1,032.94	2,791.81	4,694.47	8,300.79	-	-
Advances	805.42	353.61	868.98	1,458.18	1,532.28	4,443.72	7,111.56	4,756.12	-	-
Investments	-	-	-	-	-	-	-	-	-	-

(Amount in ₹ lakhs)



41 Additional disclosures as required by the Reserve Bank of India :

iv) Provisions and contingency

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Provision towards NPA (owned assets)	150.43	226.50
Provision towards NPA (managed assets)	119.50	82.93
Provision made towards Income tax	199.89	128.97
Provision for Standard Assets	(18.07)	(82.76)

v) Draw down from Reserves

There has been no draw down from reserves during the year ended 31 March 2022 (previous year: Nil).

vi) Concentration of Advances, Exposures and NPAs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Concentration of Advances		
Total advances to twenty largest borrowers	10.00	9.00
(%) of advances to twenty largest borrowers to total advances	0.03%	0.04%
Concentration of Exposures		
Total exposure to twenty largest borrowers/customers	10.00	9.00
(%) of exposure to twenty largest borrowers/customers to total exposure	0.03%	0.04%
Concentration of NPAs		
Total exposure to top four NPA accounts	1.90	1.76

vii) Sector wise Non-Performing Assets (NPA)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Agriculture & allied activities	494.50	436.66
MSME	33.44	45.21
Corporate borrowers	-	-
Services	13.74	12.87
Trade	22.73	25.31
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-
	564.41	520.05

viii) Movement in Non-Performing Asset (NPA)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
i) Net NPA to net advances percentage	0.47%	1.35%
ii) Movement of NPAs (Gross)		
a) Opening balance	520.06	6.95
b) Addition during the year	444.35	513.16
c) Reduction during the year	400.00	0.05
d) Closing balance	564.41	520.06
iii) Movement of Net NPAs		
a) Opening balance	288.30	1.69
b) Addition during the year	-	286.61
c) Reduction during the year	106.08	-
d) Closing balance	182.22	288.30
iv) Movement of Provisions for NPAs (excluding standard assets)		
a) Opening balance	231.77	5.27
b) Addition during the year	550.42	226.55
c) Write off/write back of excess provisions	400.00	0.05
d) Closing balance	382.18	231.77



(ix) **Disclosure with respect to customer complaints**

S. No.	Particulars	Number of complaints	
		For the year ended 31 March 2022	For the year ended 31 March 2021
i	No of complaints pending at the beginning of the year	10	-
ii	No of complaints received during the year	535	249
iii	No of complaints redressed during the year	517	239
iv	No of complaints pending at the end of the year	28	10

(x) **Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC:**

The Company has not exceeded the prudential exposure limits during the financial year ended 31 March 2022 and 31 March 2021.

(xi) **Registration obtained from other financial sector regulators**

Sr. No.	Regulator	Registration No.	Date of Registration
1	Ministry of Corporate Affairs	U65090UP2017PTC09900	1-Dec-17
2	Reserve Bank of India	N-12.00469	11-Sep-18

(xii) **Details of penalties imposed by RBI and other regulators**

No penalties have been imposed by RBI and other regulators on the Company during the financial year ended 31 March 2022 (Previous year: Nil)

(xiii) **Unsecured Advances**

The Company has not given any unsecured advances against intangible securities such as charge over the rights, licenses, authority, etc. during the financial year ended 31 March 2022. (previous year: Nil)

(xiv) **Details of non-performing financial assets purchased / sold**

The Company has not purchased/sold any non-performing financial assets during the financial year ended 31 March 2022 and 31 March 2021.



Sindhuja Microcredit Private Limited

Summary of significant accounting policies and other explanatory information

(Rs in Lakhs, unless stated otherwise)

- xiv) Additional disclosures pursuant to Para 19 of Master Direction - Non-Banking Financial Company - Non Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016.

	As at 31 March 2022		As at 31 March 2021	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Liabilities side :				
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures				
(other than falling within the meaning of public deposits)				
Secured	7,000.00	-	2,000.87	-
Unsecured	1,350.00	-	1,350.00	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans (includes short-term borrowings and interest accrued)				
Secured	26,350.22	-	15,553.48	-
Unsecured	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
(2) Breakup 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:				
a) Secured, gross				
b) Unsecured, gross				
Total				
(4) Break up of Leased Assets				
(i) Lease assets including lease rentals under sundry debtors:				
(a) finance lease				
(b) operating lease				
(ii) Stock on hire including hire charges under sundry debtors:				
(a) assets on hire				
(b) repossessed asset				
(iii) Other loans counting towards AFC activities				
(a) loans where assets have been repossessed				
(b) loans other than (a) above				



(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Market value / Breakup or fair value or NAV	Book value (net of provisions)	Market value / Breakup or fair value or NAV	Book value (net of provisions)
1. Related parties	-	-	-	-
2. Other than related parties	-	-	-	-
Total	-	-	-	-

(8) Other information	As at 31 March	
	2022	2021
(i) Gross non-performing assets		
(a) Related parties	-	-
(b) Other than related parties	564.41	520.06
(ii) Net non-performing assets		
(a) Related parties	-	-
(b) Other than related parties	182.22	288.30
(iii) Assets acquired on satisfaction of debt	-	-

xvii) Disclosures pursuant to RBI's notification no. DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 and notification no DOR.No.BP.BC.71/21.04.048/2019-20 dated 23 May 2020 on COVID-19 – Regulatory Package

RBI vide its notification DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 had allowed NBFCs to grant three month moratorium for the period from 01 March 2020 to 31 May 2020 to its customers which was subsequently extended to additional three months vide notification DOR.No.BP.BC.71/21.04.048/2019-20 dated 23 May 2020.

The Company has extended the relaxation to its borrowers across the loans product offerings in the following manner:

- For the loans in which customers avails the moratorium, interest shall accrue at the contractual interest rate during the moratorium period with corresponding increase in the residual tenure.
- Interest accrual for moratorium period is adjusted over the balance period with EMI recalibration.
- Rescheduling of payment including interest will not qualify as a default for purpose of supervisory reporting and reporting to Credit Bureau.
- Days Past Due (DPD) status and reporting to Credit Bureaus between 1 March 2020 and 31 August, 2020 will not change with effect from 01 March 2020. However, due to EMI repayments post 1 March 2020, if there is a reduction of DPD days, the same will be recorded and reported.

xviii) Disclosures pursuant to Reserve Bank of India notification no. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020

Particulars	As at 31 March 2022	As at 31 March 2021
Amount in SMA/ overdue category where the moratorium deferment was extended to customers	-	9.29
Amount where asset classification benefit is extended	-	2.34
Provision made	-	-

xix) Information on net interest margin (qualifying asset)	As at	
	31 March 2022	31 March 2021
Average Interest (a)	21.78%	22.26%
Average effective cost of borrowing (b)	12.73%	14.88%
Net Interest margin (a-b)	9.05%	7.38%



Sindhujia Microcredit Private Limited
Summary of significant accounting policies and other explanatory information
(Rs. in Lakhs, unless stated otherwise)

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Trade Payable Ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	18.05	-	-	-	18.05
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

As at 31st March 22

As at 31st March 21

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	19.87	-	-	-	19.87
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

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Trade Receivables Ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	
(i) Undisputed Trade Receivables-considered good	51.16	-	-	-	51.16
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	-	-	-

As at 31st March 22

Trade Receivables Ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	
(i) Undisputed Trade Receivables-considered good	58.38	-	-	-	58.38
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	-	-	-

As at 31st March 21



44 Public disclosure on liquidity risk

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

Borrowings

S No	As at 31 March 2022				As at 31 March 2021			
	Number of Significant Counter parties	Amount (In ₹) ##	% Total Deposit	% Total Liabilities #	Number of Significant Counter parties	Amount (In ₹)	% Total Deposit	% Total Liabilities #
A		-	Not applicable	0.00%	1	3,038	Not applicable	15.40%

There is no significant counter parties during the year ended 31 March 2022

Total Liabilities does not include the shareholders fund

2) Top 20 large deposits - There are no deposits taken by the Company during the year. (31 March 21: Nil)

3) Top 10 borrowings - ₹ 222,368.56 constitutes 64.66% of total borrowings (31 March 2021 ₹ 149,211.04 constitutes 79.24% of total borrowings)

4) Funding Concentration based on significant instrument/product

S. No	Name of Instrument	As at 31 March 2022			As at 31 March 2021	
		Amount		% of total liabilities #	Amount	% of total liabilities #
		(In ₹)			(In ₹)	
1)	Term loan	-	26,241.76	72.13%	15,479.14	78.46%
2)	Non-convertible debentures	-	8,350.00	22.95%	3,350.00	16.98%
3)	Cash credit / Bank overdraft	-	-	-	-	-
4)	Compulsorily convertible debentures	-	-	-	-	-

Total Liabilities does not include the shareholders fund

5) Stock ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets- Nil (31 March 2021: Nil)

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets - Nil (31 March 2021: Nil)

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets- Nil (31 March 2021: Nil)

6) Institutional set-up for liquidity risk management

The Company has constituted an asset liability committee for overseeing and ensuring adherence to the limits set by the Board as well as for deciding business strategy of the NBFC (on the assets and liability sides) in line with the NBFC's budget and decided risk management objectives. The scope of ALM function can be described as follows:

- Liquidity risk management
- Management of market risks
- Funding and capital planning
- Profit planning and growth projection
- Forecasting and analyzing 'What if scenario' and preparation of contingency plans



45 Impact of COVID-19 outbreak

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the financial statements including the recoverability of loans. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information. The Company has written off Rs 400 lacs of loan portfolio, based on the information available at this point of time. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition.

The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

46 Foreign currency exposure and Derivative instruments

There are no outstanding derivative contract and foreign currency exposure as at current and previous year balance sheet date.

47 Additional Regulatory Information

- i) The Company does not hold any title deed of Immovable Property during the Financial year 31st March 2022. All the lease agreement are duly executed in favour of the company for properties where the company is the lessee
- ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- iii) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act 1956.
- iv) The Company does not have any charges and satisfaction which is yet to be registered with ROC beyond the statutory period
- v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 31st March 2022
- vi) The Company has not advanced or loaned or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 Beneficiary) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
- vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding:
 - (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 Beneficiary) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
- viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act 1961
- ix) The company is not a declared willfull defaulter by any bank or financial institution or other lender, in accordance with the guidelines on willfull defaulter issued by the Reserve bank of India, during the year ended 31 March 2022 and 31 March 2021
- x) 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 2022 are held by the company in the form of deposits till the time the utilisation is made subsequently.
- xi) 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



Sindhuj Microcredit Private Limited
Summary of significant accounting policies and other explanatory information
(Rs in Lakhs, unless stated otherwise)

48. Analytical Ratios

Sr No. Ratios	Numerator	Denominator	FY 2021-2022	FY 2020-2021	Percentage Variance (%)	Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.
1 Current Ratio	Current Assets	Current Liability	1.70	2.18	-47.73%	Current Liabilities has increased due to increase in borrowings by 84%.
2 Debt Equity Ratio	Total Debt	Shareholders Equity	3.30	1.85	144.68%	Total debt has increased from Rs. 18,829.13 Lacs in Mar 21 to Rs. 34,591.76 Lacs in Mar 22, where as equity has increased only marginally through internal accruals.
3 Debt Service Coverage Ratio	Earning available for debt services	Debt Service	0.27	0.25	1.39%	DSCR is lower due to numerator not including Principal collection received from clients. If we take the Principal collection in the numerator the DSCR will be 1.90 in FY 21-22 and 1.45 in FY 20-21 respectively.
4 Return on Equity (ROE)	Profit After Tax-Preference dividend (if any)	Average Shareholder's Equity	3.09%	2.86%	0.23%	
5 Net Profit Ratio	Net Profit	Net Sales	5.11%	5.37%	-0.26%	
6 Return on Capital Employed (ROCE)	Earning before Interest and taxes	Capital Employed	6.95%	7.91%	-0.96%	
7 Net Capital Turnover Ratio	Revenue from operation	Average Working Capital	46.17%	47.16%	-0.99%	
8 Inventory Turnover Ratio	Cost of goods sold Or Sales	Average Inventory	-	-	-	There is No Inventory hence not applicable
9 Trade receivables Turnover Rat	Trade Receivables	Average trade receivables	0.93	1.00	-6.59%	
10 Trade payable Turnover Ratio	Trade Payable	Average trade payables	0.95	1.34	-39.65%	Net payable is reduced in FY 21-22 as compared to FY 20-21.
11 Return on Investment	Profit after tax	Total of assets side	-	-	-	There is no Investment, hence Not Applicable

49. The figures of the previous year have been regrouped / reclassified wherever necessary to make them comparable with the figures of the current year.

For SCV & Co LLP
Chartered Accountants
Firm Registration No. 000235/N/5000089

Ashwin Khosla
Ashwin Khosla
Partner
Membership No. 087010



Abhishek Kumar
Managing Director
DIN: 02672579

Malik Singh Didiyala
Whole Time Director
DIN: 07967488

Pankaj Kumar Singh
Pankaj Kumar Singh
Company Secretary
Member No. 021877



Place: Noida
Date: 09 June 2022

Place: Noida
Date: 09 June 2022