

Deloitte Haskins & Sells

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INDEPENDENT AUDITOR'S REPORT

To The Members of Jagaran Microfin Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Jagaran Microfin Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 45 to the financial statements which describes that the potential impact of the COVID-19 Pandemic on the Company's financial statements are dependent on future developments, which are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Expected credit losses on loans</p> <p>(Refer Note 7 read with Note 27 to the financial statements)</p> <p>The Company has net loan balance amounting to INR 4,65,50,74,477 as at March 31, 2020.</p> <p>Given the size of loan book relative to the balance sheet and the impact of impairment provision on the books, we have considered this as a key audit matter.</p> <p>Recognition and measurement of impairment of loans involve significant management judgement. Credit loss assessment under Ind AS 109 is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Collective impairment allowances are calculated using ECL models which approximate credit conditions on homogenous portfolios of loans.</p> <p>Also, during the year, the Company has also considered additional provisions after evaluating the extent to which COVID-19 pandemic will impact its overall operations and performance. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements.</p>	<p>Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate.</p> <p>These procedures included, but not limited, to the following:</p> <p>(a) obtained an understanding of the model adopted by the Company for calculation of expected credit losses including how management calculated the expected credit losses and the appropriateness of the data on which the calculation is based;</p> <p>(b) Tested the assumptions used by the Company for staging of loan portfolio into default buckets for determining the PD and LGD rates. Tested the input data used for determining the PD and LGD rates and agreed the data with the underlying books of accounts and records;</p> <p>(c) Tested samples for staging of loans based on their past - due status to check compliance with requirements of Ind AS 109;</p> <p>(d) Tested the arithmetical calculation of the workings of the expected credit losses;</p> <p>(e) Tested assumptions used by the management in determining the overlay for macro-economic factors especially COVID-19 pandemic;</p> <p>(f) Assessed disclosures included in the Ind AS financial statements in respect of expected credit losses including the specific disclosures made with regard to the management's evaluation of the uncertainties arising from COVID-19 and its impact on ECL estimation;</p> <p>(g) Obtained written representations from management and those charged with governance whether they believe significant assumptions used in</p>



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	calculation of expected credit losses are reasonable.
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Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.
- 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 the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement 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



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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 financial 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 the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current



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

Other Matters

The comparative financial information of the Company for the year ended March 31, 2019 and the related transition date opening balance sheet as at April 01, 2018 included in these financial statements, have been prepared after adjusting previously issued the financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued financial statements were audited by us and expressed an unmodified opinion on those financial statements. Adjustments made to the previously issued financial statements to comply with Ind AS have been audited by us.

Our opinion on the financial statements is not modified in respect of this the above matters on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) 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.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our



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opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 302009E)



Abhijit Bandyopadhyay
Partner
(Membership No. 054785)
UDIN : 20054785AAAABZ6548

Kolkata, July 29, 2020

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Jagaran Microfin Private Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

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



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that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.302009E)



Abhijit Bandyopadhyay
Partner

(Membership No. 054785)
UDIN : 20054785AAAABZ6548

Kolkata, July 29, 2020

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees under the provisions of Sections 185 and 186 of the Companies Act, 2013 and hence reporting under Clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and it did not have any unclaimed deposits at the beginning of the year. Hence reporting under clause (v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Goods & Service Tax, Service Tax and Value Added Tax as on March 31, 2020 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The Company has not taken any loans or borrowings from government.



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- (ix) The Company has not raised moneys by way of initial public offer during the year. In our opinion and according to the explanations given to us, money raised by way of further public offer of debt securities and the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of Section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) The Company is a private company and hence the provisions of Section 177 and Section 188 of the Companies Act, 2013 are not applicable to the Company. In our opinion and according to the information and explanations given to us, the Company has disclosed the details of related party transactions in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has made preferential allotment of shares during the year under review.

In respect of the above issue, we further report that:

- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
 - b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
 - (xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 302009E)


Abhijit Bandyopadhyay
Partner

(Membership No. 054785)
UDIN: 20054785AAAABZ6548

Kolkata, July 29, 2020

JAGARAN MICROFIN PRIVATE LIMITED

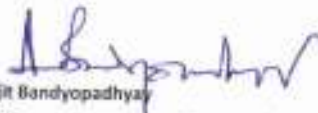
BALANCE SHEET AS AT MARCH 31, 2020

(All amount in ₹, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
ASSETS				
Financial Assets				
Cash and Cash Equivalents	4	26,73,62,459	28,12,68,879	25,54,96,830
Bank Balances Other than Cash and Cash Equivalents	5	55,99,24,920	33,64,54,499	22,90,28,421
Receivables				
(I) Trade Receivables	6	1,15,302	14,48,782	48,28,899
Loans	7	4,65,50,74,477	3,91,09,12,864	2,28,28,20,553
Investments	8	50,33,593	-	-
Other Financial Assets	9	19,38,52,842	15,40,44,327	9,62,27,526
Non-financial Assets				
Current Tax Assets (Net)	10	53,20,278	44,36,931	43,68,533
Deferred Tax Assets (Net)	11	2,76,67,616	1,16,72,630	62,61,096
Property, Plant and Equipment	12	1,10,19,332	1,11,71,872	1,08,33,342
Other Intangible Assets	13	33,96,508	27,28,040	19,64,367
Other Non-financial Assets	14	26,04,100	65,45,357	29,20,917
TOTAL ASSETS		5,73,13,71,427	4,72,06,84,181	2,89,47,50,484
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Payables				
(I) Trade Payables				
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-	-
(ii) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	15	1,68,53,409	2,13,97,416	2,18,72,774
Debt Securities	16	80,70,31,446	57,91,23,752	-
Borrowings (Other than Debt Securities)	17.1	3,85,01,49,275	3,29,27,61,405	2,12,57,46,549
Subordinated Liabilities	17.2	5,00,41,802	-	-
Non-financial Liabilities				
Current Tax Liabilities (Net)	18	73,12,991	61,02,843	-
Provisions	19	60,73,819	21,73,546	12,83,634
Other Non-financial Liabilities	20	62,22,851	57,11,427	41,38,692
Equity				
Equity Share Capital	21	48,29,62,000	43,49,62,000	43,49,62,000
Other Equity	22	50,47,23,834	37,84,51,792	30,67,46,835
TOTAL LIABILITIES AND EQUITY		5,73,13,71,427	4,72,06,84,181	2,89,47,50,484
Summary of Significant Accounting Policies	1			
The accompanying notes are an integral part of these financial statements.	2 to 47			

In terms of our attached report

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No. 302009E


Abhijit Bandyopadhyay
Partner



Place: Kolkata
Date: 29 July 2020

For and on behalf of the Board of Directors of
Jagaran Microfin Private Limited

 
Sourav Ghosh
Managing Director
DIN: 08154243
Jaydeep Ghosh
Whole Time Director & CEO
DIN: 07475085


Tirtha Pratim Sahu
Chief Financial Officer


Tanusree Ghosh
Company Secretary



Place: Kolkata
Date: 29 July 2020

JAGARAN MICROFIN PRIVATE LIMITED

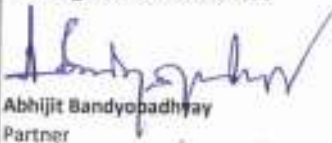
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Operations			
Interest Income	23	1,05,72,80,469	75,04,52,527
Dividend Income	24	51,34,094	97,67,609
Total Revenue from Operations		1,06,24,14,563	76,02,20,136
Other income	25	11,06,668	20,59,654
Total Income		1,06,35,21,231	76,22,79,790
Expenses			
Finance Costs	26	57,91,44,628	40,26,58,393
Impairment on Financial Instruments	27	4,53,85,422	3,23,81,240
Employee Benefits Expenses	28	15,31,76,641	11,20,87,332
Depreciation and Amortisation Expenses	29	48,56,527	43,86,485
Other Expenses	30	9,01,85,432	7,45,14,087
Total Expenses		87,27,48,650	62,60,27,537
Profit before Tax		19,07,72,581	13,62,52,253
Tax Expense			
(a) Current Tax	11.2	5,76,38,648	4,22,95,847
(b) Deferred Tax	11.2	(1,55,08,611)	(54,48,987)
		4,21,30,037	3,68,46,860
Profit for the year		14,86,42,544	9,94,05,393
Other Comprehensive Income:			
(a) Items that will not be reclassified subsequently to Profit or Loss:			
(i) Re-measurements of the Defined Benefit Plans		(19,32,512)	1,28,616
(ii) Income Tax relating to items that will not be reclassified subsequently to Profit or Loss		4,86,375	(37,453)
(b) Items that will be reclassified subsequently to Profit or Loss:			
Total Other Comprehensive Income for the year, Net of Tax		(14,46,137)	91,163
Total Comprehensive Income for the year		14,71,96,407	9,94,96,556
Earnings per Equity Share (Face Value of ₹ 10/- each)			
Basic and Diluted Earnings per Share (₹)	33	3.20	2.32
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of these financial statements.	2 to 47		

In terms of our attached report

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No. 302009E


Abhijit Bandyopadhyay
Partner



For and on behalf of the Board of Directors of
Jagaran Microfin Private Limited

 
Sourav Ghosh
Managing Director
DIN: 08154243

Jaydeep Ghosh
Whole Time Director & CEO
DIN: 07475085


Tirtha Pratim Sahu
Chief Financial Officer


Tanusree Ghosh
Company Secretary

Place: Kolkata
Date: 29 July 2020

Place: Kolkata
Date: 29 July 2020

JAGARAN MICROFIN PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹, unless otherwise stated)

(A) Equity

Particulars	Notes	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Balance at the beginning of the year	21	43,49,62,000	43,49,62,000	43,49,62,000
Changes in Equity Share Capital during the year		4,80,00,000	-	-
Balance at the end of the year		48,29,62,000	43,49,62,000	43,49,62,000

(B) Other Equity

Particulars	Notes	Reserves and Surplus			Total
		Securities Premium	Statutory Reserves	Retained Earnings	
As at April 01, 2018	22	4,35,13,000	6,36,59,667	19,95,74,168	30,67,46,835
Profits after Tax for the year		-	-	9,94,05,393	9,94,05,393
Dividend Paid		-	-	2,30,52,987	2,30,52,987
Dividend Distribution Tax Paid		-	-	47,38,612	47,38,612
Transferred to Statutory Reserve*		-	1,98,81,079	1,98,81,079	-
Other Comprehensive Income transferred from Statement of Profit and Loss		-	-	91,163	91,163
As at March 31, 2019	22	4,35,13,000	8,35,40,746	25,13,98,046	37,84,51,792
Profits after Tax for the year		-	-	14,86,42,544	14,86,42,544
Issue of Equity Shares during the year		4,20,00,000	-	-	4,20,00,000
Dividend Paid		-	-	5,21,95,440	5,21,95,440
Dividend Distribution Tax Paid		-	-	1,07,28,925	1,07,28,925
Transferred to Statutory Reserve		-	2,97,28,509	2,97,28,509	-
Other comprehensive Income transferred from Statement of Profit and Loss		-	-	(14,46,137)	(14,46,137)
As at March 31, 2020		8,55,13,000	11,32,69,255	30,59,41,579	50,47,23,834

* The Company has transferred 20% of the Profit after Tax to the Statutory Reserve in accordance with the provisions of Section 45-IC of The Reserve Bank of India Act, 1934. For the year ended March 31, 2019, the transfer of 20% of the Profit after Tax is after re-measurement adjustments on transition to Ind AS, if any, to the Statutory Reserves in accordance with the provision of Section 45-IC of the RBI Act, 1934.

Summary of Significant Accounting Policies

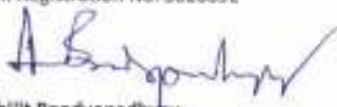
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The accompanying notes are an integral part of these financial statements.

2 to 47

In terms of our attached report

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No. 302009E


Abhijit Bandyopadhyay
Partner



Place: Kolkata
Date: 29 July 2020

For and on behalf of the Board of Directors of
Jagaran Microfin Private Limited


Sourav Ghosh
Managing Director
DIN: 08154243

Jaydeep Ghosh
Whole Time Director & CEO
DIN: 07475085




Tirtha Pratim Sahu
Chief Financial Officer


Tanusree Ghosh
Company Secretary

Place: Kolkata
Date: 29 July 2020

JAGARAN MICROFIN PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹, unless otherwise stated)

	PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax	19,07,72,581	13,62,52,253
	Adjustments for:		
	Depreciation and Amortisation Expenses	48,56,527	43,86,485
	Impairment of Financial Instruments	4,53,85,422	3,23,81,240
	Dividend Income	(51,34,094)	(97,67,609)
	Interest Income on Deposits	(4,09,95,756)	(2,25,55,377)
	Operating Profit before Working Capital Changes	19,48,84,680	14,06,96,992
	Adjustment for changes in Operating Assets & Liabilities		
	<u>Adjustments for (increase)/decrease in Operating Assets:</u>		
	Loans	(78,95,47,035)	(1,66,04,73,551)
	Trade Receivables	13,33,480	33,80,117
	Other Financial Assets	(15,38,561)	(55,63,967)
	Other Non-financial Assets	39,41,257	(36,24,440)
	<u>Adjustments for increase/(decrease) in operating Liabilities:</u>		
	Trade Payables	(45,44,007)	(4,75,358)
	Provisions	19,67,761	10,18,528
	Other Non-financial Liabilities	5,11,425	15,72,734
	Cash used in Operations	(59,29,91,000)	(1,52,34,68,946)
	Income Tax Paid	(5,73,11,847)	(3,62,61,402)
	Net Cash used in Operating Activities	(65,03,02,847)	(1,55,97,30,348)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(53,72,455)	(54,88,688)
	Purchase of Investment in Mutual Fund	(3,62,26,43,434)	(4,12,36,48,528)
	Sale of Investment in Mutual Fund	3,61,76,09,841	4,12,36,48,528
	Investment in Deposits with Banks & NBFCs (net)	(26,17,40,375)	(15,96,78,911)
	Interest Income on Deposits	4,09,95,756	2,25,55,379
	Dividend Income	51,34,094	97,67,609
	Net cash used in Investing Activities	(22,60,16,573)	(13,28,44,610)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Dividend and Dividend Tax Paid	(6,29,24,365)	(2,77,91,599)
	Issue of Non-Convertible Debentures (NCDs)	22,00,00,000	55,00,00,000
	Issue of Subordinated Liabilities	5,00,00,000	-
	Borrowings from Banks and NBFCs	3,02,50,00,000	2,49,00,00,000
	Repayment of Borrowings to Banks and NBFCs	(2,45,96,62,635)	(1,29,38,61,394)
	Issue of Share Capital	9,00,00,000	-
	Net Cash generated from Financing Activities	86,24,13,000	1,71,83,47,007
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(1,39,06,420)	2,57,72,049
	Add: Cash and Cash equivalents at the beginning of the year	28,12,68,879	25,54,96,830
	Cash and Cash Equivalents at the end of year	26,73,62,459	28,12,68,879

Additional notes to Cash Flow Statement:

- Figures in brackets indicate outflows.
- Cash and bank balances includes cash equivalents (Refer Note 4)
- Previous year figures have been regrouped/restated wherever necessary

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No.: 302009E


Abhijit Bandyopadhyay
Partner





Place: Kolkata
Date: 29 July 2020


For and on Behalf of the Board of Directors
Jagaran Microfin Private Limited


Sourav Ghosh
Managing Director
DIN: 08154243


Jaydeep Ghosh
Whole Time Director & CEO
DIN: 07475085


Tirtha Pratim Sahu
Chief Financial Officer
Place: Kolkata
Date: 29 July 2020


Tanusree Ghosh
Company Secretary



JAGARAN MICROFIN PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2020

1. Corporate Information

Jagaran Microfinance Private Limited ('the Company') is incorporated under the provisions of the Companies Act, 1956. The Company is registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and has got classified as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with effect from September 27, 2013.

The Company is engaged primarily in providing micro finance services to women who are enrolled as members and organized as Joint Liability Groups ('JLG').

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 ("the Act") per read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The financial statements have been prepared on a going concern basis.

For all periods up to and including the year ended March 31, 2019, the Company had prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP) notified under section 133, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 (hereinafter referred as "Previous GAAP") and the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI.

The financial statements for the year ended March 31, 2020 are the first, the Company has prepared in accordance with Ind AS. The Company has applied Ind AS 101 - First time adoption of Indian Accounting Standards, for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note No. 42.

The financial statements have been prepared on a historical cost basis, except for certain items which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. The financial statements are presented in Indian Rupees (INR), except when otherwise indicated.

2.1. Presentation of Financial Statements

The Company presents its balance sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

2.2. Critical Accounting Estimates and Judgements

"The preparation of the Company's financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

- Business model assessment (Refer Note no. 3.13)
- Effective interest rate (EIR) (Refer Note no. 3.1.1)
- Impairment of financial assets (Refer Note no. 3.14)
- Provisions (Refer Note no. 3.8)
- Contingent liabilities and assets (Refer Note no.3.9)



JAGARAN MICROFIN PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2020

- Provision for tax expenses (Refer note no. 3.11)
- Residual value and useful life of property, plant and equipment (Refer Note no. 3.6.1)

3. Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Revenue Recognition

3.1.1 Interest Income

Interest income for all financial instruments measured at amortised cost and recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

3.1.2 Interest on financial assets at fair value through profit and loss (FVTPL) is recognised in accordance with the contractual terms of the instrument.

3.1.3 Dividend income is recognised when the right to receive payment is established.

3.1.4 The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

3.2 Finance Cost

Borrowing cost on financial liabilities are recognised by applying the EIR.

3.3 Cash and Cash Equivalents

Cash and cash equivalents, comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less, that are readily convertible to insignificant risk of changes in value.

3.4 Property, Plant and Equipment ('PPE') Initial Recognition and Measurement:

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

3.6 Depreciation and amortization

3.6.1 Depreciation

Depreciation on property, plant and equipment is measured using the straight line method as per the useful lives of the assets estimated by the management. The useful life estimated by the management is as under:



JAGARAN MICROFIN PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2020

Category of Asset	Useful Life (Years)
Furniture and fittings	10
Office equipments	05
Vehicles	08
Computers (including Servers)	03

3.6.2 Amortization

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The management has determined its estimate of useful economic life as five years. The useful lives of intangible assets are reviewed at each financial year and adjusted.

3.7 Impairment of Non-financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.9 Contingent Liabilities and Assets

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

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

3.10 Retirement and Other Employee Benefits

3.10.1 Defined Contribution Plan

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

3.10.2 Defined Benefit Plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.



3.10.3 Other Employee Benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

3.11 Taxes

3.11.1 Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

3.11.2 Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



3.13.1 Financial Assets

3.13.1.1 Initial Recognition and Measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

3.13.1.2 Classification and Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Loans at amortised cost
- Loans at fair value through other comprehensive income (FVTOCI)
- Investments in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

3.13.1.3 Loans at Amortised Costs

Loans are measured at the amortised cost if both the following conditions are met:

- (a) Such loan is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.13.1.4 Investment in Mutual Funds at Amortised Cost

Investments in liquid mutual funds are measured at amortised cost and is classified as FVTPL by accounting for any gain/loss during the period.

3.13.2 Financial Liabilities

3.13.2.1 Initial Recognition and Measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

3.13.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.13.3 Reclassification of Financial Assets and Liabilities

The company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.13.4 De-recognition of Financial Assets and Liabilities

3.13.4.1 De-recognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.



JAGARAN MICROFIN PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2020

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

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

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

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

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

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

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

On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss account.

3.13.4.2 De-recognition of Financial Liabilities

Financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the re-cognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.14 Impairment of Financial Assets

3.14.1 Overview of the Expected Credit Loss (ECL) Allowance Principles

The Company is recording the allowance for expected credit losses for all loans at amortised cost and FVOCI and other debt financial assets not held at FVTPL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in Note 3.16.2).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis for identified homogenous pool of loans.



JAGARAN MICROFIN PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2020

Accordingly, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 month ECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the company records an allowance for the LTECLs.

Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECLs.

For financial assets for which the company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) de-recognition of the financial asset.

3.14.2 The Calculation of ECL

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

ECL consists of three key components: Probability of Default (PD), Exposure at Default (EAD) and Loss given default (LGD). ECL is calculated by multiplying them. Refer Note 37 for explanation of the relevant terms.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

3.15 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

3.16 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either :- In the principal market for the asset or liability, or- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured are categorised with fair value hierarchy into Level I, Level II and Level III based on level of input.



3.17 Segment Information

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

3.18 Foreign Currency

3.18.1 All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

3.18.2 Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.

3.20 Leases (where the Company is the lessee)

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.21 New and Amended Standards adopted by the Company

The Company has applied the following standards and amendments for the first time for annual reporting period commencing from April 01, 2019.

(i) Ind AS 116 Leases

Nature of the effect of adoption of Ind AS 116 Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases - Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases.

The Company adopted Ind AS 116 retrospectively with the cumulative effect of initially applying the standard at the date of initial application and applied the Standard to its leases on a prospective basis. The adoption of the standard did not have any impact to the financial statements. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases') and lease contracts for which the underlying asset is of low value (low-value assets).

(ii) Ind AS 12 – Income Taxes – Appendix C, Uncertainty over Income Tax Treatments

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit/loss, tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition – i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The standard became effective from April 01, 2019. The Company has adopted the standard on April 01, 2019. There is no effect on adoption of Ind AS 12 Appendix C in the financial statements.



JAGARAN MICROFIN PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2020

(iii) Amendment to Ind AS 12 – Income taxes

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The adoption of the standard did not have any material impact to the financial statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend in accordance with Ind AS 12.

(iv) Amendment to Ind AS 19 – Employee benefit – plan amendment, curtailment or settlement

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The adoption of the standard did not have any material impact to the financial statements.



4 Cash and Cash Equivalents			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash in Hand	6,86,324	8,66,880	1,16,21,490
Balances with Banks - In Current Accounts	26,66,76,131	28,94,01,999	24,38,73,140
	26,73,62,459	28,17,68,879	25,54,96,830

5 Bank Balances Other than Cash and Cash Equivalents			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Balances with Banks - In Fixed Deposit Accounts* (Including accrued interest for fixed deposits)	55,99,24,920	33,64,54,499	22,90,28,421
	55,99,24,920	33,64,54,499	22,90,28,421

* Fixed Deposits are under lien against borrowings availed by the Company (except Fixed Deposits not under lien as at March 31, 2020 : ₹ 12,23,32,758, March 31, 2019 : ₹ Nil, April 01, 2018 : ₹ Nil)

6 Receivables			
Trade Receivables*			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(a) Unsecured Considered Good	1,15,302	14,48,782	48,28,899
Less: Allowance for impairment loss allowance	-	-	-
	1,15,302	14,48,782	48,28,899
(b) Credit Impaired	-	94,725	-
Less: Allowance for Impairment Loss Allowance	-	(94,725)	-
	-	-	-
	1,15,302	14,48,782	48,28,899

*Trade Receivables includes dues in respect of Commission on Business Correspondance (BC) Income

Ageing of Trade Receivables and Credit Risk arising therefrom is as below:

Particulars	As at March 31, 2020		
	Gross Carrying Amount	Allowance for Credit Loss	Net Carrying Amount
Overdue till Three Months	1,15,302	-	1,15,302
Overdue between Three to Six Months	-	-	-
Overdue between Six Months to One year	-	-	-
More than 1 year overdue	-	-	-
	1,15,302	-	1,15,302

Particulars	As at March 31, 2019		
	Gross Carrying Amount	Allowance for Credit Loss	Net Carrying Amount
Overdue till Three Months	14,48,782	-	14,48,782
Overdue between Three to Six Months	-	-	-
Overdue between Six Months to One year	94,725	(94,725)	-
More than 1 year overdue	-	-	-
	15,43,507	(94,725)	14,48,782

Particulars	As at April 01, 2018		
	Gross Carrying Amount	Allowance for Credit Loss	Net Carrying Amount
Overdue till Three Months	48,28,899	-	48,28,899
Overdue between Three to Six Months	-	-	-
Overdue between Six Months to One year	-	-	-
More than 1 year overdue	-	-	-
	48,28,899	-	48,28,899

7 Loans			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(Rescheduled, At Amortised Cost)			
Term Loans	4,73,45,61,860	3,95,06,65,029	2,30,60,72,625
Total (Gross)	4,73,45,61,860	3,95,06,65,029	2,30,60,72,625
Less: Impairment Loss Allowance	7,94,87,383	3,97,52,165	2,32,52,072
Total (Net)	4,65,50,74,477	3,91,09,12,864	2,28,28,20,553
In India			
Others	4,73,45,61,860	3,95,06,65,029	2,30,60,72,625
Less: Impairment Loss Allowance	7,94,87,383	3,97,52,165	2,32,52,072
Total (Net)	4,65,50,74,477	3,91,09,12,864	2,28,28,20,553

Note 1: The contractual amount outstanding on Financial Assets that were written off during the reporting period and are still subject to enforcement activity as on March 31, 2020 is ₹ 60,05,593 (Previous year ₹ 1,71,67,331)

Note 2: The change in Expected Credit Loss Allowance of the portfolio was driven by a change in the size of the portfolio and movements between age buckets as a result of increase or decrease in credit risk of the receivables.

8 Investments			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Investment in Mutual Fund (Wholly In India) - At Fair Value through Profit and Loss	50,33,593	-	-
(9325.768 units of HDFC Liquid Fund as on March 31, 2020, March 31, 2019 : ₹ Nil, April 1, 2018 : ₹ Nil)	50,33,593	-	-

9 Other Financial Assets			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Security Deposit	79,63,160	76,51,909	11,27,582
Term Deposits with Non Banking Financial Companies*	18,26,77,426	14,44,07,472	3,21,54,839
Receivables in respect of TDS Amount	29,14,018	21,39,948	25,72,330
Other Advances	3,00,338	45,000	3,72,675
	18,38,52,842	15,40,44,327	5,62,27,526
Less: Impairment Loss Allowance	-	-	-
Total	18,38,52,842	15,40,44,327	5,62,27,526

* Term deposits are under lien against borrowings



10 Current Tax Assets (Net)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advance Income Tax [net of Income tax provision of ₹ 9,26,67,420 (March 31, 2019 : ₹ 5,03,71,573, April 1, 2018: ₹ 5,03,71,573)]	53,20,278	44,36,931	43,68,533
	53,20,278	44,36,931	43,68,533

11 Deferred Tax Assets (Net)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Tax Effect on Items constituting Deferred Tax Asset:			
Financial Assets at Amortised Cost	1,31,41,773	1,00,67,608	62,58,579
Provision for Impairment Loss Allowance	2,05,82,720	79,75,170	51,55,528
Disallowance under Section 43B of the Income Tax Act, 1961	30,93,483	21,14,205	16,98,071
Total Deferred Tax Assets	3,68,17,976	2,01,56,983	1,31,12,178
Tax Effect on Items constituting Deferred Tax Liability:			
Property, Plant and Equipment and Intangible Assets	1,90,954	(1,60,614)	(6,30,974)
Financial Liabilities at Amortised Cost	(93,41,314)	(83,23,739)	(62,20,108)
Total Deferred Tax Liabilities	(91,50,360)	(84,84,353)	(68,51,082)
Deferred Tax Asset (Net)	2,76,67,616	1,16,72,630	62,61,096

11.1 Movement in Deferred Tax Assets for year ended March 31, 2020:

Particulars	As at April 01, 2019	Statement of Profit or Loss	Other Comprehensive Income	As at March 31, 2020
Deferred Tax Assets for Deductible Temporary Differences on:				
Financial Assets at Amortised Cost	1,00,67,608	30,74,165	-	1,31,41,773
Provision for Impairment Loss Allowance	79,75,170	1,26,07,550	-	2,05,82,720
Disallowance under section 43B of the Income Tax Act, 1961	21,14,205	4,92,903	(4,86,375)	30,93,483
Total	2,01,56,983	1,61,74,618	(4,86,375)	3,68,17,976
Deferred Tax Liabilities for Taxable Temporary Differences on:				
Property, Plant and Equipment and Intangible Assets	(1,60,614)	3,51,568	-	1,90,954
Financial Liabilities at Amortised Cost	(83,23,739)	(10,17,575)	-	(93,41,314)
Total	(84,84,353)	(6,66,007)	-	(91,50,360)
Deferred Tax Asset (Net)	1,16,72,630	1,55,08,611	(4,86,375)	2,76,67,616

Movement in Deferred Tax Assets for year ended March 31, 2019:

Particulars	As at April 01, 2018	Statement of Profit or Loss	Other Comprehensive Income	As at March 31, 2019
Deferred Tax Assets for Deductible Temporary Differences on:				
Financial Assets at Amortised Cost	62,58,579	38,09,029	-	1,00,67,608
Provision for Impairment Loss Allowance	51,55,528	28,19,642	-	79,75,170
Disallowance under section 43B of the Income Tax Act, 1961	16,98,071	4,53,587	(37,453)	21,14,205
Total	1,31,12,178	70,82,258	(37,453)	2,01,56,983
Deferred Tax Liabilities for Taxable Temporary Differences on:				
Property, Plant and Equipment and Intangible Assets	(6,30,974)	4,70,360	-	(1,60,614)
Financial Liabilities at Amortised Cost	(62,20,108)	(21,03,631)	-	(83,23,739)
Total	(68,51,082)	(16,33,271)	-	(84,84,353)
Deferred Tax Asset (Net)	62,61,096	54,48,987	(37,453)	1,16,72,630

Note:
Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to set off Current Tax Assets against Current Tax Liabilities and where the Deferred Tax Assets and Deferred Tax Liabilities relate to Income Taxes levied by the same taxation authority.

11.2 Current Tax and Deferred Tax

Income Tax Expense		
Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax	5,76,38,648	4,22,95,847
Deferred Tax Asset (Net)	(1,55,08,611)	(54,48,987)
	4,21,30,037	3,68,46,860

Other Comprehensive Income		
Particulars	As at March 31, 2020	As at March 31, 2019
Other Comprehensive Income	4,86,375	(37,453)
	4,86,375	(37,453)

Reconciliation of Book Profit and Tax Expense		
Particulars	As at March 31, 2020	As at March 31, 2019
Profit before Tax	19,07,72,581	13,62,52,253
Income Tax using the Company's Domestic Tax Rate*	4,79,94,566	3,96,76,656
Effect of Income Exempt from Tax/ Items Not Deductible	(20,73,781)	(23,29,490)
Effect of Change in Substantially Enacted Tax Rate	(37,90,748)	(1,00,356)
	4,21,30,037	3,68,46,860

*The Tax Rate used for 2019-2020 and 2018-2019 reconciliations above comprises of Corporate Tax Rate of 22% and 20% respectively, applicable Surcharge and Cess, payable by corporate entities in India on taxable profits under the Income Tax Act, 1961.



12 Property, Plant and Equipment

Particulars	Owned Assets				
	Computer	Furniture and Fixtures	Office Equipment	Vehicles	Total
Gross Block					
Balance as at April 01, 2018	41,12,377	29,29,428	32,23,798	5,67,739	1,08,33,342
Additions	18,28,610	8,99,298	3,90,526	8,78,904	39,97,338
Disposal	-	-	-	-	-
Balance as at March 31, 2019	59,40,987	38,28,726	36,14,324	14,46,643	1,48,30,680
Additions	16,14,228	6,64,417	12,82,132	-	35,60,777
Disposal	-	-	-	-	-
Balance as at March 31, 2020	75,55,215	44,93,143	48,96,456	14,46,643	1,83,91,457
Accumulated Depreciation and Impairment					
Balance as at April 01, 2018	-	-	-	-	-
Charge for the year	21,25,697	4,71,069	9,46,271	1,15,771	36,58,808
Disposal/Adjustments	-	-	-	-	-
Balance as at March 31, 2019	21,25,697	4,71,069	9,46,271	1,15,771	36,58,808
Charge for the year	20,52,513	4,99,281	9,71,301	1,90,222	37,13,317
Disposal/Adjustments	-	-	-	-	-
Balance as at March 31, 2020	41,78,210	9,70,350	19,17,572	3,05,993	73,72,125
Net Block					
Balance as at April 01, 2018	41,12,377	29,29,428	32,23,798	5,67,739	1,08,33,342
Balance as at March 31, 2019	38,15,290	33,57,657	26,68,053	13,30,872	1,11,71,872
Balance as at March 31, 2020	33,77,005	35,22,793	29,78,884	11,40,650	1,10,19,332

13 Other Intangible Assets

Particulars	Owned Assets	
	Computer Software	Total
Gross Block		
Balance as at April 01, 2018	19,64,367	19,64,367
Additions	14,91,350	14,91,350
Disposal	-	-
Balance as at March 31, 2019	34,55,717	34,55,717
Additions	18,11,678	18,11,678
Disposal	-	-
Balance as at March 31, 2020	52,67,395	52,67,395
Accumulated Depreciation and Impairment		
Balance as at April 01, 2018	-	-
Charge for the year	7,27,677	7,27,677
Disposal/Adjustments	-	-
Balance as at March 31, 2019	7,27,677	7,27,677
Charge for the year	11,43,210	11,43,210
Disposal/Adjustments	-	-
Balance as at March 31, 2020	18,70,887	18,70,887
Net Block		
Balance as at April 01, 2018	19,64,367	19,64,367
Balance as at March 31, 2019	27,28,040	27,28,040
Balance as at March 31, 2020	33,96,508	33,96,508

14 Other Non-Financial Assets

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advance to Employees	9,64,039	4,46,876	1,03,092
Security Deposit	-	46,50,400	-
Prepaid Expenses	8,37,659	10,18,404	9,43,634
Advance to Insurance Companies	7,57,402	2,61,656	49,585
Other Advances	45,000	1,68,021	18,24,606
Total	26,04,100	65,45,357	29,20,917



15 Payables

(i) Trade Payables:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises			
- Employee Payables	72,84,095	1,37,14,932	1,10,91,183
- Others*	95,69,314	76,82,484	1,07,81,591
	1,68,53,409	2,13,97,416	2,18,72,774

* Includes Insurance Payable for ₹ 58,71,655/- (March 31, 2019 : ₹ 41,87,390/-, April 01, 2018: ₹ 68,83,456/-)

16 Debt Securities

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
At Amortised Cost			
Non Convertible Debentures - Listed (Secured)*	80,70,31,446	57,91,23,752	-
	80,70,31,446	57,91,23,752	-
Debt Securities in India	80,70,31,446	57,91,23,752	-
Debt Securities outside India	-	-	-
	80,70,31,446	57,91,23,752	-

* Debentures are secured against hypothecation of Book Debts of the Company.

* During the year ended 31 March 2020, the Company has raised ₹ 2,200 lakhs (FY 2018-2019: ₹ 5,500 lakhs; FY 2017-2018: ₹ Nil) through private issue of secured, listed Non-Convertible Debentures which are secured against hypothecation of Book Debts of the Company. The Debentures has tenure of 60 months and carries rate of interest at 13.000% and are redeemable at par in single instalment. The debentures issued during the previous year have a tenure of 48 months carries interest rate of 13.0465%. These debentures further contains both put and call option exercisable on or after twenty four months from the date of the issue.

17.1 Borrowings (other than Debt Securities)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Term loans (Secured)			
At Amortised Cost			
From Banks	1,54,65,62,997	1,26,55,81,794	92,53,40,174
From Non banking Financial Companies	2,28,22,44,319	1,83,12,21,020	1,20,04,06,375
Collateralised Borrowings #	2,13,41,959	19,59,58,591	-
Total	3,85,01,49,275	3,29,27,61,405	2,12,57,46,549
Borrowings in India*	3,85,01,49,275	3,29,27,61,405	2,12,57,46,549
Borrowings outside India	-	-	-
	3,85,01,49,275	3,29,27,61,405	2,12,57,46,549

This represent amount received against assignment of Business Correspondence (BC) portfolio, which does not qualify for de-recognition under Ind AS 109.

* The loans are fully secured against hypothecation of Book Debts (refer note 17A).



17A. Details of repayment for the borrowings from Banks, NBFCs, MCD and Security provided in respect of the same.

Particulars	Details of Security	Terms of repayment	As at March 31, 2020		As at March 31, 2019		As at March 31, 2018	
			Instalment due (Range)	Total	Instalment due (Range)	Total	Instalment due (Range)	Total
Term loans from Banks:								
DBL Bank	Hypothecation of Book Debt, Term deposit & Corporate Guarantee of GTFS Multi Services Limited (GTFSMSL)	Monthly	16	9,28,40,134	24	24,58,70,820	6	2,52,53,723
Punjab & Sind Bank	Hypothecation of Book Debt, Cash Margin, Corporate Guarantee of GTFSMSL	Monthly	9	1,51,35,346	21	3,18,06,112	13	4,09,55,249
SEHA Bank	Hypothecation of Book Debt, Term deposit & Corporate Guarantee of GTFSMSL	Monthly	-	-	11	1,65,10,535	15	3,44,72,635
Vijaya Bank	Hypothecation of Book Debt, Cash Margin, Corporate Guarantee of GTFSMSL	Monthly	3	1,69,40,437	9-15	6,61,22,247	14	12,81,75,106
South Indian Bank	Hypothecation of Book Debt, Term deposit & Corporate Guarantee of GTFSMSL	Monthly	-	-	11	30,10,375	19	1,89,33,794
Syndicate Bank	Hypothecation of Book Debt, Cash Margin, Corporate Guarantee of GTFSMSL	Quarterly	1	1,11,56,688	5	5,55,69,442	3	9,99,18,307
UCO Bank	Hypothecation of Book Debt, Term deposit & Corporate Guarantee of GTFSMSL	EM	3-9	23,65,63,168	15-21	8,43,70,991	27-33	13,54,59,656
Bank of Baroda	Hypothecation of Book Debt, Term deposit & Corporate Guarantee of GTFSMSL	Quarterly	4	7,00,10,832	7	3,48,18,351	11	5,44,00,351
Bank of Maharashtra	Hypothecation of Book Debt, Term deposit & Corporate Guarantee of GTFSMSL	Monthly	12	1,34,25,062	21	5,39,06,858	35	9,99,50,548
Capital Small Finance Bank	Hypothecation of Book Debt, Term deposit & Corporate Guarantee of GTFSMSL	EM	3	1,42,28,308	15	6,79,93,658	24	9,95,91,026
State Bank of India	Hypothecation of Book Debt, Cash Margin, Corporate Guarantee of GTFSMSL	Monthly	21-32	42,23,65,223	8-33	25,10,76,950	1-25	17,92,69,781
COO Bank	Hypothecation of Book Debt, Cash Margin, Corporate Guarantee of GTFSMSL	Monthly	10	8,20,73,363	22	14,82,94,579	-	-
UAF Small Finance Bank	Hypothecation of Book Debt, Cash Margin, Corporate Guarantee of GTFSMSL	Monthly	10	5,33,24,434	22	9,89,84,918	-	-
SFC Bank	Hypothecation of Book Debt, Corporate Guarantee of GTFSMSL	Quarterly & Monthly	10-24	22,35,29,013	21-36	27,76,40,103	4-8	-
Adityan Bank	Hypothecation of Book Debt, Corporate Guarantee of GTFSMSL	Monthly	5	9,15,38,429	-	-	-	-
Ujjain Small Finance Bank	Hypothecation of Book Debt, Corporate Guarantee of GTFSMSL	Monthly	25	9,97,57,466	-	-	-	-
Carera Bank	Hypothecation of Book Debt, Corporate Guarantee of GTFSMSL	Monthly	13	4,35,94,282	-	-	-	-
Orient Bank Of Commerce	Hypothecation of Book Debt, Corporate Guarantee of GTFSMSL	Monthly	48	15,05,38,136	-	-	-	-
Indian Bank	Hypothecation of Book Debt, Corporate Guarantee of GTFSMSL	Monthly	10	8,97,79,468	-	-	-	-
Total - Term loans from Banks (A)				1,56,79,04,968		1,46,15,40,385		92,53,40,174
Term loans from NBFC:								
Avaya Finance for Inclusive Growth (P) Limited	Hypothecation of Book Debt, Margin	Monthly	22	7,09,14,544	11	4,63,70,067	5	16,48,98,120
Capital First (India) (PFC First Bank)	Hypothecation of Book Debt, Corporate Guarantee of Housing Company (GTFSMSL)	Quarterly	-	-	-	-	-	19,31,61,601
Mannanaya Development & Finance Limited	Hypothecation of Book Debt, Cash Margin	Monthly	16-18	30,38,11,159	26	12,81,77,031	-	-
Habermas (India) Private Limited	Hypothecation of Book Debt, Corporate Guarantee of GTFSMSL, Fixed Deposit	Quarterly	1-8	14,51,17,288	4-13	10,47,87,192	8	3,47,33,854
Ruband Finance Services Limited	Hypothecation of Book Debt, Fixed Deposit	Monthly	7	1,95,41,911	19	5,28,60,899	1-4	2,36,14,782
Sri Sree Finavia (India) Private Limited	Hypothecation of Book Debt, Fixed Deposit	EM	13	3,75,17,448	5-6	2,23,14,720	14-18	9,14,48,400
Electrovia Finance Limited	Hypothecation of Book Debt, Deposit	EM	4-18	2,65,76,728	16	2,00,70,503	-	-
Mathool Capital Services Private Limited	Hypothecation of Book Debt, Comfort Letter of GTFSMSL	Monthly	-	-	10	2,07,45,475	3-27	5,98,05,288
Micro Capital Services Private Limited	Hypothecation of Book Debt, Comfort Letter of GTFSMSL	EM	4-19	9,18,76,726	16	6,26,02,653	-	-
Supreya Capital Services Limited	Hypothecation of Book Debt, Fixed Deposit	EM	4	1,74,69,304	4	66,73,064	-	-
Balance Capital	Hypothecation of Book Debt, Fixed Deposit	Monthly	-	-	-	-	7-8	6,63,32,618
MAG Finance Services Limited	Hypothecation of Book Debt, Fixed Deposit, Corporate Guarantee of GTFSMSL	Monthly	4-24	94,33,06,396	1-24	72,35,97,916	8-20	17,77,20,684
Suruba Lend Finance Limited	Hypothecation of Book Debt, Deposit and Comfort Letter of GTFSMSL	EM	10-18	21,40,70,481	21-29	12,13,04,687	24	6,64,37,213
Capital Microfund India Housing Finance Company Pvt. Ltd	Hypothecation of Book Debt, Comfort Letter of GTFSMSL	EM	24-28	6,38,32,510	35-44	8,16,84,681	48	7,89,41,771
DATA Capital Financial Services Limited	Hypothecation of Book Debt, Fixed Deposit and Corporate Guarantee of GTFSMSL	Quarterly	1	87,76,662	5	4,33,33,657	1	1,23,25,147
Ayazee Financial Services Limited	Hypothecation of Book Debt, Fixed Deposit	EM	-	-	12	4,29,00,761	-	-
NABOSAN Finance Limited	Hypothecation of Book Debt, Fixed Deposit, Comfort Letter of GTFSMSL	Quarterly	9	11,02,13,421	12	14,92,03,370	-	-
Carin Creditcare Network Limited	Hypothecation of Book Debt, Deposit	EM	7	2,89,24,943	18	6,90,08,917	-	-
Sri Sri Pooja Limited	Hypothecation of Book Debt, Deposit	EM	15	1,27,83,518	18	3,09,50,500	-	-
Seban Finance Services Limited	Hypothecation of Book Debt, Deposit	EM	12	3,65,68,969	24	4,94,82,110	-	-
Western Capital Advisory Services Limited	Hypothecation of Book Debt, Deposit	Monthly	12	2,70,31,497	24	4,94,64,903	-	-
Shree Star Build Cap	Hypothecation of Book Debt, Deposit	Monthly	14-75	9,28,41,671	-	-	-	-
Southern Merchandise Pvt. Ltd	Hypothecation of Book Debt, Fixed Deposit and Corporate Guarantee of GTFSMSL	Monthly	15	4,65,64,271	-	-	-	-
Ecara Leasing and Financing Ltd	Hypothecation of Book Debt, Cash Margin	Monthly	20	4,13,65,766	-	-	-	-
Hero FinCorp	Hypothecation of Book Debt, Cash Margin	Monthly	14-75	3,19,45,322	-	-	-	-
Total - Term loans from NBFCs (B)				2,28,22,44,313		1,81,12,21,020		3,20,64,06,375
Total (A+B)				3,85,01,49,281		3,27,27,61,405		3,13,17,46,549



17.2 Subordinated Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured			
Subordinated Debt (Tier II Capital)*	5,00,41,802	-	-
	5,00,41,802	-	-
Subordinated Liabilities in India	5,00,41,802	-	-
Subordinated Liabilities outside India	-	-	-
	5,00,41,802	-	-

*During the year ended 31 March 2020, the company has raised ₹ 500 lakhs (Previous Years ₹ Nil) as Subordinated Debt having a tenure of 72 months and carries rate of interest at 17.00% and are repayable in two equal instalments at end of 5.5 years and 6 years from the date of disbursement.

18. Current Tax Liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Income Tax [Net of Advance Tax of ₹ 5,03,25,658 (March 31, 2019 : ₹ 4,31,79,194, April 1, 2018: ₹ Nil)]	73,12,991	61,02,843	-
	73,12,991	61,02,843	-

19. Provisions

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Compensated Absence	35,73,259	20,29,926	12,41,821
Provision for Gratuity (refer note 36)	25,00,560	1,43,620	41,813
	60,73,819	21,73,546	12,83,634

20. Other Non-financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Statutory Dues Payable	62,22,851	57,11,427	41,38,692
	62,22,851	57,11,427	41,38,692



21. Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount	Number	Amount	Number	Amount
Authorized share capital						
Equity Shares of ₹ 10 each	7,50,00,000	75,00,00,000	7,50,00,000	75,00,00,000	7,50,00,000	75,00,00,000
issued, Subscribed and Fully Paid Up	7,50,00,000	75,00,00,000	7,50,00,000	75,00,00,000	7,50,00,000	75,00,00,000
Equity Shares of ₹ 10 each	4,82,96,200	48,29,62,000	4,34,96,200	43,49,62,000	4,34,96,200	43,49,62,000
	4,82,96,200	48,29,62,000	4,34,96,200	43,49,62,000	4,34,96,200	43,49,62,000

(a) Reconciliation of Shares Outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	4,34,96,200	43,49,62,000	4,34,96,200	43,49,62,000	4,34,96,200	43,49,62,000
Add: Issued during the Year	48,00,000	4,80,00,000	-	-	-	-
Balance at the end of the year	4,82,96,200	48,29,62,000	4,34,96,200	43,49,62,000	4,34,96,200	43,49,62,000

(b) Details of Shareholders holding more than 5% of the Aggregate Shares in the Company:

Name of the Shareholders	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Percentage	Number	Percentage	Number	Percentage
Fully Paid-up Equity Shares of ₹ 10 each:						
(a) GTFS (Multi Services Private Limited)	3,48,15,600	72.09	3,48,15,600	80.04	3,48,15,600	80.04

(c) Terms/ Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per Share. Such holder of Equity Share is entitled to one vote per Share. In the event of liquidation, the Equity Shareholders are entitled to receive the remaining Assets of the Company after distribution of all Preferential amounts, in proportion to their shareholdings. However, no such preferential amounts exists currently.

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Particulars	As at March 31, 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Other Equity				
Securities Premium				
Opening Balance	4,85,13,000	4,85,13,000		
Add: Received on Issue of Equity Shares for the year	4,20,00,000			
Closing Balance	9,05,13,000	4,85,13,000		
Statutory Reserve				
Opening Balance	8,35,48,746	6,96,99,607		
Add: Transferred from Surplus in the Statement of Profit and Loss for the year*	7,37,28,508	1,91,81,079		
Closing Balance	11,42,49,255	8,88,40,746		
Retained Earnings				
Opening Balance	25,43,98,046	19,95,74,168		
Add: Profit after Tax Transferred from Statement of Profit and Loss	14,86,47,544	9,94,05,203		
Add: Other Comprehensive Income/(Loss) Transferred from/to Statement of Profit and Loss	(1,45,13,771)	91,163		
Less: Dividend Paid	(5,21,05,460)	(3,95,51,987)		
Less: Dividend Distribution Tax Paid	1,07,28,925	47,38,611		
Less: Amount Transferred to Statutory Reserves	2,97,28,508	1,98,81,079		
Closing Balance	50,67,23,814	37,84,51,202		

* The amount transferred to Statutory Reserves has been calculated in accordance with the provision of Section 45-IC of the RBI Act, 1934 which requires transfer of 20% of the Profit after Tax to the Statutory Reserves. However, the Profit for Previous Year has been restated for the impact of Ind AS readjustment items and the amount transferred to Statutory Reserve has been computed on the Profit as per IndAS.

Nature and Purpose of Reserves:

i) Securities Premium
Securities Premium is used to record the Premium on issue of Shares. The Reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

ii) Statutory Reserve

Statutory Reserve has been created out of Profits earned by the Company in the Previous Years. The Company has transferred 20% of the Profit after Tax to the Statutory Reserve in accordance with the provision of Section 45 - IC of the RBI Act, 1934.

iii) Retained Earnings

Retained Earnings are the Profits that the Company has earned till date, less any transfer to General Reserves, Dividends and other distributions made to the Shareholders.



JAGARAN MICROFIN PRIVATE LIMITED**Notes to the Financial Statements for the Year ended March 31, 2020**

(All amount in ₹, unless otherwise stated)

23 Interest Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
On Financial Assets measured at Amortised Cost		
Interest Income on Loans	1,01,62,84,713	72,78,97,150
Interest Income on Deposits	4,09,95,756	2,25,55,377
	1,05,72,80,469	75,04,52,527

24 Dividend Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Dividend Income	51,34,094	97,67,609
	51,34,094	97,67,609

25 Other Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Miscellaneous Income*	11,06,668	20,59,654
	11,06,668	20,59,654

* Includes bad debt recovery for FY 2019-20: ₹ 11,06,072/- (Previous Year: ₹ 6,38,685/-) and Liability written Back for FY 2019-20: ₹ 596/-, (Previous Year: ₹ 13,83,982/-).

26 Finance Costs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Borrowings	48,51,39,439	34,91,33,767
Interest on Debt Securities	8,44,37,805	5,17,78,354
Interest on Subordinated Liabilities	42,79,149	-
Other Interest Expense	52,88,235	17,46,272
	57,91,44,628	40,26,58,393

27 Impairment on Financial Instruments

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
On Financial instruments measured at Amortised Cost		
Loans	4,53,85,422	3,22,86,515
Trade Receivables	-	94,725
	4,53,85,422	3,23,81,240

28 Employee Benefits Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Wages	13,56,25,150	9,95,70,094
Contribution to Provident and Other Funds	1,33,58,105	94,35,918
Staff Welfare Expenses	41,93,386	30,81,320
	15,31,76,641	11,20,87,332



JAGARAN MICROFIN PRIVATE LIMITED**Notes to the Financial Statements for the Year ended March 31, 2020**

(All amount in ₹ , unless otherwise stated)

29 Depreciation and Amortisation Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Property, Plant and Equipment	37,13,317	36,58,808
Amortisation of Intangible Assets	11,43,210	7,27,677
	48,56,527	43,86,485

30 Other Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Electricity Charges	27,88,024	29,63,460
Rent (Refer Note 35)	3,08,79,283	2,45,35,570
Repairs & Maintenance	11,80,081	14,04,877
Software Maintenance	8,92,583	11,47,255
Director Sitting Fees	23,70,750	23,76,200
Printing & Stationery	35,75,093	24,19,542
Telephone Expenses	36,93,436	27,65,076
Travelling Expenses	1,60,96,704	84,95,660
Membership Fees	13,79,774	10,72,579
Professional Fees	48,48,102	47,18,057
Statutory Auditor's Remuneration		
- For Statutory Audit	17,00,000	17,00,000
- For Tax Audit	2,00,000	2,00,000
- For Certification Fees	3,00,000	2,00,000
- For Out of Pocket Expenses	50,816	-
Corporate Social Responsibility ('CSR') Expenses (refer note 34)	62,78,946	16,35,916
Consultancy Charges	56,62,061	81,84,620
Training Expenses	13,85,072	12,03,011
Rates & Taxes	10,37,886	2,72,673
Internal Audit Fees	17,48,585	14,13,580
Security & Contractual Manpower Expenses	4,79,909	5,99,325
Insurance Premium Paid	14,27,468	13,31,321
Miscellaneous Expenses	22,10,859	58,75,365
	9,01,85,432	7,45,14,087



31: Additional Information to the Financial Statements

31.1: Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Contingent Liabilities	NIL	NIL	NIL
Commitments			
Estimated Amount of Contracts remaining to be executed on Capital Account and not provided for :	NIL	NIL	NIL

31.2: Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The amount due to the Micro and Small Enterprise as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of the information available with the Company. The disclosure relating to the Micro and Small Enterprise as at March 31, 2020 are as under:

Description	Year ended March 31, 2020	Year ended March 31, 2019	Year ended April 01, 2018
a. The Principal Amount remaining unpaid to Supplier as at end of the year	-	-	-
b. Interest Due as on remaining unpaid to Supplier as at the end of the year	-	-	-
c. Amount of Interest Due and Payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding Interest specified under the Act	-	-	-
d. Amount of Interest accrued and remaining unpaid as at end of the year	-	-	-
e. The amount of further interest remaining due and payable even in the succeeding year 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	-	-	-

31.3: Proposed Dividend on Equity Shares

On July 29, 2020, the Board of Directors of the Company have proposed a final dividend of ₹ 0.80/- per share in respect of the year ending March 31, 2020 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 3,86,36,960/-.



JAGARAN MICROFIN PRIVATE LIMITED
Notes forming part of Financial Statements
(All amount in ₹ , unless otherwise stated)

32: List of Related Parties and Relationship

Name	Relationship
GTFS Multi Services Limited	Holding Company
Ms. Abira Majumder	Individual having significant influence
Ms. Aatreyee Majumder	Key Management Personnel (from 08-03-2019) - Whole Time Director (from 14-11-2019) and Relative of Individuals having significant influence.
Mr. Adipta Majumder	Individual having significant influence.
Mr. Bhabesh Majumder	Relative of Individuals having significant influence.
Mrs. Sona Majumder	Relative of Individuals having significant influence.
Mr. Sourav Ghosh	Key Management Personnel (from 08-03-2019) - Managing Director (from 17-01-2020) and Relative of Individuals having significant influence.
Mr. Indrajit Gupta	Key Management Personnel - Chairman, Executive Director (till 16-01-2020)
Mr. Jaydeep Ghosh	Key Management Personnel - Whole Time Director and CEO (from 14-11-2019)

Transaction with Related Parties

Particulars	Holding Company	Key Management Personal	Individual and Relatives of Individuals having Significant Influence
Dividend Paid	4,17,78,720	-	77,52,600
	(1,84,52,269)	(-)	(34,18,712)
Rent and Maintenance Charges	1,99,25,679	-	-
	(1,86,11,066)	(-)	(-)
Security Deposit for Rent	-	-	-
	(69,75,600)	(-)	(-)
Advance Rent Paid	-	-	-
	(69,75,600)	(-)	(-)
Advance Rent Adjusted against Rent Paid	43,59,750	-	-
	(26,15,850)	(-)	(-)
Rent and Maintenance Charges (paid to Mr. Bhabesh Majumder)	-	-	2,83,200
	(-)	(-)	(2,83,200)
Share Capital including Premium (Issued to Ms. Abira Majumder)	-	-	3,75,99,375
	(-)	(-)	(-)
Share Capital including Premium (Issued to Ms. Aatreyee Majumder)	-	2,61,52,500	-
	(-)	(-)	(-)
Share Capital including Premium (Issued to Mr. Adipta Majumder)	-	-	2,62,48,125
	(-)	(-)	(-)
Remuneration of Mr. Indrajit Gupta	-	25,99,193	-
	(-)	(31,20,000)	(-)
Remuneration of Mr. Jayanta Majumder	-	-	-
	(-)	(13,81,320)	(-)
Remuneration of Mr. Sourav Ghosh	-	26,02,896	-
	(-)	(1,66,917)	(-)
Remuneration of Ms. Aatreyee Majumder	-	24,85,427	-
	(-)	(1,45,239)	(-)
Remuneration of Mr. Jaydeep Ghosh	-	26,71,260	-
	(-)	(14,37,530)	(-)

previous year's numbers are disclosed in bracket



32: List of Related Parties and Relationship (Continued)

Balance Outstanding Payable as at March 31, 2020

Particulars	Holding Company	Key Management Personal	Individual and Relatives of Individuals having Significant Influence
Rent and Maintenance Charges (Balance as at March 31, 2020)	-	-	-
Rent and Maintenance Charges (Balance as at March 31, 2019)	(-)	(-)	(-)
Rent and Maintenance Charges (Balance as at April 01, 2018)	(1,89,540)	(-)	(-)
Remuneration of Mr. Indrajit Gupta (Balance as at March 31, 2020)	-	-	-
Remuneration of Mr. Indrajit Gupta (Balance as at March 31, 2019)	(-)	(20,610)	(-)
Remuneration of Mr. Indrajit Gupta (Balance as at April 01, 2018)	(-)	(80,519)	(-)
Remuneration of Mr. Sourav Ghosh (Balance as at March 31, 2020)	-	-	-
Remuneration of Mr. Sourav Ghosh (Balance as at March 31, 2019)	(-)	(1,14,050)	(-)
Remuneration of Mr. Sourav Ghosh (Balance as at April 01, 2018)	(-)	(-)	(-)
Remuneration of Ms. Aatreyee Majumder (Balance as at March 31, 2020)	-	-	-
Remuneration of Ms. Aatreyee Majumder (Balance as at March 31, 2019)	(-)	(1,25,529)	(-)
Remuneration of Ms. Aatreyee Majumder (Balance as at April 01, 2018)	(-)	(-)	(-)
Equity Share Capital of GTFS Multi Services Private Limited	34,81,56,000	-	-
Equity Share Capital of GTFS Multi Services Private Limited	(34,81,56,000)	(-)	(-)
Equity Share Capital of GTFS Multi Services Private Limited	(34,81,56,000)	(-)	(-)
Equity Share Capital of Ms. Aatreyee Majumder (Balance as at March 31, 2020)	-	2,99,49,000	-
Equity Share Capital of Ms. Aatreyee Majumder (Balance as at March 31, 2019)	(-)	(1,60,01,000)	(-)
Equity Share Capital of Ms. Aatreyee Majumder (Balance as at April 01, 2018)	(-)	(1,60,01,000)	(-)
Equity Share Capital of Mr. Abira Majumder (Balance as at March 31, 2020)	-	-	3,65,54,000
Equity Share Capital of Mr. Abira Majumder (Balance as at March 31, 2019)	(-)	(-)	(1,60,01,000)
Equity Share Capital of Mr. Abira Majumder (Balance as at April 01, 2018)	(-)	(-)	(1,60,01,000)
Equity Share Capital of Mr. Adipta Majumder (Balance as at March 31, 2020)	-	-	3,00,00,000
Equity Share Capital of Mr. Adipta Majumder (Balance as at March 31, 2019)	(-)	(-)	(1,60,01,000)
Equity Share Capital of Mr. Adipta Majumder (Balance as at April 01, 2018)	(-)	(-)	(1,60,01,000)
Equity Share Capital of Mr. Sona Majumder	-	-	1,60,01,000
Equity Share Capital of Mr. Sona Majumder	(-)	(-)	(1,60,01,000)
Equity Share Capital of Mr. Sona Majumder	(-)	(-)	(1,60,01,000)
Remuneration of Mr. Jaydeep Ghosh (Balance as at March 31, 2020)	-	-	-
Remuneration of Mr. Jaydeep Ghosh (Balance as at March 31, 2019)	(-)	(1,75,455)	(-)
Remuneration of Mr. Jaydeep Ghosh (Balance as at April 01, 2018)	(-)	(-)	(-)
Security Deposit for Rent (Balance as at March 31, 2020)	69,75,600	-	-
Security Deposit for Rent (Balance as at March 31, 2019)	(69,75,600)	(-)	(-)
Security Deposit for Rent (Balance as at April 01, 2018)	(4,50,000)	(-)	(-)
Advance Rent (Balance as at March 31, 2020)	-	-	-
Advance Rent (Balance as at March 31, 2019)	(43,59,750)	(-)	(-)
Advance Rent (Balance as at April 01, 2018)	(-)	(-)	(-)

previous year's numbers are disclosed in bracket

33: Earnings Per Share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year available to Equity Shareholders (₹)	14,71,96,407	9,94,96,556
Weighted Average Number of Equity Shares	4,59,88,003	4,29,49,481
Nominal Value per Equity Share (₹)	10	10
Basic and Diluted Earnings per Share (₹)	3.20	2.32

34 : Corporate Social Responsibility (CSR) Expenditure

In accordance to Section 135 of Companies Act 2013, the Company has incurred ₹ 62,78,946 (Previous year: ₹ 16,35,916) as CSR expenditure. Under the CSR activities, the Company has arranged free skill development training for women, free medical camp, free primary school training, financial literacy programme, merit scholarship, free coaching center and other social security programmes. Out of the above expenditure, ₹ 32,36,191 (Previous year: Nil) has been donated by the Company to the Prime Minister's National Relief Fund (PMNRF) on account of the unspent balances for the previous years.

a) Gross Amount required to be spent by the company during the year 2019-20: ₹ 24,08,728, P.Y. 2018-19: ₹ 18,12,156.

b) Amount spent during the year on:

Particulars	In Cash	Yet to be Paid in Cash	Total
(i) Construction/Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	62,78,946	-	62,78,946

35 : Operating Lease - As a Lessee

The Company has taken certain office premises under cancellable operating lease arrangements which generally, range between 11 months to 1 year, and are usually renewable by mutual agreement. For the year ended 31st March, 2020, lease payments charged to the Statement of Profit and Loss with respect to such leasing arrangements aggregate to ₹ 3,08,79,283 (Previous Year: ₹ 2,45,35,570). The Company has availed the benefit of short term lease exemption under Ind AS 116 and charged off the lease payments charged to the Statement of Profit and Loss.



36. Defined Benefit Plan

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

36.1 Reconciliation of Net Defined Benefit Liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Reconciliation of Present Value of Defined Benefit Obligation			
Obligation at the beginning of the year	40,00,064	28,48,908	19,91,809
Current Service Cost	22,57,540	12,86,943	8,69,917
Interest Cost	2,40,658	2,14,372	1,51,854
Past Service Cost	-	-	-
Actuarial (gains)/ losses recognised in Other Comprehensive Income			
- Changes in Experience Adjustments	2,88,956	(1,69,045)	(24,140)
- Changes in Financial Assumptions	15,80,157	(36,985)	(1,11,455)
Benefits Settled	8,16,299	1,44,129	29,077
Obligation at the end of the year	75,51,076	40,00,064	28,48,908
Reconciliation of Present Value of Plan Assets			
Plan Assets at the beginning of the year, at Fair Value	38,56,444	28,07,095	12,09,916
Interest Income on Plan Assets	2,58,382	2,16,708	92,922
Re-measurement- Actuarial Gain	-	-	-
Return on Plan Assets	(63,399)	(77,414)	(10,637)
Employer Contributions	18,15,388	10,54,184	15,43,971
Benefits Settled	8,16,299	1,44,129	29,077
Plan Assets at the end of the year, at Fair Value	50,50,516	38,56,444	28,07,095
Net Defined Benefit Liability	25,00,560	1,43,620	41,813

36.2 Expense Recognised in Profit or Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current Service Cost	22,57,540	12,86,943
Interest Cost	(17,723)	(2,335)
Net Gratuity Cost	22,39,817	12,84,608

36.3 Income Recognised in Profit or Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income	-	-
Net Gratuity Income	-	-

36.4 Re-measurement Recognised in Other Comprehensive Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Re-measurement of the Net Defined Benefit Liability		
- Changes in Experience Adjustments	15,80,157	(36,985)
- Changes in Financial Assumptions	2,88,956	(1,69,045)
Re-measurement of the Net Defined Benefit Asset		
Return on Plan Assets (greater)/ less than discount rate	(63,399)	(77,414)
Total Actuarial (gain)/ loss included in OCI	19,32,512	(1,28,616)

36.5 Plan Assets

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Funds managed by Insurer	100%	100%	100%

36.6 Defined Benefit Obligation - Actuarial Assumptions

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Discount Rate	6.70%	7.72%	7.68%
Expected Return on Plan Asset	6.70%	7.72%	7.72%
Rate of Compensation Increase (Salary Inflation)	6.00%	6.00%	6.00%
Early Retirement & Disablement (All Causes Combined)	1.00%	1.00%	1.00%



36.7 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	March 31, 2020			
	Increase	%	Decrease	%
Discount Rate (+/- 100 basis points)	67,21,364	-10.99%	85,04,248	12.62%
Future Salary Growth (+/- 100 basis points)	85,02,285	12.60%	67,15,927	-11.06%
Attrition Rate (+/- 100 basis points)	75,37,711	-0.18%	75,64,517	0.18%
Mortality Rate (+/- 100 basis points)	75,53,945	0.04%	75,48,207	-0.04%
	March 31, 2019			
	Increase	%	Decrease	%
Discount Rate (+/- 100 basis points)	35,70,217	-10.75%	44,92,912	12.32%
Future Salary Growth (+/- 100 basis points)	44,96,712	12.42%	35,63,737	-10.91%
Attrition Rate (+/- 100 basis points)	39,94,224	-0.15%	40,05,944	0.15%
Mortality Rate (+/- 100 basis points)	40,05,264	0.13%	39,94,824	-0.13%
	April 01, 2018			
	Increase	%	Decrease	%
Discount Rate (+/- 100 basis points)	23,40,948	-10.77%	29,47,153	12.34%
Future Salary Growth (+/- 100 basis points)	29,49,566	12.43%	23,36,750	-10.93%
Attrition Rate (+/- 100 basis points)	26,17,592	-0.22%	26,29,372	0.23%
Mortality Rate (+/- 100 basis points)	26,26,827	0.13%	26,20,085	-0.13%

36.8 Table Showing Cash Flow Information

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Next Year Liability (Expected)	1,07,13,681	59,04,727	39,07,542
Minimum Funding Requirements	53,70,974	17,81,182	9,04,152
Company's Discretion	-	-	-

36.9 Table Showing Maturity Analysis of the Defined Benefit Plan

Particulars	March 31, 2020	March 31, 2019	April 01, 2018
Year 1	44,720	29,499	2,44,029
Year 2	99,328	32,149	20,265
Year 3	54,138	73,922	22,162
Year 4	58,655	38,751	43,465
Year 5 and above	4,47,57,619	3,10,34,227	2,00,09,515
Total Undiscounted Payments related to Past Service	4,50,14,460	3,12,08,548	2,03,39,436
Less Discount For Interest	3,74,63,384	2,72,08,484	1,74,90,527
Projected Benefit Obligation	75,51,076	40,00,064	28,48,909

36.10 The company has contributed ₹ 71,23,749 (Previous year: ₹ 46,19,254) to Defined Contribution Schemes.



37: Risk Management and Impairment Allowance

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Risk Management Committee and the Board of Directors.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk through-out the Company. The risk management process is continuously reviewed, improved and adapted in the context of changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

37.1 Credit Risk

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

In order to mitigate the impact of credit risk in the future profitability, the Company creates impairment loss allowance basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date.

The below discussion describes the Company's approach for assessing impairment as stated in note 3.14 of the significant accounting policies.

A) Probability of Default (PD)

The Company determines PD on a collective basis. The Company uses historical information of its loan portfolio to estimate PD.

In determining the above PD's, an effort is made to eliminate outliers for a particular observation period which are not likely to happen in future. Accordingly, the Company determines PD depending upon the underlying classification of asset (i.e. Stage I or Stage II).

B) Exposure at Default (EAD)

The outstanding balances as at the reporting date is considered as EAD by the Company.

C) Loss Given Default

The Company determines its expectation of lifetime loss by estimating recoveries towards its entire loan portfolio through analysis of historical information. The Company determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. Based on its analysis of historical trends, the Company has assessed that significant recoveries happen in the year in which default has occurred. Accordingly, it believes no significant difference arise from discounting such recoveries for determining ultimate loss rates.

37.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company is exposed to two types of market risks as follows:

37.2a Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows

Finance Cost	As at March 31, 2020
0.50 % Increase	1.92 Crore
0.50 % Decrease	1.92 Crore

37.2b Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

37.3 Liquidity Risk

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financing activities to meet its financial obligations as and when they fall due. Our resource mobilization team sources funds from multiple sources, including from banks, financial institutions and capital markets to maintain a healthy mix of sources. The resource mobilization team is responsible for diversifying fundraising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed. The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. Company has an asset liability management (ALM) policy and ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk.

The table in Note No. 40.7 provide details regarding the contractual maturities of significant financial assets and liabilities as at year end.



JAGARAN MICROFIN PRIVATE LIMITED**Notes to the Financial Statements for the Year ended March 31, 2020**

(All amount in ₹, unless otherwise stated)

39. Financial Instruments and Related Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 3 to the financial statements.

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
a) Measured at Amortised Cost						
i) Cash and Cash Equivalents	26,73,62,459	26,73,62,459	28,12,68,879	28,12,68,879	25,54,96,830	25,54,96,830
ii) Other Bank Balances	55,99,24,920	55,99,24,920	33,64,54,499	33,64,54,499	22,90,28,421	22,90,28,421
iii) Trade Receivables	1,15,302	1,15,302	14,48,782	14,48,782	48,28,899	48,28,899
iv) Loans	4,65,50,74,477	4,65,50,74,477	3,91,09,12,864	3,91,09,12,864	2,28,28,20,553	2,28,28,20,553
v) Other Financial Assets	19,38,52,842	19,38,52,842	15,40,44,327	15,40,44,327	9,62,27,526	9,62,27,526
Sub-total	5,67,63,30,000	5,67,63,30,000	4,68,41,29,351	4,68,41,29,351	2,86,84,02,229	2,86,84,02,229
b) Measured at Fair value through Profit or Loss						
i) Investments	50,33,593	50,33,593	-	-	-	-
Sub-total	50,33,593	50,33,593	-	-	-	-
Total Financial Assets	5,68,13,63,593	5,68,13,63,593	4,68,41,29,351	4,68,41,29,351	2,86,84,02,229	2,86,84,02,229
Financial liabilities						
a) Measured at Amortised Cost						
i) Payables	1,68,53,409	1,68,53,409	2,13,97,416	2,13,97,416	2,18,72,774	2,18,72,774
ii) Debt Securities	80,70,31,446	81,36,89,747	57,91,23,752	60,39,64,803	-	-
iii) Borrowings (Other than Debt Securities)	3,85,01,49,275	3,92,33,52,896	3,29,27,61,405	3,29,93,09,102	2,12,57,46,549	2,14,03,81,725
iv) Subordinated Liabilities	5,00,41,802	5,02,25,317	-	-	-	-
Total Financial Liabilities	4,72,40,75,932	4,80,41,21,369	3,89,32,82,573	3,92,46,71,321	2,14,76,19,323	2,16,22,54,499

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Loans Measured at Amortised Cost

The management assessed the fair values of loans approximate their carrying amounts largely due to the short-term maturities of these instruments.

Other Financial Assets Measured at Amortised Cost

For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash, cash equivalents, other bank balances, Trade receivables and Other financial assets.

Debt Securities, Subordinated Liabilities and Other Borrowings Measured at Amortised Cost

The fair values of debts are estimated using a discounted cash flow model based on observable future cash flows based on terms, discounted at a rate that reflects market risks.

Other Financial Liabilities Measured at Amortised Cost

For other financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include Trade and Other payables.



39. Financial Instruments and Related Disclosures (continued)

B. Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity and mutual funds instruments

that have quoted price. The fair value of all equity and mutual funds instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair Value Hierarchy of Financial Assets and Financial Liabilities:

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	4,65,50,74,477	4,65,50,74,477
Investments	50,33,593	-	-	50,33,593
Other Financial Assets	-	-	19,38,52,842	19,38,52,842
	50,33,593	-	4,84,89,27,319	4,85,19,60,912
Financial Liabilities				
Debt Securities	-	-	80,70,31,446	80,70,31,446
Borrowings (Other than Debt Securities)	-	-	3,85,01,49,275	3,85,01,49,275
Subordinated Liabilities	-	-	5,00,41,802	5,00,41,802
	-	-	4,70,72,22,523	4,70,72,22,523

	As at March 31, 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	3,91,09,12,864	3,91,09,12,864
Other Financial Assets	-	-	15,40,44,327	15,40,44,327
	-	-	4,06,49,57,191	4,06,49,57,191
Financial liabilities				
Debt Securities	-	-	57,91,23,752	57,91,23,752
Borrowings (Other than Debt Securities)	-	-	3,29,27,61,405	3,29,27,61,405
	-	-	3,87,18,85,157	3,87,18,85,157

	As at April 01, 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	2,28,28,20,553	2,28,28,20,553
Other Financial Assets	-	-	9,62,27,526	9,62,27,526
	-	-	2,37,90,48,079	2,37,90,48,079
Financial liabilities				
Borrowings (Other than Debt Securities)	-	-	2,12,57,46,549	2,12,57,46,549
	-	-	2,12,57,46,549	2,12,57,46,549

Fair Value of the Company's Assets and Liabilities that are Measured at Fair Value on a Recurring Basis

Particulars	Fair Value as at			Fair Value Hierarchy	Valuation Technique and Key Input	Significant Unobservable Input
	March 31, 2020	March 31, 2019	April 01, 2018			
Financial Assets						
Loans	4,65,50,74,477	3,91,09,12,864	2,28,28,20,553	Level 3	Note (i)	Note (i)
Investments	50,33,593	-	-	Level 1	Note (ii)	N/A
Other Financial Assets	19,38,52,842	15,40,44,327	9,62,27,526	Level 3	Note (i)	Note (i)
Financial liabilities						
Debt Securities	81,36,89,747	60,39,64,803	-	Level 3	Note (iii)	Note (iii)
Borrowings (other than Debt Securities)	3,92,33,52,896	3,29,93,09,102	2,14,03,81,725	Level 3	Note (iii)	Note (iii)
Subordinated Liabilities	5,02,25,317	-	-	Level 3	Note (iii)	Note (iii)



(I) Income Approach.

The discounted cash flow method was used to capture the present value of the expected future benefits to be derived from the Loan Assets and Other Financial Assets. However, since these loans and financials assets have short term maturity, the fair value approximates the carrying value.

(II) Quoted Prices.

Quoted bid prices of an active market was used.

(iii) Discount rate, determined using the average cost of lending of the company.

Reconciliation of Level 3 Fair Value Measurements

Reconciliation	Loans	
	March 31, 2020	March 31, 2019
Opening Balance	3,91,09,12,864	2,28,28,20,553
Issuances	6,92,25,25,000	6,11,34,15,000
Settlements	6,17,83,63,387	4,48,53,22,689
Closing Balance	4,65,50,74,477	3,91,09,12,864
Unrealised Gains and Losses related to Balances held at the end of the period	-	-

C. Transfers of Financial Assets

Transfers of Financial Assets that are not derecognised in their entirety :

Assignment: The company has carried out an securitisation transaction wherein it has securitised loans to banks. Even though the loan assets have been securitised, the company still holds the right (legal as well as contractual) to recover the entire overdue balance in respect of these loan assets. Further, the returns are dependent on the realisation from the securitised loan assets, leading to company bearing the risk of non-realisation from the pool.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018*
Carrying Amount of Assets	1,15,91,990	19,82,60,711	-
Carrying Amount of Associated Liabilities	2,13,41,959	19,59,58,591	-
Fair Value of Assets	1,15,91,990	19,82,60,711	-
Fair Value of Associated Liabilities	2,13,41,959	19,59,58,591	-

* The company has chosen to apply the de-recognition requirements of Ind AS - 109 prospectively by choosing the first-time exemptions provided by Ind AS - 101.



40: RBI Disclosures

40.1 Disclosure as required under RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 (as amended) :

Capital to Risk Assets Ratio

Particulars	As at March 31, 2020	As at March 31, 2019*	As at March 31, 2018*
Tier I Capital	95,57,84,051	80,70,79,016	73,36,15,483
Tier II Capital	9,85,56,390	N	N
Total	1,05,43,40,441	80,70,79,016	73,36,15,483
Total Risk Weighted Assets	5,35,12,08,841	4,29,85,91,954	2,66,85,06,435

Capital Ratios:

Tier I Capital as a percentage of Total Risk Weighted Assets (%)	17.86%	18.78%	27.49%
Tier II Capital as a percentage of Total Risk Weighted Assets (%)	1.84%	N	N
Total Capital (%)	19.70%	18.78%	27.49%

* The details as at March 31, 2019 and March 31, 2018 are as per previous period financial statements prepared in accordance with generally accepted accounting principles in India (Indian GAAP) notified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 ("Previous GAAP").

40.2 Investments

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
HDFC Liquid Fund - Mutual Fund (fully in India)	50,33,593	-	-

40.3 Ratings

Particulars	Rating Agency	Ratings	Date	Valid upto	Amount
Term Borrowings from Banks and Sub Debt	Aquite	BBB+	26/03/2020	18/06/2021	250.00 Crore
Non Convertible Debentures	CRA	BBB-	29/10/2018	28/10/2022	55.00 Crore
Non Convertible Debentures	CRA	BBB-	11/12/2019	10/12/2020	22.00 Crore

40.4 The Company has no exposure to Capital Market (apart from indirect exposure through Investments in Mutual Funds as disclosed above) or has not issued any Gold Loans.

40.5 Exposure to real estate sector, both direct & indirect

The Company does not have any direct or indirect exposure to the real estate sector as at March 31, 2020.

40.6 Other Disclosures

The Company, during the current year and previous year, has no exposure in derivatives. It has also not transferred any loans through securitization nor has purchased or sold any non-performing financial assets during the said periods. The Company has not engaged in financing of any holding company products. During the year, no Single Borrower Limit (SGL) / Group Borrower Limit (GBL) was exceeded by the Company.

The Company is not registered with any from other financial sector regulators.

During the Current and Previous Years, no penalties were imposed by the RBI and other regulators.

There were no Draw Down from Reserves, Concentration of Deposits, Advances, Exposures and NPAs during the current and previous years.



40.7 Maturity Pattern of Assets and Liabilities

Maturity Pattern of Certain Items of Assets and Liabilities as at March 31, 2020

Particulars	Up to one Month	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 4 Months	Over 4 Months upto 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities:										
Borrowings from Banks and Others	17,41,41,243	5,47,28,669	20,93,38,868	21,10,00,061	52,31,99,616	1,40,11,82,974	2,70,96,58,931	40,21,25,310	2,75,03,425	5,66,23,79,097
Market Borrowings	8,87,63,968	5,47,28,669	19,50,36,941	21,10,00,061	52,31,99,616	1,35,10,05,099	1,95,91,45,950	12,74,13,883	2,75,03,425	4,53,43,06,313
	3,58,77,875	-	1,43,01,927	-	-	5,01,77,875	75,05,12,981	27,73,01,927	-	1,12,80,72,585
Assets										
Advances	1,05,52,029	16,22,157	61,45,55,374	60,98,37,673	1,04,79,44,284	7,16,91,18,274	1,21,66,41,351	-	-	5,67,02,71,042
Investments	1,05,52,029	16,22,157	61,45,55,374	60,98,37,673	1,04,79,44,284	7,16,91,18,274	1,21,66,41,351	-	-	5,67,02,71,042
	-	-	-	-	50,33,593	-	-	-	-	50,33,593

Maturity Pattern of Certain Items of Assets and Liabilities as at March 31, 2019

Particulars	Up to one Month	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 4 Months	Over 4 Months upto 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities:										
Borrowings from Banks and Others	41,40,95,016	17,94,24,720	20,67,58,392	18,56,42,842	39,61,51,407	1,02,63,98,434	1,49,77,52,714	65,69,73,123	-	4,56,31,96,648
Market Borrowings	37,85,12,182	17,94,24,720	20,67,58,392	18,56,42,842	39,61,51,407	99,07,75,578	35,47,47,714	3,54,14,965	-	3,77,84,70,740
	3,55,82,834	-	-	-	-	3,61,72,916	14,35,11,500	62,15,59,158	-	83,68,26,408
Assets:										
Advances	53,46,63,006	54,26,69,280	46,30,35,174	44,68,21,926	76,87,84,420	1,30,24,37,259	35,13,54,173	4,82,95,962	-	4,45,80,61,200
Investments	53,46,63,006	54,26,69,280	46,30,35,174	44,68,21,926	76,87,84,420	1,30,24,37,259	35,13,54,173	4,82,95,962	-	4,45,80,61,200

Maturity Pattern of Certain Items of Assets and Liabilities as at March 31, 2018

Particulars	Up to one Month	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 4 Months	Over 4 Months upto 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities:										
Borrowings from Banks and Others	12,73,37,531	9,89,80,892	12,61,17,272	10,43,97,591	21,50,85,688	53,67,46,888	91,81,91,970	91,90,331	-	2,13,55,43,163
Market Borrowings	12,73,37,531	9,89,80,892	12,61,17,272	10,43,97,591	21,50,85,688	53,67,46,888	91,81,91,970	91,90,331	-	2,13,55,43,163
	-	-	-	-	-	-	-	-	-	-
Assets:										
Advances	30,76,87,289	29,47,89,850	27,59,02,917	23,03,71,006	44,15,38,438	66,08,06,496	11,41,11,221	-	-	2,12,52,07,217
Investments	30,76,87,289	29,47,89,850	27,59,02,917	23,03,71,006	44,15,38,438	66,08,06,496	11,41,11,221	-	-	2,12,52,07,217

Note:

Note: The above information has been considered as per the Asset Liability Management Report compiled by the Management and reviewed by the ALM Committee

Disclosure of Frauds reported during the year vide 881/DWBS-PO-CC-NO. 296/03.10.042/2011-12 dated March 02, 2012

A) Person Involved	Less than Rs. 1 Lakh		Rs. 1 lakh to Rs. 5 Lakh		Rs. 5 lakh to Rs. 25 Lakh		Total	
	No. of Accounts	Value Rs. in Lakh	No. of Accounts	Value Rs. in Lakh	No. of Accounts	Value Rs. in Lakh	No. of Accounts	Value Rs. in Lakh
Staff	-	-	-	-	-	-	-	-
Customer	-	-	-	-	-	-	-	-
Staff & Customer	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
B) Type of Fraud								
Misappropriation and Criminal Breach of Trust	-	-	-	-	-	-	-	-
Fraudulent Encashment/ Manipulation of Books of Accounts	-	-	-	-	-	-	-	-
Unauthorized Credit facility Extended	-	-	-	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-	-	-	-
Cheating and Forgery	-	-	-	-	-	-	-	-
Any other kind of fraud not coming under above heads	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note: The above summary is prepared based on the information available with the Company and relied upon by the Auditor.



JAGARAN MICROFIN PRIVATE LIMITED
Notes forming part of Financial Statements
(All amount in ₹ , unless otherwise stated)

40.8 Movement of Loan and Estimated Credit Loss (ECL)

Particulars	Stage 1 (PAR 0-30)	Stage 2 (PAR 31-90)	Stage 3 (PAR > 91)	Total
Gross Carrying Value of Assets as at March 31, 2019	3,93,82,01,895	33,77,503	90,85,631	3,95,06,65,029
New Assets originated during the year, netted off for repayments and derecognised portfolio	77,37,23,918	58,41,504	1,03,37,002	78,99,02,424
Assets written off during the year			(60,05,593)	(60,05,593)
				-
Movement between Stages				
Transfer to Stage 1	11,12,761	(10,54,598)	(58,163)	-
Transfer to Stage 2	(15,41,336)	15,41,336	-	-
Transfer to Stage 3	(1,09,07,431)	(98,150)	1,10,05,581	-
Gross Carrying Value of Assets as at March 31, 2020	4,70,05,89,807	96,07,595	2,43,64,458	4,73,45,61,860

Particulars	Stage 1 (PAR 0-30)	Stage 2 (PAR 31-90)	Stage 3 (PAR > 91)	Total
ECL Allowance as at March 31, 2019	2,80,94,166	29,84,010	86,73,989	3,97,52,165
New Assets originated during the year, netted off for repayments and derecognised portfolio	2,04,96,031	48,40,255	95,56,095	3,48,92,381
Assets written off during the year			(56,36,849)	(56,36,849)
				-
Movement between Stages				
Transfer from Stage 1	3,318	(6,46,584)	(54,592)	(6,97,858)
Transfer from Stage 2	(4,596)	9,45,007	-	9,40,410
Transfer from Stage 3	(32,528)	(60,177)	1,03,29,838	1,02,37,133
ECL Allowance as at March 31, 2020	4,85,56,391	80,62,511	2,28,68,481	7,94,87,383

Particulars	Stage 1 (PAR 0-30)	Stage 2 (PAR 31-90)	Stage 3 (PAR > 91)	Total
Gross Carrying Value of Assets as at March 31, 2018	2,28,03,79,605	37,75,477	2,19,17,543	2,30,60,72,625
New Assets originated during the year, netted off for repayments and derecognised portfolio	1,65,78,86,455	(2,95,685)	41,68,965	1,66,17,59,735
Assets written off during the year			(1,71,67,331)	(1,71,67,331)
				-
Movement between Stages				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	(64,165)	(1,02,289)	1,66,454	-
Gross Carrying Value of Assets as at March 31, 2019	3,93,82,01,895	33,77,503	90,85,631	3,95,06,65,029

Particulars	Stage 1 (PAR 0-30)	Stage 2 (PAR 31-90)	Stage 3 (PAR > 91)	Total
ECL Allowance as at March 31, 2018	1,18,63,747	3,26,732	1,10,61,593	2,32,52,072
New Assets originated during the year, netted off for repayments and derecognised portfolio	1,62,30,610	27,19,992	1,35,69,419	3,25,20,021
Assets written off during the year	-	-	(1,61,13,257)	(1,61,13,257)
				-
Movement between Stages				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	(191)	(62,714)	1,56,234	93,329
ECL Allowance as at March 31, 2019	2,80,94,166	29,84,010	86,73,989	3,97,52,165



40.8 Movement of Loan and Estimated Credit Loss (ECL) (Continued)
Comparison between Provisions required under IRACP and Impairment Allowances made under Ind AS 109:

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions as required as per IRACP norms	Differences between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	4,70,05,89,807	4,85,56,390	4,65,20,33,417	4,70,05,898	15,50,492.31
	Stage 2	96,07,595	80,62,512	15,45,083	96,076	79,66,436
Subtotal		4,71,01,97,402	5,66,18,902	4,65,35,78,500	4,71,01,974	95,16,928
Non Performing Assets (NPA)						
Substandard	Stage 3	2,43,64,458	2,28,68,480	14,95,978	2,43,645	2,26,24,836
Subtotal		2,43,64,458	2,28,68,480	14,95,978	2,43,645	2,26,24,836
Other items such as guarantees, loan commitments etc. which are in the scope of IndAS 109 but not covered under Income Recognition, Asset Classification and Provisioning Norms (IRACP)	NA			NA		
Subtotal						
Total						
	Stage 1	4,70,05,89,807	4,85,56,390	4,65,20,33,417	4,70,05,898	15,50,492.31
	Stage 2	96,07,595	80,62,512	15,45,083	96,076	79,66,436
	Stage 3	2,43,64,458	2,28,68,480	14,95,978	2,43,645	2,26,24,836

41. Disclosure as required under RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016, as updated:

During the year the average interest on borrowings calculated on balances of average monthly outstanding borrowings is 15.56%. During the year the Company has charged an average interest rate of 25.56%, calculated on average monthly balances of outstanding loan portfolio.

42: First Time Adoption of Ind AS

The Company has prepared its Ind AS compliant financial statements for year ended on March 31, 2020, the comparative period ended on March 31, 2019 and an opening Ind AS balance sheet as at April 1, 2018 (the date of transition), as described in the summary of significant accounting policies. This note explains the principal adjustments made by the Group in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2018 and the financial statements as at and for the year ended March 31, 2019.

For years ended upto the year ended March 31, 2019, the Group had prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Companies (Accounting Standards) Rules, 2006 (Previous GAAP).

Ind AS 101 "First-time Adoption of Indian Accounting Standards" provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the Opening Balance Sheet as per Ind AS of April 1, 2018 (the transition date) by:

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.



42: First Time Adoption of Ind AS (continued)

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS.

The Company has applied for the following exemptions:

1. Property, Plant, Equipment & Intangible Assets

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at March 31, 2018, measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on April 1, 2018.

2. Estimates

The estimates at April 1, 2018 and at March 31, 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2018 and as of March 31, 2019.

3. Classification of Measurement of Financial Assets

The classification of financial assets to be measured at amortized cost or fair value through Profit and Loss is made on the basis of facts and circumstances that existed on the date of transition to Ind AS.

Reconciliation of Other Equity

Particulars	Note	As at March 31,	As at April 01,
		2019	2018
Other Equity as per Previous GAAP		38,41,96,482	30,68,40,476
Re-measurements on transition to Ind AS			
a. Interest income and expenses recognition using effective interest rate (EIR) method on financial assets and liabilities at amortised cost	(i)	(58,20,489)	(1,32,112)
b. Expected Credit Loss	(ii)	22,84,323	-
c. Deferred Tax on above adjustments	(iv)	23,60,123	38,472
Other Equity as reported under Ind AS		37,84,51,793	30,67,46,836

Reconciliation of Total Comprehensive Income

Particulars	Note	For the year ended March	
		31, 2019	31, 2018
Profit after Tax as reported under previous GAAP		10,51,47,605	
Adjustments on account of:			
Adjustment on recognition of financial assets at amortised cost by application of effective interest rate (EIR) method	(i)	(1,29,12,383)	
Adjustment on recognition of financial liabilities at amortised cost by application of effective interest rate (EIR) method	(i)	72,24,006	
Adjustment on account of impairment allowance under Expected Credit Loss (ECL)	(ii)	(22,84,323)	
Reclassification of net Actuarial gain on employee defined benefit obligation to Other Comprehensive Income (OCI)	(iii)	(1,28,616)	
Tax Impact on above adjustments	(iv)	23,59,104	
Profit after Tax as per IND AS		9,94,05,393	
Other Comprehensive income, net of tax		91,163	
Total Comprehensive Income (after tax) as reported under IND AS		9,94,96,556	

Reconciliation of Cash Flow Statement

Particulars	Note	As at March 31, 2019		
		Previous GAAP	Effect of IndAS transition	Ind AS
As per Previous GAAP				
Net cash flow from operating activities	(v) & (vi)	1,34,13,19,035	(21,84,11,313)	1,55,97,30,348
Net cash flow from investing activities	(vi)	12,85,61,281	(42,83,329)	13,28,44,610
Net cash flow from financing activities	(v) & (vi)	1,49,56,52,365	22,76,94,642	1,71,83,47,007
Net increase in Cash and Cash Equivalents		2,57,77,049	-	2,57,72,048

Footnotes to the reconciliation of equity as at March 31, 2019 and April 01, 2018 and Total Comprehensive Income for year ended March 31, 2019

(i) Measurement of financial assets and financial liabilities at amortised cost

Under Previous GAAP, all financial assets and financial liabilities were carried at cost. Under Ind AS, certain financial assets and financial liabilities are subsequently measured at amortised cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability.

(ii) Expected Credit Loss Allowances on Financial Assets measured at amortized cost

Under Previous GAAP, the impairment provisioning in respect of a NBFC-ND-NSI was governed by the principles as prescribed by the RBI through NBFC-ND-NSI Directions.

Under Ind AS, a loss allowance for expected credit losses is recognised on financial assets carried at amortized cost. Expected credit losses (with the exception of purchased or original credit-impaired financial assets) are required to be measured through a loss allowance at an amount equal to the 12 month expected credit losses; or Lifetime expected credit losses if credit risk has increased significantly since initial recognition of the financial instrument.

(iii) Re-measurement Gains and Losses on Defined Benefit Plans

Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income (OCI) instead of profit or loss.

(iv) Tax Impact on above adjustments

The above adjustments have led to recognition of deferred taxes on new temporary differences.

(v) Grossing up of Collateralised Borrowings

The Company transfers loan assets under Business Correspondent (BC) arrangements to banks. This do not meet the de-recognition criteria due to risk being retained by the Company. Consequently, proceeds received from such transactions are recorded as collateralised borrowings and loan assets continue to be recognised in the financial statements. Under the Previous GAAP, such transactions were de-recognised and recorded as a sale.

(vi) Regrouping

The other adjustments regrouping adjustments for certain items from operating and investment activities to financing activities.



43: Additional Information to the financial statements

Notes to the balance sheet of a non deposit taking Non Banking Financial Company as required under RBI master direction DNBR.PD.007/03.10.119/2016-17 dated september 01, 2016, as amended

Particulars	Amount Outstanding	Amount Overdue
Liabilities side:		
1) Loans & advances availed by the NBFC Inclusive of accrued Interest thereon but not paid		
(a) Debentures: Secured	80,70,31,446	Nil
Unsecured	Nil	Nil
(Other than falling within the meaning of public deposits)		
(b) Deferred credits	Nil	Nil
(c) Term loans	3,90,01,91,077	Nil
(d) Inter-corporate loans and borrowings	Nil	Nil
(e) Commercial papers	Nil	Nil
(f) Public deposits	Nil	Nil
(g) Other loans (specify nature)	Nil	Nil
2) Break-up of (1)(f) above (Outstanding public deposits Inclusive of Interest accrued thereon but not paid):		
(a) In the form of unsecured debentures	Nil	Nil
(b) In the form of partly secured debentures i.e. debenture where there is a shortfall in the value of security	Nil	Nil
(c) Other public deposits	Nil	Nil
Particulars		
Assets Side:		
3) Break-up of loans and advances Including bills receivables[other than those Included in (4) below]		
(a) Secured	Nil	
(b) Unsecured	4,65,50,74,477	
4) Break up of leased assets and stock on hire and other assets counting towards AFC activities.		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	Nil	
(b) Operating lease	Nil	
(ii) Stock on hire including hire charges under sundry debtors		
(a) Asset on hire	Nil	
(b) Repossessed assets	Nil	
(iii) Other loans counting towards AFC activities.		
(a) Loans where assets has been repossessed	Nil	
(b) Loans other than (a) above	Nil	
5) Break up of Investments		
Current Investments		
(A) Quoted:	Amount outstanding	
(i) Shares : (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and bonds	Nil	
(iii) Units of mutual funds	50,33,593	
(iv) Government securities	Nil	
(v) Others (please specify)	Nil	
(B) Unquoted:		
(i) Shares: (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government securities	Nil	
(v) Others (please specify)	Nil	
Long term Investments		
(A) Quoted:	Amount outstanding	
(i) Shares: (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government securities	Nil	
(v) Others (please specify)	Nil	
(B) Unquoted:		
(i) Shares : (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government securities	Nil	
(v) Others (please specify)	Nil	



6) Borrower group -wise classification of assets, financed (3) and (4) above:

Category	Amount net of provisions		
	Secured	Unsecured	Total
(i) Related parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
(ii) Other than related parties	Nil	4,65,50,74,477	4,65,50,74,477
Total	Nil	4,65,50,74,477	4,65,50,74,477

7) Investor group wise classification of all Investments (Current and long term) in shares and securities (both quoted and unquoted category)

Particulars	Market value/Break-up on fair value or	
	NAV	Book value
(i) Related parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
(ii) Other than related parties	Nil	Nil

8) Other Information:

Particulars	
(i) Gross non-performing assets*	
(a) Related parties	Nil
(b) Other than related parties	2,43,64,458
(ii) Net non performing assets*	
(a) Related parties	Nil
(b) Other than related parties	14,95,978
(iii) Assets acquired in satisfaction of debt	Nil

* Non-performing assets represents Stage 3 contracts i.e. which are overdue for more than 90 days.

44: Segment Information

The Company is engaged in taking loans from banks and financial institutions and provide finance to members in India. Consequently, there are no separate reportable segments as per 'Ind AS 108'.

45: Impact of COVID-19 Pandemic

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March, 27, 2020 and April 17, 2020 and May 23, 2020 and in accordance therewith, the Company has proposed an initial moratorium of three months on the payment of all principal instalments and/or interest, as applicable falling due between April, 2020 and May 31, 2020 to all eligible borrowers classified as standard, even if over due as on February 29, 2020, excluding the collections made/already made in the month of March 2020, as per the RBI guidelines and approval by its Board of directors. Further, the Company has, based on current available information and based on the policy approved by the board determined the provision for impairment of financial assets.

Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information upto the date of approval of these financial statement. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will impact the Company's future results/financial position will depend on future developments, which are highly uncertain. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

46: Previous Year's Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

47: Adoption In Board Meeting

This Financial Statements together with the Accounting Policies and Notes have been adopted in the Meeting of the Board dated 29 July 2020.

For Deloitte Haskins & Sells

Chartered Accountants

Firm Registration No. 302009E


Abhijit Sandhyopadhyay
Partner



Place: Kolkata
Date: 29 July 2020

For and on behalf of the Board of Directors of
Jagaran Microfin Private Limited


Sourav Ghosh
Managing Director
DIN: 08154243


Jaydeep Ghosh
Whole Time Director & CEO
DIN: 07475085


Tirtha Pratim Sahu
Chief Financial Officer


Tanusree Ghosh
Company Secretary

Place: Kolkata
Date: 29 July 2020