

**Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)**  
**Balance Sheet as at March 31, 2015**

Particulars	Notes	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	6,720,400	6,720,400
Reserves and surplus	4	44,326,185	57,145,541
		<b>51,046,585</b>	<b>63,865,941</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	1,666,668	1,666,664
Long-term provisions	6	1,156,145	1,038,483
		<b>2,822,813</b>	<b>2,705,147</b>
<b>Current liabilities</b>			
Short-term borrowings	7	39,423,723	4,000,000
Short-term provision	6	888,007	435,110
Other current liabilities	8	6,993,349	4,601,528
		<b>47,305,079</b>	<b>9,036,638</b>
<b>TOTAL</b>		<b>101,174,477</b>	<b>75,607,726</b>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	1,030,998	1,324,325
Intangible assets	10	906,072	528,977
Long-term loans and advances	12	16,992,453	26,739,867
Other non-current assets	13	500,000	600,000
		<b>19,429,523</b>	<b>29,193,169</b>
<b>Current assets</b>			
Cash and bank balances	14	12,968,445	17,132,128
Short-term loans and advances	12	67,474,939	28,530,468
Other current assets	13	1,301,570	751,961
		<b>81,744,954</b>	<b>46,414,557</b>
<b>TOTAL</b>		<b>101,174,477</b>	<b>75,607,726</b>
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S.R. Batliboi & Associates LLP  
Firm Registration number : 101049W  
Chartered Accountants



per Amit Kabra  
Partner  
Membership No. 94533



For and on behalf of the Board of Directors of  
Agora Microfinance India Limited



Meenal Patole  
Managing Director and  
Chief Executive Officer  
DIN-03162474



Tanmay Chetan  
Director  
DIN-03594936

Place: Mumbai  
Date: **JUNE 23, 2015**



**Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)**  
**Statement of profit and loss for the year ended March 31, 2015**

Particulars	Notes	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Income</b>			
Revenue from operations	15	16,952,173	9,142,881
Other income	16	679,758	532,173
<b>Total revenue (I)</b>		<b>17,631,931</b>	<b>9,675,054</b>
<b>Expenses</b>			
Employee benefit expenses	17	16,460,445	14,430,146
Finance costs	18	4,705,571	189,681
Other expenses	19	7,055,953	5,489,257
Depreciation and amortization expense	20	992,107	1,088,113
Provisions and write-offs	21	1,237,211	655,508
<b>Total expenses (II)</b>		<b>30,451,287</b>	<b>21,852,705</b>
<b>(Loss) / profit before tax (III)=(I)-(II)</b>		<b>(12,819,356)</b>	<b>(12,177,650)</b>
<b>Tax expenses</b>			
Current tax		-	-
Deferred tax		-	9,168,721
<b>Total tax expense (IV)</b>		<b>-</b>	<b>9,168,721</b>
<b>(Loss) / profit for the year (III)-(IV)</b>		<b>(12,819,356)</b>	<b>(21,346,371)</b>
<b>Earnings per equity share</b>			
[nominal value of share Rs.10 (March 31, 2014: Rs.10)]	26		
<b>Basic [Computed on the basis of total (loss) / profit for the year]</b>		<b>(19.07)</b>	<b>(33.03)</b>
<b>Diluted [Computed on the basis of total (loss) / profit for the year]</b>		<b>(19.07)</b>	<b>(33.03)</b>

Summary of significant accounting policies 2  
 The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP  
 Firm Registration number : 101049W  
 Chartered Accountants



per Amit Kabra  
 Partner  
 Membership No. 94533



For and on behalf of the Board of Directors of  
 Agora Microfinance India Limited



Meenal Patole  
 Managing Director and  
 Chief Executive Officer  
 DIN-03162474



Tanmay Chetan  
 Director  
 DIN-03594936

Place: Mumbai

Date: JUNE 23, 2015



**Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)**  
**Cashflow statement for the year ended March 31, 2015**

Particulars	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Cash flow from operating activities</b>		
<b>(Loss) / profit before tax</b>	<b>(12,819,356)</b>	<b>(12,177,650)</b>
Non-cash adjustment to reconcile (loss) / profit before tax to net cash flows		
Depreciation and amortization	992,107	1,088,113
Provision for employee benefits	212,778	58,252
Loss/ (profit) on sale of fixed assets	-	18,130
Provision for non-performing assets	357,781	379,308
Other provisions and write offs	476,619	9,053
<b>Operating (loss) / profit before working capital changes</b>	<b>(10,780,071)</b>	<b>(10,624,794)</b>
Movements in working capital :		
Increase/ (decrease) in other current liabilities	725,161	(128,573)
Decrease / (increase) in loans and advances	(28,769,915)	(34,302,545)
Decrease / (increase) in other current & non current assets	(816,595)	(817,568)
Cash generated from / (used in) operations	<b>(39,641,420)</b>	<b>(45,873,480)</b>
Direct taxes paid (net of refunds)	(60,155)	(51,265)
<b>Net cash flow used in operating activities (A)</b>	<b>(39,701,575)</b>	<b>(45,924,745)</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work in progress and capital advances)	(1,593,638)	(573,306)
Proceeds from sale of fixed assets	41,143	13,500
<b>Net cash flow used in investing activities (B)</b>	<b>(1,552,495)</b>	<b>(559,806)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital (including share application money)	-	30,720,000
Share issue expenses	-	(341,008)
Long-term borrowings (net)	35,423,723	5,666,664
Short-term borrowings (net)	1,666,664	3,333,336
<b>Net cash flow from financing activities (C)</b>	<b>37,090,387</b>	<b>39,378,992</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(4,163,683)</b>	<b>(7,105,559)</b>
Cash and cash equivalents at the beginning of the year	17,132,128	24,237,687
<b>Cash and cash equivalents at the end of the year</b>	<b>12,968,445</b>	<b>17,132,128</b>

Summary of significant accounting policies  
The accompanying notes are an integral part of the financial statements

2

As per our report of even date

For S.R. Batliboi & Associates LLP  
Firm Registration number : 101049W  
Chartered Accountants



per Amit Kabra  
Partner  
Membership No. 94533



For and on behalf of the Board of Directors of  
Agora Microfinance India Limited



Meenal Patole  
Managing Director and  
Chief Executive Officer  
DIN-03162474



Tanmay Chetan  
Director  
DIN-03594936



Place: Mumbai  
Date: JUNE 23, 2015



Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)

Notes to financial statements for the year ended March 31, 2015

(Amount in Rupees unless otherwise stated)

3. Share capital	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Authorized shares</b>		
3,000,000 (March 31, 2014: 3,000,000) equity shares of Rs.10 each	30,000,000	30,000,000
<b>Issued, subscribed and fully paid-up shares :</b>		
672,040 (March 31, 2014: 672,040) equity shares of Rs.10 each fully paid up	6,720,400	6,720,400
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>6,720,400</b>	<b>6,720,400</b>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	31-Mar-15		31-Mar-14	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	672,040	6,720,400	632,040	6,320,400
Issued during the year	-	-	40,000	400,000
<b>Outstanding at the end of the year</b>	<b>672,040</b>	<b>6,720,400</b>	<b>672,040</b>	<b>6,720,400</b>

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend declared and paid would be in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Equity shares of Rs.10 each fully paid	As at March 31, 2015	
	No. of Shares	% holding in the class
Meenal Patole	329,694	49.06%
Agora Microfinance NV	342,340	50.94%
<b>Equity shares of Rs.10 each fully paid</b>	<b>As at March 31, 2014</b>	
	No. of Shares	% holding in the class
Meenal Patole	329,694	49.06%
Agora Microfinance NV	342,340	50.94%

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.





Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)  
Notes to financial statements for the year ended March 31, 2015

(Amount in Rupees unless otherwise stated)

4. Reserves and surplus	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Securities premium account</b>		
Balance as per the last financial statements	100,238,177	70,259,185
Add: Fresh issue	-	30,320,000
Less: Share issue expenses	-	(341,008)
<b>Closing Balance</b>	<b>100,238,177</b>	<b>100,238,177</b>
<b>Statutory reserve</b>		
Balance as per the last financial statements	86,246	86,246
Add: Amount transferred from surplus balance in the statement of profit and loss	-	-
<b>Closing Balance</b>	<b>86,246</b>	<b>86,246</b>
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(43,178,882)	(21,832,511)
Add: Profit/ (Loss) for the year	(12,819,356)	(21,346,371)
<b>Net surplus/ (deficit) in the statement of profit and loss</b>	<b>(55,998,239)</b>	<b>(43,178,882)</b>
<b>Total reserves and surplus</b>	<b>44,326,185</b>	<b>57,145,541</b>

	Non-current portion		Current maturities	
	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>5. Long-term borrowings</b>				
<b>Term loans</b>				
Indian rupee loan from non banking financial companies (secured)*	1,666,668	1,666,664	4,999,996	3,333,336
	<b>1,666,668</b>	<b>1,666,664</b>	<b>4,999,996</b>	<b>3,333,336</b>
<b>The above amount includes</b>				
Secured borrowings	1,666,668	1,666,664	4,999,996	3,333,336
Amount disclosed under the head "other current liabilities" (note 9)	-	-	(4,999,996)	(3,333,336)
<b>Net amount</b>	<b>1,666,668</b>	<b>1,666,664</b>	<b>-</b>	<b>-</b>

Repayable in eighteen equated monthly instalments from the date of disbursement @ 16% interest p.a. The last date of repayment is September 30, 2016.

\*Indian rupee loan secured by first pari passu charge over all loan receivables and margin money deposit.



Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)

Notes to financial statements for the year ended March 31, 2015

(Amount in Rupees unless otherwise stated)

6. Provisions	Long-term		Short-term	
	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Provision for employee benefits</b>				
Provision for gratuity	541,621	502,832	-	-
Provision for leave benefits	-	-	467,305	293,316
	<b>541,621</b>	<b>502,832</b>	<b>467,305</b>	<b>293,316</b>
<b>Other provisions</b>				
Contingent provision against standard assets	98,683	120,787	420,702	141,794
Provision for non-performing assets	515,841	414,864	-	-
	<b>614,524</b>	<b>535,651</b>	<b>420,702</b>	<b>141,794</b>
	<b>1,156,145</b>	<b>1,038,483</b>	<b>888,007</b>	<b>435,110</b>

7. Short-term borrowings	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Term loans</b>		
Indian rupee loan from non banking financial companies (secured)*	39,423,723	4,000,000
	<b>39,423,723</b>	<b>4,000,000</b>
<b>The above amount includes</b>		
Secured borrowings	39,423,723	4,000,000
Unsecured borrowings	-	-

\*Indian rupee loan secured by first pari passu charge over all loan receivables and margin money deposit.

8. Other current liabilities	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Other liabilities</b>		
Current maturities of long term borrowings (note 5)	4,999,996	3,333,336
Interest accrued but not due on borrowings	90,490	58,316
Interest accrued and due on borrowings	170,792	-
Statutory dues payable	377,103	404,044
Expenses and other payable	1,354,968	805,832
	<b>6,993,349</b>	<b>4,601,528</b>

11. Deferred tax	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Deferred tax liability</b>		
Difference due to depreciation impact	-	118,118
<b>Deferred tax liability</b>	-	<b>118,118</b>
<b>Deferred tax asset</b>		
Difference due to depreciation impact	63,627	-
Difference due to provision for leave encashment	158,837	90,635
Difference due to provision for gratuity	269,124	155,375
Difference due to disallowance of provision towards portfolio loans	351,873	209,331
Deferred tax on carried forward tax losses and unabsorbed depreciation	20,063,605	14,359,288
Deferred tax asset not recognized	(20,907,066)	(14,696,510)
<b>Deferred tax asset</b>	-	<b>118,118</b>
<b>Deferred tax asset/ (liability) net</b>	-	-

Deferred tax asset (net) has not been recognised in the absence of a virtual certainty supported by convincing evidence that such asset can be realised against future taxable profits.



Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)

Notes to financial statements for the year ended March 31, 2015

(Amount in Rupees unless otherwise stated)

9. Tangible assets	Furniture and fixtures	Computers	Office equipments	Total
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
<b>Cost</b>				
At April 1, 2013	360,526	435,799	149,360	945,685
Additions	524,356	518,551	89,005	1,131,912
Disposals	5,800	-	35,930	41,730
<b>At March 31, 2014</b>	<b>879,082</b>	<b>954,350</b>	<b>202,435</b>	<b>2,035,867</b>
Additions	83,225	322,070	74,826	480,121
Disposals	102,002	75,065	-	177,067
<b>At March 31, 2015</b>	<b>860,305</b>	<b>1,201,355</b>	<b>277,261</b>	<b>2,338,921</b>
<b>Depreciation</b>				
At April 1, 2013	88,974	190,246	34,130	313,350
Charge for the year	148,590	234,148	25,554	408,292
Disposals	2,548	-	7,552	10,100
<b>At March 31, 2014</b>	<b>235,016</b>	<b>424,394</b>	<b>52,132</b>	<b>711,542</b>
Charge for the year	172,246	414,160	100,813	687,219
Disposals	45,326	45,512	-	90,838
<b>At March 31, 2015</b>	<b>361,936</b>	<b>793,042</b>	<b>152,945</b>	<b>1,307,923</b>
<b>Net Block</b>				
At March 31, 2014	644,066	529,956	150,303	1,324,325
At March 31, 2015	498,369	408,313	124,316	1,030,998
All assets have been recognized at cost				
<b>10. Intangible assets</b>	<b>Software</b>			
<b>Gross block</b>				
At April 1, 2013	2,040,708			2,040,708
Additions	-			-
Deletions/Write off	-			-
<b>At March 31, 2014</b>	<b>2,040,708</b>			<b>2,040,708</b>
Additions	1,113,517			1,113,517
Deletions/Write off	2,020,408			2,020,408
<b>At March 31, 2015</b>	<b>1,133,817</b>			<b>1,133,817</b>
<b>Amortization</b>				
At April 1, 2013	831,910			831,910
Charge for the year	679,821			679,821
<b>At March 31, 2014</b>	<b>1,511,731</b>			<b>1,511,731</b>
Charge for the year	304,888			304,888
Deletions/Write off	1,588,875			1,588,875
<b>At March 31, 2015</b>	<b>227,744</b>			<b>227,744</b>
<b>Net block</b>				
At March 31, 2014	528,977			528,977
At March 31, 2015	906,073			906,073





Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)  
Notes to financial statements for the year ended March 31, 2015

(Amount in Rupees unless otherwise stated)

12. Loans and advances	Non-current		Current	
	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>A. Portfolio Loans</b>				
<b>Joint liability group loans</b>				
Unsecured, considered good*	9,524,692	6,204,052	44,414,333	18,781,791
Unsecured, considered doubtful**	30,891	506,440	546,315	-
	<u>9,555,583</u>	<u>6,710,492</u>	<u>44,960,648</u>	<u>18,781,791</u>
<b>Individual loans</b>				
Unsecured, considered good*	6,355,343	18,192,389	21,648,591	9,338,154
Secured, considered good*	-	-	-	-
Unsecured, considered doubtful**	17,917	1,017,395	272,054	-
	<u>6,373,260</u>	<u>19,209,784</u>	<u>21,920,645</u>	<u>9,338,154</u>
(A)	<u>15,928,843</u>	<u>25,920,276</u>	<u>66,881,293</u>	<u>28,119,945</u>
<b>B. Security deposits</b>				
Unsecured, considered good	1,003,455	556,350	-	-
(B)	<u>1,003,455</u>	<u>556,350</u>	-	-
<b>C Other loans and advances</b>				
Advance paid to supplier	-	-	142,400	-
Employee loans (secured, considered good)	-	-	80,900	223,334
Other receivables	-	-	208,567	61,800
Advance income tax (net of provision)	60,155	263,241	-	-
Prepaid expenses	-	-	161,779	125,389
(C)	<u>60,155</u>	<u>263,241</u>	<u>593,646</u>	<u>410,523</u>
<b>Total (A+B+C)</b>	<u>16,992,453</u>	<u>26,739,867</u>	<u>67,474,939</u>	<u>28,530,468</u>

13. Other assets	Non-current		Current	
	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
Interest accrued on investments	-	-	267,871	56,552
Non current bank balances (note 14)	500,000	600,000	-	-
Interest accrued and not due on portfolio loans	-	-	1,033,699	695,409
	<u>500,000</u>	<u>600,000</u>	<u>1,301,570</u>	<u>751,961</u>

14. Cash and bank balances	Non-current		Current	
	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
<b>Cash and cash equivalents</b>				
Balances with banks:				
On current accounts	-	-	3,899,794	6,375,456
Deposits with original maturity of less than three months	-	-	-	10,700,000
Cash on hand	-	-	43,652	56,672
	-	-	<u>3,943,445</u>	<u>17,132,128</u>
<b>Other bank balances</b>				
Margin money deposit*	500,000	600,000	9,025,000	-
	<u>500,000</u>	<u>600,000</u>	<u>9,025,000</u>	-
Amount disclosed under non-current assets (note 13)	<u>(500,000)</u>	<u>(600,000)</u>	-	-
	-	-	<u>12,968,445</u>	<u>17,132,128</u>

\*Represents margin money deposit placed to avail term loan from financial institutions.



**Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)**

**Notes to financial statements for the year ended March 31, 2015**

*(Amount in Rupees unless otherwise stated)*

	<b>31-Mar-15</b>	<b>31-Mar-14</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<b>15. Revenue from operations</b>		
<b>Interest income</b>		
Interest on portfolio loans	15,874,733	8,440,376
<b>Other operating revenue</b>		
Loan processing fees	1,074,940	701,505
Recovery against loans written off	2,500	1,000
	<b>16,952,173</b>	<b>9,142,881</b>
<b>16. Other income</b>		
<b>Interest on fixed deposits</b>	<b>606,902</b>	<b>512,962</b>
Interest on employee loans	33,657	16,233
Interest on Income tax refund	17,979	333
Miscellaneous income	21,220	2,645
	<b>679,758</b>	<b>532,173</b>
<b>17. Employee benefit expenses</b>		
<b>Salaries and bonus / incentives</b>	<b>15,153,781</b>	<b>13,762,843</b>
Leave benefits	360,293	20,617
Contribution to Provident Fund	534,412	288,790
Contribution to Employee State Insurance Corporation	159,838	53,480
Gratuity expenses	38,789	132,645
Staff welfare expenses	213,332	171,771
	<b>16,460,445</b>	<b>14,430,146</b>
<b>18. Finance costs</b>		
<b>Interest expense</b>		
On term loans from non banking financial companies	3,882,066	64,795
Other finance costs/Processing fees	781,022	94,944
Bank charges	42,483	29,942
	<b>4,705,571</b>	<b>189,681</b>



Agora Microfinance India Limited (formerly Jagdhan Finance and Investment Limited)

Notes to financial statements for the year ended March 31, 2015

(Amount in Rupees unless otherwise stated)

19. Other expenses	31-Mar-15 (Rupees)	31-Mar-14 (Rupees)
Rent	1,698,445	985,660
Rates and taxes	2,500	2,500
Insurance	76,788	64,342
Repairs and maintenance	313,765	348,890
MFIN membership & subscription fee	110,000	170,569
Advertising	24,146	60,471
Others expense	321,371	132,240
Electricity charges	89,906	78,732
Travelling and conveyance	594,374	594,795
Communication expenses	397,653	332,577
Printing and stationery	693,859	560,785
Legal and professional fees	482,097	498,000
Directors' sitting fees	160,000	230,000
Auditors' remuneration (refer details below)	1,366,101	943,824
Other provisions and write off	69,647	9,053
Loss on sale /Discard of fixed asset	476,619	18,130
Technical services	147,802	385,356
Miscellaneous expenses	30,880	73,333
	<b>7,055,953</b>	<b>5,489,257</b>
<b>Payment to auditors</b>	<b>31-Mar-15 (Rupees)</b>	<b>31-Mar-14 (Rupees)</b>
<b>As auditor:</b>		
Audit fee	1,258,444	674,160
Limited review	-	-
<b>In other capacity:</b>		
Other services (certification fees)	100,000	269,664
Reimbursement of expenses	7,657	-
	<b>1,366,101</b>	<b>943,824</b>
<b>20. Depreciation and amortization expense</b>	<b>31-Mar-15 (Rupees)</b>	<b>31-Mar-14 (Rupees)</b>
Depreciation of tangible assets	687,219	408,292
Amortization of intangible assets	304,888	679,821
	<b>992,107</b>	<b>1,088,113</b>
<b>21. Provisions and write-offs</b>	<b>31-Mar-15 (Rupees)</b>	<b>31-Mar-14 (Rupees)</b>
Contingent provision against standard assets	141,361	165,558
Provision for non-performing assets	1,095,850	489,950
	<b>1,237,211</b>	<b>655,508</b>





**Agora Microfinance India Limited**  
*(formerly Jagdhan Finance and Investment Limited)*

Notes to financial statements for the year ended March 31, 2015

*(Amount in Rupees unless otherwise stated)*

**22. Segment information**

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS - 17 on 'Segment Reporting' specified under section 133 of the Act, read with rules 7 of Companies (Accounts) Rules, 2014. The Company operates in single geographical segment, i.e. domestic.

**23. Related parties**

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

<b>Key Management Personnel</b>	Mrs. Meenal Patole (Managing Director and Chief Executive Officer)
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- ii. Related party transactions

Particulars	March 31, 2015	March 31, 2014
<b>Transactions during the year</b>		
<b>Mrs. Meenal Patole</b>		
Salaries and perquisites	2,575,290	2,744,125
Reimbursement of expenses	971,857	594,984
Incentives	-	18,127

**24. Capital commitments**

Capital commitments as on March 31, 2015: NIL (March 31, 2014: NIL).

**25. Earning and expenditure in foreign currency (on accrual basis)**

There are no earnings and expenditure in foreign currency for current financial year and for previous financial year.

**26. Earnings per share (EPS)**

**Profit/ (Loss) and number of shares data used in computation of basic and diluted EPS:**

Particulars	March 31, 2015	March 31, 2014
Net profit/ (loss) for calculation of EPS	(12,819,356)	(21,346,371)
Weighted average number of equity shares – basic / diluted EPS	672,040	646,287
Basic EPS (Rs.)	(19.07)	(33.03)
Diluted EPS (Rs.)	(19.07)	(33.03)
Nominal Value of shares (Rs.)	10.00	10.00



**Agora Microfinance India Limited**  
*(formerly Jagdhan Finance and Investment Limited)*

Notes to financial statements for the year ended March 31, 2015

*(Amount in Rupees unless otherwise stated)*

**27. Loan portfolio and provision for standard and substandard assets:**

Asset classification	(Rupees in lakhs)						
	Portfolio loans outstanding (Gross)		Provision for standard and substandard assets			Portfolio loans outstanding (Net)	
	March 31, 2015	March 31, 2014	March 31, 2014	Additions in 2014-15	March 31, 2015	March 31, 2015	March 31, 2014
Standard	819.42	536.67	3.77	1.42	5.19	814.23	532.90
Substandard	8.67	3.73	3.00	2.15	5.15	3.52	0.73
<b>Total</b>	<b>828.09</b>	<b>540.40</b>	<b>6.77</b>	<b>3.79</b>	<b>10.34</b>	<b>817.75</b>	<b>533.63</b>

**28. Leases**

Head office and branch office premises are acquired on operating lease. The branch office premises are generally rented on cancellable term for less than twelve months with no escalation clause and renewable at the option of the Company.

There are no restrictions imposed by lease arrangements. There are no subleases. Lease payments during the year charged to statement of profit and loss were as follows:

Particulars	March 31, 2015	March 31, 2014
Operating lease payments recognised during the year	1,611,029	985,660

**29. Net Interest Margin (NIM)**

The net interest margin (NIM) for the Company, for the year ended March 31, 2015 is 6.28%. The computation of NIM has been based on guidelines communicated by RBI vide its letter dated April 4, 2013 to Micro Finance Institutions Network.

**30. Dues to micro, small and medium enterprises**

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2015 no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.



**Agora Microfinance India Limited**  
*(formerly Jagdhan Finance and Investment Limited)*

**Notes to financial statements for the year ended March 31, 2015**

*(Amount in Rupees unless otherwise stated)*

31. Previous year's figures have been regrouped where necessary to conform to this year's classification.

**For S.R. Batliboi & Associates LLP**  
Firm Registration number : 101049W  
Chartered Accountants



per **Amit Kabra**  
Partner  
Membership No. 94533



**For and on behalf of the Board of Directors of**  
**Agora Microfinance India Limited**



**Meenal Patole**  
Managing Director and  
Chief Executive Officer  
DIN-03162474



**Tanmay Chetan**  
Director  
DIN-03594936

Place: Mumbai

Date: **JUNE 23, 2015**





**Agora Microfinance India Limited**  
*(formerly Jagdhan Finance and Investment Limited)*

**Notes to financial statements for the year ended March 31, 2015**

*(Amount in Rupees unless otherwise stated)*

**1. Corporate Information**

Agora Microfinance India Limited ("the Company") is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was earlier known as Jagdhan Finance and Investment Limited and the new name of the Company is effective from November 17, 2014. The Company was 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 February 9, 2015.

The Company is primarily engaged in providing micro credit and related activities.

**2. Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the RBI as applicable to a NBFC-MFI and NBFC-ND. The financial statements have been prepared on an accrual basis and under the historical cost convention except interest on loans which have been classified as non-performing assets and are accounted for on realisation basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2.1 Summary of Significant Accounting Policies**

**a. Use of estimates**

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

**b. Revenue recognition**

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

- i) Interest income on loans given is recognised under the internal rate of return method. Income including interest or discount or any other charges on non-performing asset is recognised only when realised. Any such income recognised before the asset became non-performing and remaining unrealised shall be reversed.
- ii) Loan processing fees collected from customers are recognized on an upfront basis at the time of disbursement of loan.
- iii) Interest income on deposits with banks is recognised on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.
- iv) All other income is recognised on accrual basis.



**Agora Microfinance India Limited**  
*(formerly Jagdhan Finance and Investment Limited)*

**Notes to financial statements for the year ended March 31, 2015**

*(Amount in Rupees unless otherwise stated)*

**c. Tangible fixed assets**

All fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

**d. Intangible assets**

Computer software costs are capitalised and amortised using the written down value method at a rate of 40% per annum.

**e. Depreciation**

Depreciation on tangible fixed assets is provided on the written down value method using the rates arrived at based on useful life of the assets prescribed under Schedule II of the Act which is also as per the useful life of the assets estimated by the management.

**f. Impairment of 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**g. Leases (where the Company is the lessee)**

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

**h. Foreign currency transactions**

- i) All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.
- ii) Foreign currency monetary items are reported using the exchange rate prevailing at the close of the financial year.
- iii) Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.





**Agora Microfinance India Limited**  
*(formerly Jagdhan Finance and Investment Limited)*

**Notes to financial statements for the year ended March 31, 2015**

*(Amount in Rupees unless otherwise stated)*

**i. Income taxes**

- i) Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted, at the reporting date
- iii) Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax asset is recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
- iv) The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**j. Retirement and other employee benefits**

- i) Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the Statement of Profit and Loss for the year when the contributions are due.
- ii) The Company has no obligation, other than the contribution payable to the provident fund, employee state insurance. The cost of gratuity benefit is determined and provided in accordance with the Payment of Gratuity Act, 1972.
- iii) 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.

**k. Earnings per share**

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





**Agora Microfinance India Limited**  
*(formerly Jagdhan Finance and Investment Limited)*

**Notes to financial statements for the year ended March 31, 2015**

*(Amount in Rupees unless otherwise stated)*

**l. Borrowing costs**

All borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

**m. Provisions**

A provision is recognised when the Company has a present obligation 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**n. Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less.

**o. Classification of loan portfolio**

Loans are classified as per management estimates as given below:

<b>Asset Classification</b>	<b>Arrear Period</b>
Standard assets	Overdue for less than 30 days
<b>Non-performing assets</b>	
Sub-standard assets	Overdue for 31-180 days
Loss assets	Overdue over 180 days

The above classification is in compliance with the Non-Banking Financial Company – Micro Finance Institutions (NBFC-MFIs) Directions, 2011, as amended from time to time ('the NBFC-MFI Directions').

“Overdue” refers to interest and / or installment remaining unpaid from the day it became receivable.

**p. Provisioning policy for loan portfolio**

<b>Asset Classification</b>	<b>Arrear Period</b>	<b>Provision (%)</b>
Standard assets	Overdue for 0 days	0.50%
	Overdue for 1-30 days	10%
Sub-standard asset	Overdue for 31 - 60 days	25%
	Overdue for 61-90 days	50%
	Overdue for 91-180 days	75%
Loss Assets	Overdue for more than 181 days	100%

Loans are provided for as per above management estimates, subject to the minimum provisioning required as per the NBFC-MFI Directions.



**INDEPENDENT AUDITOR'S REPORT****To the Members of Agora Microfinance India Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of **Agora Microfinance India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its loss, and its cash flows for the year ended on that date.





## **Agora Microfinance India Limited**

Independent Auditors' Report for the year ended March 31, 2015

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### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) 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, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any outstanding long-term contracts including derivative contracts as at March 31, 2015 for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S. R. BATLIBOI & ASSOCIATES LLP**  
**ICAI Firm's Registration Number: 101049W**  
**Chartered Accountants**



**per Amit Kabra**  
**Partner**  
**Membership No: 094533**  
**Mumbai**  
**Date: June 23, 2015**



## Agora Microfinance India Limited

Independent Auditors' Report for the year ended March 31, 2015

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Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

### Re: Agora Microfinance India Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it, though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of dispute.
- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution. The Company did not have any outstanding to a bank or debenture holder during the year.

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# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **Agora Microfinance India Limited**

Independent Auditors' Report for the year ended March 31, 2015

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- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) Based on the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in liquid assets payable on demand.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For S. R. BATLIBOI & ASSOCIATES LLP**  
ICAI Firm's Registration Number: 101049W  
Chartered Accountants



per Amit Kabra  
Partner  
Membership No: 094533  
Mumbai: June 23, 2015





Agora Microfinance  
India Limited

## Board's Report

To  
The Members of  
AGORA MICROFINANCE INDIA LIMITED (AMIL)

Your Directors have pleasure in presenting the Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2015.

### FINANCIAL HIGHLIGHTS

(Amount in INR)

Particulars	Standalone	
	2014-2015	2013-14
Gross Income	1,69,52,173	91,42,881
Profit Before Interest and Depreciation	(71,21,678)	(1,08,99,856)
Finance Charges	47,05,571	1,89,681
Gross Profit	(1,18,27,249)	(1,10,89,537)
Provision for Depreciation	9,92,107	10,88,113
Net Profit Before Tax	(1,28,19,356)	(1,21,77,650)
Provision for Tax	0	(91,68,721)
Net Profit After Tax	(1,28,19,356)	(2,13,46,371)
Balance of Profit brought forward	(4,31,78,882)	(2,18,32,511)
Balance available for appropriation	(5,59,98,239)	(4,31,78,882)
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	(5,59,98,239)	(4,31,78,882)

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

The Company during the year changed its name from Jagdhan Finance & Investment Limited to Agora Microfinance India Limited vide approval of the Shareholders in their Extra Ordinary General Meeting held on 27th October 2014 and approval of Registrar of Companies, Maharashtra, Mumbai received on 17th November 2014.

During the year under review, the company recorded a year- on-year 85% increase in operating income- Rs. 16,952,173/- as compared to Rs. 9,142,881 /- during the previous year. The Company's Net Loss after Tax during the year 2014-2015 radically reduced to 13,205,302/- as compared to 21,346,371/- with the increased turnover. Besides opening its sixth field office in Deonar, a North



Eastern suburb on the outskirts of Mumbai during the year the company has also added new partners to its existing lender network

During the year, the Company also obtained credit ratings as under:

Rating Agency	Nature of Rating	Rating	Valid Till
SMERA Ratings Limited	SMERA MFI Rating	MF4 Rating (Average Credit Strength)	11 <sup>th</sup> February 2016
SMERA Ratings Limited	COCA (Code of Conduct Assessment)	COCA 3 (Above Average Level of Adherence)	26 <sup>th</sup> April 2016

Going forward, the Board notes the large losses incurred during the financial year and mandates the management to take all the necessary steps that will bring the company closer to the financial viability in the current financial year

#### **CHANGE IN NATURE OF BUSINESS, IF ANY**

During the year the Company obtained registration with Reserve Bank of India as MFI (Micro Finance Institution) hence company is reclassified from NBFC Company to NBFC- MFI Company with effect from February9, 2015.

#### **DIVIDEND**

Since, the Company has incurred losses during the year, the Directors do not recommend dividend for the year ended 31st March 2014.

#### **AMOUNTS TRANSFERRED TO RESERVES**

In the view of losses, your directors do not propose to transfer any amount to reserves.

#### **CHANGES IN SHARE CAPITAL, IF ANY**

There has been no change in the Share Capital of the Company during the Financial Year 2014-2015. But shareholders vide their resolution passed in the Extra Ordinary General Meeting held on 31<sup>st</sup> March 2015, approved issue of shares on preferential basis to the promoters of the Company in terms of the offer letters being issued to them and Board of Directors on 18<sup>th</sup> April 2015, allotted 2045 Equity Shares to the promoters, M/s Agora Microfinance NV and Ms. Meenal Patole.

#### **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

Company does not have any Subsidiary, Joint venture or Associate Company.

#### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**



The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

#### **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

#### **Disclosure under the Sexual Harassment of Women under WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has always believed in providing a safe and harassment free workmen for every individual working in AGORA MICROFINANCE INDIA LIMITED. The company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

#### **THE EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: 1)**

#### **MEETINGS OF THE BOARD OF DIRECTORS**

During the Financial Year 2014-15, the Company held board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

S No.	Date of Meeting	Board Strength	No. of Directors Present
1.	01.05.2014	6	3
2.	26.06.2014	6	5
3.	17.07.2014	6	4
4.	26.08.2014	6	5
5.	30.09.2014	6	5
6.	15.01.2015	6	4
7.	12.03.2015	6	4

#### **DIRECTORS**

In accordance with the provisions of Section 152 (6) (c) of the Companies Act, 2013 read with relevant rules made thereunder, and the Company's Article of Association, Ms. Tara Nair, Ms. Orlanda Ruthven retires by rotation at the ensuing Annual General Meeting and being eligible, has offered themselves for re-appointment.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

*Uth*  
*ec*



Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) Company being unlisted sub clause (e) of section 134(3) is not applicable.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS and REPORT thereon**

The Auditors, M/s Chartered Accountants, retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment for a period of 5 YEARS from the conclusion of this Annual General Meeting [AGM] till the conclusion of 6<sup>TH</sup> AGM and this AGM be counted as first Annual General Meeting.

The statutory auditors M/s. S. R. Batliboi & Associates LLP, Chartered Accountants retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The company has received their consent, proposing their appointment as Statutory Auditors of the Company and they have also confirmed that they are not disqualified for appointment as Statutory Auditors of the Company. They shall be eligible to hold office for five years. Further, their appointment if made would be within the limits as specified in the applicable provisions of the Companies Act, 2013.

Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2015 is annexed herewith for your kind perusal and information. **(Annexure: 2)**

#### **LOANS, GUARANTEES AND INVESTMENTS**

The Company being NBFC Company, provisions of section 186 of the Companies Act, 2013 relating to loans, guarantees or investments made by the Company are not applicable to the Company.

#### **RELATED PARTY TRANSACTIONS**





d. **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

**DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Details about the adequacy of Internal Financial Controls with reference to the Financial Statements, if any.

**ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

**For & on behalf of the Board of Directors**

Date: 25.06.2015

Place: Mumbai



**Meenal Patole**  
Name of Director  
DIN : 03162474  
(Managing Director )



**Tanmay Chetan**  
Name of Director  
DIN : 03594936  
(Director)



Agora Microfinance  
India Limited

**CERTIFIED COPY OF BOARD RESOLUTION OF AGORA MICROFINANCE INDIA LIMITED HELD ON 18<sup>TH</sup> DAY OF APRIL, 2015 AT THE REGISTERED OFFICE OF THE COMPANY**

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The Chairman informed the members of the Board that the company is required to pass a resolution within thirty days of the commencement of each financial year, as per the Para 9 of Part III of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998" of Reserve Bank of India for non applicability of the said directions to the company to the effect that the company has neither accepted public deposit nor would accept any public deposit during the year.

The Directors discussed the matter and passed the following resolution with majority.


**“RESOLVED THAT** the board confirmed & approved that the company has neither accepted public deposits nor would accept any public deposit during the year.”

**“RESOLVED FURTHER THAT** Ms. Meenal Patole, Managing Director of the company be and is hereby authorized severally to take the certificate from statutory auditors to the effect that the company has neither accepted public deposits nor would accept any public deposits during the year.”

**“RESOLVED FURTHER THAT** Ms. Meenal Patole, Managing Director of the company be and is hereby authorized severally to take such steps as may be necessary to give effect to this resolution.”

**“RESOLVED FURTHER THAT** the certified copy this resolution be submitted to the Reserve Bank of India.”

For Agora Microfinance India Limited

  
Meenal Patole  
Director  
DIN: 03162474

