Chaitanya

Improving Lives

ANNUAL REPORT
2014-2015

Chaitanya India Fin Credit Private Limited
Regd. Office: No. 312, 14 – P, Skyline Surabhi Apartment, Vidyapeetha Main Road, BSK 3rd Stage, Bangalore 560085.
Phone: 080 – 26750010, Fax: 080-26756767, Email: admin@chaitanyaindia.in

CORPORATE INFORMATION

Board of Directors

1. **K. S. Ravi**
   Independent Director

2. **R. Nanda Kumar**
   Independent Director

3. **Ramesh Sundaresan**
   Nominee Director

4. **A. Narasimha**
   Non Executive Director

5. **Samit S. Shetty**
   Executive Director

6. **Anand Rao**
   Managing Director

Head office Address

No. 98, 3rd Floor, Sirsi Circle, Mysore Road, Chamarajapet, Bangalore – 560018.
Tel: 080 – 26750010
Fax: 080 – 26756767
Email: admin@chaitanyaindia.in
Website: www.chaitanyaindia.in

Statutory Auditors

M/s Ramesh Ashwin & Karanth
Premier Presidency, #35/17,
1st Floor, Langford Road,
Opp. St. Joseph College,
Bangalore – 560025
Tel: 080 – 41464630

LENDERS

S L NO.	Institution
1	Dena Bank
2	National Bank for Agriculture and Rural Development (NABARD)
3	MAS Financial Services
4	IDBI Bank
5	IFMR Capital
6	Ratnakar Bank Limited
7	Dhanlaxmi Bank
8	Bank of Maharashtra
9	Union Bank of India
11	Maanaveeya Development & Finance Private Ltd
12	South Indian Bank Limited
14	Vijaya Bank
15	Caspian Impact Investments Private Ltd
16	Reliance Capital Limited
17	Corporation Bank
18	Canara Bank
19	Ananya Finance
20	Karnataka State Financial Corporation (KSFC)
21	State Bank of Mysore
22	Habitat Micro Build India Housing Finance Company Private Limited

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DIRECTORS REPORT

The Members,

Your Directors are pleased to present the Sixth Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your Company for the financial year ending 31st March 2015. The summarized financial results for the year ended 31st March 2015 are as under.

Financial Highlights

	Amount in Rs.	Amount in Rs.
Year Ended 31st March	**2015**	**2014**
Operating Income	18,94,24,170	10,26,63,695
Other Income	1,16,85,462	58,40,172
Total Income	**20,11,09,632**	**10,85,03,866**
Less Expenditure		
Finance Cost	10,36,96,905	4,63,07,973
Personnel Cost	4,83,41,538	2,87,31,543
Administrative Cost	3,00,45,221	1,61,52,045
Depreciation	39,40,576	18,28,937
Bad Debts	1,13,321	70,751
Provision for Loan Assets as Per RBI Guidelines	42,17,197	40,14,216
Profit/(Loss) Before Tax	**1,07,54,873**	**1,13,98,402**
Less Income Tax	48,40,614	46,91,283
Less Deferred Tax	(24,24,339)	(12,50,348)
Profit/(Loss) After Tax	**83,38,958**	**79,57,467**

- The Company's total income for the year ended 31st March 2014 has increased to Rs. 20.11 Crores from Rs. 10.85 Crores in the previous year, an increase of 100% for the year.

- During the year, the Company delivered a Profit After Tax (PAT) of Rs. 83.38 Lakhs, higher than last year's PAT of 79.57 Lakhs, an increase of 4.79% for the year.

Operational Highlights

Year Ended 31st March	**2015**	**2014**
Number of Branches	47	29
Number of Active Borrowers	69,995	44,074
Number of Employees	414	237
Portfolio Outstanding (in Rs. Crores)	99.07	56.48

Deposits
As on 31st March 2015 the Company does not have any public deposits.

Dividends
The Company has not made any provision for payment of dividend for the year under consideration.

No. of Meetings Held:
During Financial Year 2014-15, the Board of Directors met four times every quarter in full attendance on 16th May 2014, 6th September 2014, 6th December 2014 and 20th March 2015.

However for other day to day transactions, Board of Directors met thirty times in Year on the following dates:

SL No	Date of Board meeting	SL No	Date of Board meeting
1	19-04-2014	16	25-09-2014
2	12-05-2014	17	29-09-2014
3	14-05-2014	18	20-10-2014
4	21-05-2014	19	06-11-2014
5	23-05-2014	20	12-11-2014
6	02-06-2014	21	21-11-2014
7	26-06-2014	22	29-11-2014
8	11-07-2014	23	26-12-2014
9	15-07-2014	24	01-01-2015
10	21-07-2014	25	23-01-2015
11	22-07-2014	26	29-01-2015
12	30-07-2014	27	19-02-2015
13	31-07-2014	28	25-02-2015
14	25-08-2014	29	13-03-2015
15	09-09-2014	30	24-03-2015

Details of Directors/KMP who have appointed or resigned during the year:

1. Mr. Samit S Shetty was reappointed as an Executive Director on 30th December 2014.
2. The approval of the members for re-appointment of Mr. K S Ravi as an Independent Director for a further period of 5 years is being sought at the forthcoming AGM.
3. Change in KMP- Mr. A. Narasimha resigned from the post of Company Secretary and Ms. Dimple Shah was appointed in his place as Company Secretary with effect from 6th December 2014.

Committees of the Board:

Audit Committee

Committee Composition

1. Mr. K S Ravi- Chairman
2. Mr. Ane Narasimha
3. Mr. Anand Rao

Meetings held:

During Financial year 2014-2015, the committee met three times and the meetings of the Committee were held on 29th August 2014, 24th November 2014 and 13th February 2015.

Terms of Reference:

The Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall inter alia, include

i. Evaluation of internal financial controls and risk management systems;
ii. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
iii. Review and monitor the auditors independence and performance, and effectiveness of audit process;
iv. Examination of the financial statement and the auditor's report thereon;

v. Approval or any subsequent modification of transactions of the company with related parties;
vi. Scrutiny of inter-corporate loans and investments;
vii. Valuation of undertakings or assets of the company, wherever it is necessary;

Risk Management Committee

Committee Composition

1. Mr. R Nanda Kumar - Chairman
2. Mr. Anand Rao
3. Mr. Ane Narasimha

Meetings Held:

During Financial year 2014-2015, the committee met two times and the meetings of the committee were held on 25th December 2014 and 20th March 2015.

Terms of Reference:

i. To monitor and review the risk management plan;
ii. To review operational risk, information technology risk and integrity risk;
iii. To take strategic actions to mitigate the risk associated with the nature of the business;
iv. To appraise the Board of Directors at regular intervals regarding the process of putting in place a progressive risk management system, risk management policy and strategy;
v. To lay down procedure to inform Board members about the risk assessment and minimization procedures.

Nomination and Remuneration Committee

Committee composition

1. Mr. Ramesh S- Chairman
2. Mr. K S Ravi
3. Mr. R Nanda Kumar
4. Mr. Ane Narasimha

Meetings Held:

During Financial year 2014-15, the committee met one time and the meetings of the committee was held on 20th March 2015.

Terms of reference:

i. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
ii. To ensure 'fit and proper' status of proposed/ existing Directors
iii. To recommend to the Board the appointment and removal of Senior Management.
iv. To carry out evaluation of Director's performance and recommend to the Board appointment/ removal based on his / her performance.
v. To recommend to the Board on policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

Names of Companies which have become or ceased to be its subsidiaries, Joint ventures or associate companies during the year.

M/s Chaitanya Rural Intermediation Development Services Private Ltd (CRIDS) has become the holding company of Chaitanya India Fin Credit Private Ltd (CIFCPL) by swapping all the shares from CIFCPL to CRIDS on 12th November 2014 after obtaining FIPB approval for swapping of shares by non-resident shareholders of CIFCPL.

Material Changes and commitments, if any, affecting the financials:

1. **Details of Rights Issue made during the Year:**
   During the year company has made two rights issue;

SL No.	Investor	No of Shares	Price (Rs.)	Amount (RS.)
1	Chaitanya Rural Intermediation Development Services Private Limited	2440000	25	610,00,000
2	Chaitanya Rural Intermediation Development Services Private Limited – Allotment was pending as on 31st March 2015.	1075000	28	301,00,000

2. **Details of Fraud noticed during the year:**

   For the year ended 31st March 2015

Category	No of Instances	Amount RS.
Embezzlement of cash by Employee	1	1,04,966

NOTE: Out of the above an amount of Rs. 96,000 has been recovered by the company.

Risk Management
Chaitanya India follows well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board.

The Risk Management Committee assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

Internal Financials Controls
The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Corporate Social Responsibility
As per Section 135 of the Companies Act 2013, constitution of corporate social Responsibility committee is Not Applicable. However, in the year 2014-15, Company has participated in the Prime Minister's Jan Dhan Yogana (PMJDY) where in we opened 18,423 bank accounts for every women borrower of our company.

Particulars of Employees
The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as ***Annexure 1*** .

Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of 60 lakh or more, or employed for part of the year and in receipt of 5 lakh or more a month) is **Not Applicable**.

Policy on Director's Appointment
The current policy is to have appropriate mix of Executive and Independent Directors to maintain the independence of the Board. As on 31st March 2015, Board comprises of 6 (Six) Directors, including 2 (Two) Independent Directors, 1(one) Executive Director, 1 (one) Managing Director, 1 (one) Non Executive Director and 1 (one) Investor Nominee Director.

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as ***Annexure 2***.

Board Evaluation
The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The evaluation of all the Directors and the Board as a whole will be conducted based on the criteria and framework adopted by the Board.

Code of Conduct, Transparency & Client Protection
The Company has fully implemented the Reserve Bank of India's Fair Practice Code and adopted the Microfinance Institutions Network's (MFIN) Code of Conduct.

Conservation of Energy, Technology absorption
Since the Company does not own any manufacturing facility, the particulars relating to conservation of Energy and technology absorption in the above rules are not applicable.

Foreign Exchange earnings and Outgo
The Foreign Exchange Inflow for the Company during the year was NIL.

The Foreign Exchange expenses incurred during the year was Rs.64, 898.09 towards web hosting charges.

Loans, Guarantees and Investments made by the company under section 186
The company has not given any loan and guarantees.

Related party Disclosure under section 188(I)

1. **Transactions with related parties during the year:**

Key Managerial Personnel

Particulars	March 31, 2015	March 31, 2014
Remuneration	**(RS.)**	**(Rs.)**
Mr. Samit S Shetty	17,63,904	14,88,912
Mr. Anand Rao	17,63,904	14,88,912
Mr. Ane Narasimha	1,44,800	2,17,200
Ms. Dimple Shah	1,22,000	-

Independent Director

Particulars	March 31,2015	March 31,2014
Sitting Fees	**(Rs.)**	**(Rs.)**
Mr. K S Ravi	30,000	30,000
Mr. Nanda Kumar	30,000	30,000
Mr. Ramesh S (Nominee Director)	30,000	30,000

Investment by Holding Company

Particulars	Name of the Company	Amount (RS.)
Share Application Money Received	Chaitanya Rural Intermediation Development Services Private Ltd. (Holding Company)	9,11,00,000
Equity Shares Allotted	Chaitanya Rural Intermediation Development Services Private Ltd. (Holding Company)	2,44,00,000
Securities Premium Received	Chaitanya Rural Intermediation Development Services Private Ltd. (Holding Company)	3,66,00,000

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Directors Responsibility Statement

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, Board of Directors confirms that:

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

5. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. 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:

Statutory Auditors

The company has appointed M/s. Ramesh Ashwin & Karanth, Chartered Accountants, Bangalore as Statutory auditors of the company for period of Five years from the conclusion of fifth Annual General Meeting (held on 7th August 2014) till conclusion of Tenth Annual General Meeting subject for ratification by members at every Annual General Meeting.

Secretarial Auditor

As per provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company is required to appoint Secretarial Auditor to carry out secretarial audit of the Company. The Company has appointed Ms. Pallavi Rao, practicing Company Secretary as Secretarial Auditor of the Company for the F.Y. 2014–15. Secretarial Audit report is attached **[Annexure 3].**

Qualification raised by Secretarial Auditor:

1. The Company has not appointed a Woman Director on the Board as per the requirements of Section 149 of the Companies Act, 2013.

Director's remarks:

Board is actively looking for Woman Director and same has been discussed in the Board meeting held on 20th March 2015.

Vigil Mechanism

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a vigil mechanism process wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to an e-mail ID designated or by post. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

Extract of Annual Return

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as ***Annexure 4.***

Disclosure under the Sexual Harassment of women at workplace (prevention, prohibition and redressal) act, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Chaitanya premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at workplace is placed. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. A three member Committee was set up for redressal of complaints related to sexual harassment.

During the year ended 31 March 2015, we have not received any complaints on sexual harassment.

Acknowledgment

Your Directors take this opportunity to offer their sincere thanks to Bankers, Investors and Independent Directors for their unstinted support and assistance received from them during the year. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

By order of the Board

Bangalore, 27.05.2015

Sd/-	Sd/-
Samit S. Shetty	Anand Rao
Director	Managing Director

Sd/-
Dimple Shah
Company Secretary

MANAGEMENT DISCUSSION AND ANALYSIS

Overview of Performance

Client Outreach: The number of active clients, the Company serves increased from around 46,000 to 70,000, an increase of 52% for the year and the loan book grew to 99.07 crores from 56.5 crores , an increase of 75% for the year. The JLG(Joint liability Group) loan book grew by 73% from 52 crores to 90 crores, whereas 2 wheeler loan book increased from 2.44 crores to 6.87 crores and the gold loan book increased from 1.81 crores to 2.28 crores. We also made our first foray into housing loans. In housing, we ourselves provide small ticket house improvement loans(less than 50,000) and partner with housing finance companies for larger ticket loans.

The number of branches in the Company increased from 29 to 47 during the year. Operationally, a group of branches are clustered as a region with a region having 5 to 7 branches. We added four new regions during the year, with three new regions - Jamkandi, Hungund, Gulburga and one existing region Holelkere split into Honnali and Holalkere. In the current year we increased our coverage in the state of Karnataka by entering the districts of Gulburga, Bijapur, Bagalkot, Shimoga and Tumkur.

Repayment Rate and Overdue: We continue to have a very good repayment rate, with the repayment rate being 99.78% during the year. The number of overdue accounts in the Company for JLG loans was 40 in FY 14-15 and the total portfolio at risk for the Company from these 40 loan accounts was Rs. 4,16,849. In FY 13-14 the number of overdue accounts was 26 and the total portfolio at risk was Rs. 99,000.

Profitability: The Company closed the year with a profit after tax (PAT) of Rs. 83.38 Lakhs. This was a 5% increase over a year before when the PAT was 79.57 lakhs. The profitability of the company was less for the following reasons. One, increase in finance cost for the company due to a higher percentage of the portfolio being financed through debt (debt equity ratio increased from 3.30 to 4.58) and increase in borrowing costs (average interest cost increase from 13.91% to 14.04%). Two, exceptional onetime costs for the year: costs incurred on small finance bank application, increase in depreciation costs due to change in depreciation accounting as per Companies Act of 2013, onetime costs due to gratuity provision and costs related to equity raise. The operating cost ratio (OCR) which is the ratio of operating cost to average portfolio of the company marginally decreased from 11.7% to 11.5 percent during the year.

Ratings: The MFI grading assigned to the company increased one notch to M2 as per ICRA grading scale. The company also received a bank loan rating of BB+ from ICRA. The company also did a COCA (code of conduct assessment) where it received a level 3 rating from SMERA which is an above average level of adherence to code of conduct and regulations.

Risk Management

Credit Risk: Credit risk the risk which arises due to borrowers late and non-payment of loan obligations. At a portfolio level we manage this risk by putting our branches from where we can cover deep rural areas. Deep rural areas also happen to be an area of lower competition and lower credit risk. By continuously focusing on operating in rural areas since inception, the company has developed significant expertise in operating in rural areas and managing the corresponding risks which arise. At a transaction level, the company has a strong internally developed process to screen villages and borrowers before loans are disbursed. The field process is supported by a strong audit process in the company. The company also has a process to capture information and take action on potential client repayment problems before they actually occur.

Operational Risk: It is the risk which arises from daily operational transactions. This is an important risk in microfinance due to the occurrence of a large number of small daily transactions. The company has a robust web based IT system where every transaction is recorded real time and financial accounts are tallied and closed on a daily basis. To deal with risks arising from cash handling there are strict cash carrying limits for field employees, limits for cash holding at branches and cheque signing limits for branch managers. Employee related frauds are another operational risk. The background of every employee is thoroughly checked before they are taken and hiring from other financial institutions is generally avoided. Through the regional manager for every 5 to 6 branches, field staff are constantly trained and guided on aspects of right values to minimize the occurrence of employee frauds. The company also has a zero tolerance policy towards employee frauds.

Sector Risk: The sector risk has come down through strong regulatory structure from the RBI since the AP crisis. The sector is today looked at much more favorably by both the RBI and the central government. Although, the earlier risks for the sector was from the state governments, national level support for the industry should be favorable to the sector and further reduce the sector risk arising from any state level actions.

Audit and Internal Controls

There are two types of internal audit conducted in the company. One is field operations audit and the second is accounting and administrative audit. The field operations audit is headed by the audit head. Each region has an audit officer assigned, who audits all the branches in the region. The audit officers report to the audit head. The audit officer ensures that there is one field audit of every branch in a month and a certain minimum number of: repayment audits, field process audits, client audits and Fair Practices Code audits for all branches in the region. The accounts and administrative audit is done every quarter by an external independent agency. This audit focuses on compliance to accounting and documentation processes at the branches, regions and head office and compliance to human resources processes. Every quarter both the field audit and the accounting audit findings are submitted to the audit committee. The audit committee reviews the findings and reports to the board.

Human Resources

Loan officers form the largest proportion of employees in the company. Loan officers are recruited from in and around the villages where we put our branches. This ensures that attrition levels are lower, there is a local touch to the operations and we are taking fresh candidates and inculcating the right values in the loan officers. However, care is taken to ensure that loan officers do not serve the villages they come from. The company strives for the right balance of being local and also being professional in the services it delivers to its clients.

Community Services

The company sees community services being integral to its main activity of providing microcredit loans. During the year, the company has appointed a senior person at the level of regional manager to head the community service activities in the company. During the year, the focus of the community service was to ensure that every client of the company has a bank account. This was done as the company's support to the government's Prime Minister's Jan Dhan Yojana(PMJDY), to help our clients to have bank accounts in their local banks and also help us better integrate with the main stream banking sector. In total we opened 18,000 bank accounts ensuring more than 99% of our clients have bank accounts.

Client Grievance Cell

During the year, we introduced a dedicated toll free number for the benefit of our clients. During the training we provide to our clients we actively encourage them to contact our toll free number if they have any complaints. All complaints are addressed with utmost importance.

GENERAL SHAREHOLDER INFORMATION:

Company Registration Details:

The Company is registered in the state of Karnataka, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **U67190KA2009PTC049494.**

Annual Report:

The Annual report containing inter alia, Audited Annual Accounts, Director's Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and the Annual Report is also displayed on the website www.chaitanyaindia.in .

Debt Securities Listing:

The Bombay Stock Exchange

Debenture Trustee:

GDA Trusteeship Ltd

Office No. 1, 2 & 3- 4th Floor, Rehematoola House,
7th Homji Street, Off, P.M.Road, Fort,
Mumbai - 400 001

Payment of Listing Fees & Depository Fees:

Annual Listing fee for the year 2015-16 was paid on 16th April 2015 to the BSE.
Annual Custody/Issuer fee for the year 2015-16 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system by Securities Exchange Board of India for debt listing. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. Till the date of the report the status of investor complaints are Nil.

Annexure 1- Particulars of Employees

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **Remuneration paid to Whole Time Directors**

Name of the Director	Designation	Remuneration in FY 2014-2015	% increase of remuneration in 2015 as compared to 2014	Ratio of remuneration to MRE
Mr. Samit S Shetty	Executive Director	17,63,904	20%	9.88
Mr. Anand Rao	Managing Director	17,63,904	20%	9.88

2. **Remuneration paid to KMP**

Name of the KMP	Designation	Remuneration in FY 2014-2015	% increase of remuneration in 2015 as compared to 2014	Ratio of remuneration to MRE
Mr. Ane Narasimha	Company Secretary	1,44,800	-	0.80
Ms. Dimple Shah	Company Secretary	1,22,000	-	0.67

ii) The median remuneration of employees of the Company during the financial year was Rs.1, 80,900.

iii) In the financial year, there was an increase of 6.6% in the median remuneration of employees;

iv) There were 414 permanent employees on the rolls of Company as on March 31, 2015;

v) Relationship between average increase in remuneration and company performance: - The Profit before Tax for the financial year ended March 31, 2015 increased by 5.65% whereas the increase in median remuneration was 6.6%.

vi) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 12.5% whereas the increase in the managerial remuneration for the same financial year was 20%.

Vii) There are no variable component of remuneration availed by the Directors.

Viii) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year – **Not Applicable**

Annexure 2- Nomination and Remuneration policy

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

The Objective and Purpose of this Policy are:

• To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
• To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the micro finance industry.
• To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
• To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
• To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 27th May 2015.

Effective Date:

This policy shall be effective from 1st June 2015.

Constitution of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of following Directors:

SL No.	Name	Position
1.	Mr. Ramesh Sundaresan	Chairman (Nominee Director)
2.	Mr. K S Ravi	Member (Independent Non – Executive Director
3.	Mr. Ane Narasimha	Member (Non – Executive Director)
4.	Mr. Nanda Kumar	Member (Independent Non – Executive Director

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

Definitions:

• **Board** means Board of Directors of the Company.
• **Directors** means Directors of the Company.
• **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
• **Company** means Chaitanya India Fin Credit Private Limited.

• **Independent Director** means a Director referred to in Section 149 (6) of the Companies Act, 2013.
• **Key Managerial Personnel** (KMP) means-
(i) Executive Chairman and / or Managing Director;
(ii) Whole-time Director;
(iii) Chief Financial Officer;
(iv) Company Secretary;
(v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
• **Senior Management** means personnel of the Company occupying the position of one level below the KMP.

Applicability:
The Policy is applicable to
• Directors (Executive and Non Executive)
• Key Managerial Personnel
• Senior Management Personnel

General:
• This Policy is divided in three parts: Part – A covers the matters to be dealt with and recommended by the Committee to the Board, Part – B covers the appointment and nomination and Part – C covers remuneration and perquisites etc.
• The key features of this Company's policy shall be included in the Board's Report.

PART – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:
• Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
• Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
• Recommend to the Board, appointment and removal of: Director, KMP and Senior Management Personnel.

PART – B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

• **Appointment Criteria and Qualifications:**
1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

• **Term / Tenure:**
1. Managing Director/Whole-time Director:

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

• **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

• **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

• **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

• **General:**

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of

Whole-time Director**.** Increments will be effective from 1st April to all the employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

• **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**
1. Fixed pay:
The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F/SIP, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
2. Minimum Remuneration:
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.
3. Provisions for excess remuneration:
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

• **Remuneration to Non- Executive / Independent Director:**
1. Remuneration / Commission:
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.
2. Sitting Fees:
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. Commission:
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
4. Stock Options:
An Independent Director shall not be entitled to any stock option of the Company.

Annexure 3 – Secretarial Audit report for the financial year ended March 31, 2015

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Chaitanya India Fin Credit Private Limited.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chaitanya India Fin Credit Private Limited (hereinafter called the Company) Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers minute books, forms and returns filed and other records maintained by Chaitanya India Fin Credit Private Limited for the financial year ended on March 31, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(iii) The Depositories Act ,1996 and the Regulations and Bye-laws framed there under;
(iv) Foreign Exchange Management Act, 1966 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;
(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(vi) And other applicable laws.

I have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with the Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The Company has not appointed a women Director on the Board as per the requirements of Section 149 of the Companies Act, 2013.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and there are no changes in the composition of the Board of Directors that took place during the period under review.

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

Majority decision is carried through while dissenting members' view are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, the Company is in the process of establishing a system to monitor the compliance with various labor laws applicable to the Company.

I further report that during the audit period the Company has issued Non-convertible debentures of Rs.7.5 Crores on 30th July 2014 & Rs. 5 Crores on 31st July 2014 and proceeded to list it with the Bombay Stock Exchange on 22nd August 2014.

Place: Bangalore
Date: 25/05/2015

SD/-
Pallavi P. Rao
ACS No.: 24862
C. P. No.: 8955

This report is to be read with my letter of even date which is annexed as **ANNEXURE A** and forms an integral part of this report.

ANNEXURE A

To,
The Members,
Chaitanya India Fin Credit Private Limited.

My report of even date is to be read along with this letter.

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

Annexure 4 – Extract of Annual Return

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS

i	CIN	U67190KA2009PTC049494
ii	Registration Date	31-03-2009
iii	Name of the Company	Chaitanya India Fin Credit Private Ltd
iv	Category/Sub-category of the Company	NBFC- MFI
v	Address of the Registered office & contact details	NO-312, 14-P, SKYLINE SURABHI APARTMENTS, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE-560085. TEL: 080-26750010, FAX: 080-26756767
vi	Whether listed company	Yes- (Debt securities listed)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Share Pro Services India Private Limited 13 AB Samitha Warehousing Complex, 2nd Floor, Saki Naka Telephone Exchange Lane,Sakinaka, Andheri East Mumbai - 400072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
	NBFC- MFI - Micro lending	641	100%
1.	JLG		90.64%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD
1	Chaitanya Rural Intermediation Development Services Private Ltd Reg off: No-312, 14-P, Skyline Surabhi Apartments, Vidyapeeta Main Road, Bsk 3rd Stage, Bangalore- 560085.	U65923KA2012PTC062537	Holding Company	100%

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	48,97,891	48,97,891	52.85%	-	01	01	0.001%	100%
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	-	**48,97,891**	**48,97,891**	**52.85%**	**-**	**01**	**01**	**0.001%**	**100%**
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other…	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	**48,97,891**	**48,97,891**	**52.85%**	**-**	**01**	**01**	**0.001%**	**100%**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Cenntral govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)					-	-	-	-	-

SUB TOTAL (B)(1):		-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies corporates									
i) Indian	-	228000	228000	2.46%	-	11706925	11706925	99.999%	**100%**
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	13,06,035	13,06,035	14.09%	-	-	-	-	**100%**
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	28,35,000	28,35,000	30.60%	-	-	-	-	**100%**
c) Others (specify)									
SUB TOTAL (B)(2):	-	**43,69,035**	**43,69,035**	**47.15%**	**-**	**-**	**-**	**-**	**100%**
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	**43,69,035**	**43,69,035**	**47.15%**	**-**	**-**	**-**	**-**	**100%**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		**9266926**	**9266926**	**100%**	**-**	**11706926**	**11706926**	**100%**	

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Samit S Shetty	43,65,635	47.11%	-	-	-	-	100%
2	Anand Rao	5,32,256	5.74%	-	1	0.001%	-	99.99%
	Total	48,97,891	52.85%		1	0.001%		99.99%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SL. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	48,97,891	52.85%	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)*	48,97,891	52.85%	-	-
	At the end of the year	1	0.001%		

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

SL. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	24,05,000	25.95%	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)*	24,05,000	25.95%		
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) SHAREHOLDING OF DIRECTORS & KMP

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	No .of shares	% of total shares of the company	No of shares	% of total shares of the company
	Samit S Shetty Anand Rao Ramesh S At the beginning of the year	43,65,635 5,32,256 4,30,000	47.11% 5.74% 4.64%	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)*	43,65,635 5,32,256 4,30,000	47.11% 5.74% 4.64%	-	-
	At the end of the year	1	0.001%		

***NOTE:**

1. **1.** All the shares of CIFCPL were transferred to Chaitanya Rural Intermediation Development Services Private Ltd. (Holding company) through Swapping process**.**
2. Mr. Anand Rao is Nominee shareholder who is holding one share on behalf of Chaitanya Rural Intermediation Development Services Private Limited.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	47,59,73,744	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	14,30,920	-	-	-
Total (i+ii+iii)	**47,74,04,664**	-	-	-
Change in Indebtedness during the financial year		-	-	-
Additions	116,40,00,000	-	-	-
Reduction	51,87,67,910	-	-	-
Net Change	**64,52,32,090**	-	-	-
Indebtedness at the end of the financial year		-	-	-
i) Principal Amount	111,83,32,753	43,04,000	-	-
ii) Interest due but not paid			-	-
iii) Interest accrued but not due	61,81,914		-	-
Total (i+ii+iii)	**112,45,14,667**	**43,04,000**	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

SL .No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	**Gross salary**	Anand Rao	Samit S Shetty	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	17,63,904	17,63,904	35,27,808
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	
2	Stock option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	as % of profit	-	-	
	others (specify)	-	-	
	Total (A)	**17,63,904**	**17,63,904**	**35,27,808**
	Ceiling as per the Act	NA	NA	NA

B. REMUNERATION TO OTHER DIRECTORS:

SL No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	K S Ravi	R Nanda Kumar	
	(a) Fee for attending board committee meetings	30,000	30,000	60,000
	(b) Commission	0	0	
	(c) Others, please specify	0	0	
	Total (1)	**30,000**	**30,000**	**60,000**
2	Other Non Executive Directors	Ramesh S		
	(a) Fee for attending board committee meetings	30,000		30,000
	(b) Commission			
	(c) Others, please specify.			
	Total (2)	**30,000**		**30,000**
	Total (B)=(1+2)	**60,000**	**30,000**	**90,000**
	Total Managerial Remuneration			
	Overall Ceiling as per the Act.	NA	NA	NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	**Gross Salary**	**CEO**	**Company Secretary**	**CFO**	**Total**
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	1,44,800 1,22,000	-	2,66,800
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**-**	**2,66,800**		**2,66,800**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-

Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

M/s Ramesh Ashwin & Karanth

CHARTERED ACCOUNTANTS

Premier Presidency
35/17, 1st Floor
Langford Road
Opp. St. Joseph College
Bangalore – 560 025
Phone: 080 41464630

INDEPENDENT AUDITOR'S REPORT

To the Members of **CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying standalone financialstatements of **CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31,2015, and the Statement of Profit and Loss and Cash Flow Statement for theyear 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 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.

M/s. RAMESH ASHWIN & KARANTH
BANGALORE
560 025.
Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to theexplanations given to us, the financial statements give the information requiredby the Act in the manner so required and give a true and fair view in conformitywith the accounting principles generally accepted in India:

a) in the case of the Balance Sheet, of the state of affairs of the Company asat March 31, 2015;
b) in the case of the Profit and Loss Account, of the **profit** for the yearended on that date; and
c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the 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 the paragraph 3 and 4 of the order to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) in our opinion proper books of account as required by law have been keptby the Company so far as appears from our examination of those books
   c) the Balance Sheet, Statement of Profit and Loss, and Cash FlowStatement dealt with by this Report are in agreement with the books ofaccount.
   d) in our opinion, the aforesaid standalone 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 the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act and
   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 has disclosed the impact of pending litigations if any on its financial position in its financial statements.

M/s. RAMESH ASHWIN & KARANTH
BANGALORE
560 025.
Chartered Accountants

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

Date: 27.05.2015
Place: Bangalore

For Ramesh Ashwin & Karanth
Chartered Accountants
F.R.No.010680S

Prashanth Karanth
Partner
M.No.214235

Annexure referred to in paragraph 1 of the Our Report of even date to the members of CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED. on the accounts of the company for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets

(b) All fixed assets have been physically verified by the management during the year and the material discrepancies noticed during the visit have been properly dealt in books of accounts.

ii) The Company is not manufacturing or trading in goods and does not deal with stores, spare parts and raw materials. Hence, clauses 3(ii) (a), 3(ii) (b) & 3(ii) (c) are not applicable.

iii) 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 Act.Hence, clauses 3(iii) (a) and 3(iii) (b)are not applicable.

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 with regard to purchase of fixed assets and with regard to the sale of services. The Company does not have any purchase of inventories or sale of goods since it is a service Company. We have not observed any major weakness in the internal control system during the course of the audit.

v) According to the information and explanation given to us the Company has not accepted any deposits from the public and hence, the directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, are not applicable to the Company.

vi) Maintenance of cost records has been prescribed by the Central Government under section 148 of the Companies Act, 2013 is not applicable to the Company.

vii) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

(c)According to the information and explanations given to us, the Company was not required to transfer any amount to investor education and protection fund.

viii) The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

ix) Based on our audit procedures and on the information and explanations given by the

M/s. RAMESH ASHWIN & KARANTH BANGALORE 560 025.

management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution or bank.

x) According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

xi) The term loans taken by the company were applied for the purpose for which it is obtained.

xii) **Details of Fraud Noticed during the year:**

Based on the audit procedures performed and the information and explanations given to us, we report that the following Fraud has been noticed by the Company during the year-

Category	For the year ended 31st March 2015	
	No Of Instances	**Amount Rs.**
Embezzlement of Cash by Employee	01	1,04,966

Note: Out of the above an amount of Rs. 96,000/- has been recovered by the company.

Date: 27.05.2015
Place: Bangalore

For Ramesh Ashwin & Karanth
Chartered Accountants
F.R.No.010680S

M/s. RAMESH ASHWIN & KARANTH BANGALORE 560 025. Chartered Accountants

Prashanth Karanth
Partner
M.No.214235

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

CIN: U67190KA2009PTC049494

NO. 312, 14 - P, SKYLINE SURABHI APARTMENT, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE - 560085

Balance Sheet as at March 31, 2015

Particulars	Note No.	March 31, 2015 (Rupees)	March 31, 2014 (Rupees)
I. EQUITY AND LIABLITIES			
(1) Share holder's fund			
(a) Share capital	3	11,70,69,260	9,26,69,260
(b) Reserves and surplus	4	9,69,38,678	5,21,92,461
		21,40,07,938	14,48,61,721
(2) Share application money pending allotment		3,01,00,000	-
(3) Non-current Liabilities			
(a) Long term borrowings	5	46,02,37,968	18,17,72,249
(b) Long-term provision	6	7,13,664	2,79,196
		46,09,51,632	18,20,51,445
(4) Current Liabilities			
(a) Short term borrowings	7	9,09,90,005	11,30,41,954
(b) Trade payables	8	1,45,29,302	1,69,37,927
(c) Other current liabilities	9	57,50,24,480	18,53,61,694
(d) Short-term provisions	10	1,23,99,065	79,76,982
		69,29,42,852	32,33,18,558
TOTAL		**1,39,80,02,422**	**65,02,31,724**
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible Assets (Net)	11	90,30,854	68,01,998
(ii) Intangible Assets	12	9,26,688	2,71,959
		99,57,542	**70,73,957**
(b) Deferred tax assets (Net)	13	38,00,140	13,75,801
(c) Long term loans and advances	14A	28,48,056	24,21,243
(d) Loans and advances towards Financing Activities - [Long Term]	14B	7,11,60,212	2,77,73,180
(e) Other Non-Current Assets	15	6,71,98,152	3,74,22,962
		15,49,64,102	7,60,67,144
(2) CURRENT ASSETS			
(a) Cash and cash equivalents	16	39,63,01,291	11,81,18,496
(b) Loans and advances towards Financing Activities - [Short Term]	17	82,73,50,590	44,89,99,156
(c) Other Short Term Loans & Advances	18	1,15,07,119	47,88,903
(d) Other Current Assets	19	78,79,320	22,58,026
		1,24,30,38,320	57,41,64,580
TOTAL		**1,39,80,02,422**	**65,02,31,724**

See accompanying notes to the financial statements

In terms of our report of even date attached

RAMESH ASHWIN & KARANTH
CHARTERED ACCOUNTANTS
(REGN No.: 010680S)

M/S. RAMESH ASHWIN & KARANTH
BANGALORE 560 025.
Chartered Accountants

PRASHANTH KARANTH
a Partner
Membership No.: 214235

Place: Bangalore
Date: 27.05.2015

For and on behalf of
CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

ANAND RAO
DIN: 01713987
Managing Director

SAMIT S. SHETTY
DIN: 02573018
Director

Company Secretary

CHAITANYA INDIA FIN CREDIT PVT. LTD.
Bangalore

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

CIN: U67190KA2009PTC049494

NO. 312, 14 - P, SKYLINE SURABHI APARTMENT, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE - 560085

Statement of Profit and Loss for the year ended March 31, 2015

	Particulars	Note No.	Year ended March 31, 2015 (Rupees)	Year ended March 31, 2014 (Rupees)
I.	Revenue from Operations	20	18,94,24,170	10,26,63,695
II.	Other Income	21	1,16,85,462	58,40,172
III.	**TOTAL REVENUE (I+II)**		**20,11,09,632**	**10,85,03,866**
IV.	Expenses			
	(a) Finance Cost	22	10,36,96,905	4,63,07,973
	(b) Employee benefits expenses	23	4,83,41,538	2,87,31,543
	(c) Depreciation and amortisation expense	11 & 12	39,40,576	18,28,937
	(d) Other Administrative expense	24	3,00,45,221	1,61,52,045
	(e) Bad Debts Written Off		1,13,321	70,751
	(f) Provision for Receivables under Financing Activity		42,17,197	40,14,216
	TOTAL EXPENSES		**19,03,54,759**	**9,71,05,465**
V	**Profit / (loss) before exceptional and extraordinary items and tax (III-IV)**		1,07,54,873	1,13,98,402
VI.	Exceptional items		-	-
VII.	**Profit / (loss) before extraordinary items and tax (V - VI)**		**1,07,54,873**	**1,13,98,402**
VIII.	Extraordinary items		-	-
IX.	**Profit / (loss) before tax (VII - VIII)**		**1,07,54,873**	**1,13,98,402**
X.	**Provision for taxation:**			
	(a) Current tax		**48,40,614**	46,91,283
	(b) Deferred tax provision / (write back)		(24,24,339)	(12,50,348)
XI.	**Profit / (loss) for the period from continuing Operations**		83,38,598	79,57,467
XII.	**Profit / (loss) for the period from discontinuing Operations**		-	-
XIII.	**Tax expense of discontinuing operations**		-	-
XIV.	**Profit / (loss) for the period from discontinuing Operations (after tax)**		-	-
XV.	**Profit / (loss) for the period**		**83,38,598**	**79,57,467**
	Earnings Per Share			
	Basic		0.85	0.86
	Diluted		0.85	0.86

See accompanying notes to the financial statements

In terms of our report of even date attached

RAMESH ASHWIN & KARANTH
CHARTERED ACCOUNTANTS
(REGN No.: 010680S)

PRASHANTH KARANTH
a Partner
Membership No.: 214235

For and on behalf of
CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

ANAND RAO
DIN: 01713987
Managing Director

SAMIT S. SHETTY
DIN: 02573018
Director

Company Secretary

Place: Bangalore
Date: 27.05.2015

M/s. RAMESH ASHWIN & KARANTH BANGALORE 560 025. Chartered Accountants

CHAITANYA INDIA FIN CREDIT PVT. LTD. Bangalore

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

CIN: U67190KA2009PTC049494

NO. 312, 14 - P, SKYLINE SURABHI APARTMENT, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE - 560085

Cash Flow Statement

		For the Year Ended 31.03.2015		For the Year Ended 31.03.2014	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit Before Tax		**1,07,54,873**		**1,13,98,402**
	Adjustments for:				
	Add: Depreciation	39,82,479		18,28,937	
	Dividend Income	(30,71,266)		(14,25,296)	
	Assets Written off / Loss on sale of Assets	4,944		43,370	
	Short Term Capital Loss	-		19,783	
	Interest & Finance Charges Paid	10,36,96,905	10,46,13,063	4,63,07,973	4,67,74,767
	Operating Profit before Working Capital Changes		**11,53,67,936**		**5,81,73,168**
	Adjustments for:				
	Decrease/ (Increase) in Cash Margin & Deposits	(3,02,20,793)		(3,78,96,362)	
	Decrease/(Increase) in Loans & Advances	(42,18,39,343)		(19,68,14,727)	
	Decrease /(Increase) in Other Current Assets	(1,46,44,182)		(45,89,207)	
	Increase/(Decrease) in Payables & Others	32,92,391	(46,34,11,926)	2,22,09,537	(21,70,90,759)
	Cash generated from operations		**(34,80,43,990)**		**(15,89,17,590)**
	Income Tax paid		(24,16,275)		(34,40,935)
	Net Cash flow from Operating activities		**(35,04,60,265)**		**(16,23,58,525)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	(70,69,881)		(39,74,750)	
	Sale of Fixed Assets	6,500		46,309	
	Short Term Capital Loss	-		(19,783)	
	Dividend Income	30,71,266		14,25,296	
	Net Cash used in Investing activities		**(39,92,115)**		**(25,22,928)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	(Decrease)/Increase in Borrowings	64,52,32,090		22,81,14,146	
	Increase in Share Capital	2,44,00,000		-	
	Increase/(Decrease) in Share Application Money	3,01,00,000		-	
	Increase in Securities Premium	3,66,00,000		-	
	Interest & Finance Charges paid	(10,36,96,905)		(4,63,07,973)	
	Net Cash used in financing activities		**63,26,35,185**		**18,18,06,174**
	Net increase in cash & Cash Equivalents		27,81,82,795		1,69,24,720
	Cash and Cash equivalents Opening Balance		11,81,18,496		10,11,93,775
	Cash and Cash equivalents Closing Balance		39,63,01,291		11,81,18,496

Cash & Cash Equivalents	As on 31.03.2015		As on 31.03.2014
Cash in Hand	2,39,727		14,00,842
Cash at Bank (Current Account)	15,72,07,935		8,21,41,052
Cash at Bank (Cash Collateral & FD)	23,88,53,629		3,45,76,602
Cash & Cash equivalents as stated	**39,63,01,291**	-	**11,81,18,496**

See accompanying notes to the financial statements

In terms of our report of even date attached

RAMESH ASHWIN & KARANTH
CHARTERED ACCOUNTANTS
(REGN No.: 010680S)

M/s. RAMESH ASHWIN & KARANTH Chartered Accountants BANGALORE 560 025.

PRASHANTH KARANTH
a Partner
Membership No.: 214235

Place: Bangalore
Date: 27.05.2015

For and on behalf of
CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

ANAND RAO
DIN: 01713987
Managing Director

SAMIT S. SHETTY
DIN: 02573018
Director

Company Secretary

CHAITANYA INDIA FIN CREDIT PVT Bangalore

Notes forming part of financial statements for the year ended 31.03.2015

1. CORPORATE INFORMATION

Chaitanya India Fin Credit Private Limited was incorporated on March 31, 2009, to carry on the business of Lending, Installment Financing, Bill discounting, Providing Working Capital and Term Loan Facilities to Small and Medium Business Enterprises including Individual loans, with or without all or any types of securities. And the Company act's as facilitator for provision of micro finance, savings and other financial services by acting as intermediaries between Bank, Financial Institutions, Individuals, Corporate bodies or other entities (whether incorporated or not), of one part, with The Self Help Groups (SHG), Members of SHGs, discrete individuals or small groups which are in the process of forming SHGs and / or other micro-credit aspirants, And to assist, execute, provide consultancy service and promote and finance such programs, either directly or through an independent agency and/or in any other manner.

The Company is a Non-Banking Finance Company - Micro Finance Institution (NBFC-MFI). The Company has received Certificate of registration from Reserve Bank of India dated 25th September 2009, to Cary on the business of Non- Banking Financial Institution without accepting deposits. During the year ended 31st March 2014, the company has obtained registration under the Non-Banking Finance Company - Micro Finance Institution (Reserve Bank) Directions, 2011 vide RBI Letter dated 05th September 2013.

During the year 2014-15, there has been a change in the Share Holding Pattern of the Company. All the Shareholders of Chaitanya India Fin Credit Private Limited were allotted Shares in Chaitanya Rural Intermediation Development Services Private Limited by way of Share Swap(1:1 ratio). As a result Chaitanya India Fin Credit Private Limited becomes a subsidiary of Chaitanya Rural Intermediation Development Services Private Limited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year except in Method of Charging Depreciation on Intangible Assets which is elaborated in Note no. 2 (e).

The Company is a Non-Banking Finance Company - Micro Finance Institutions (NBFC-MFI). The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India for Non-Banking Finance Company - Micro Finance institution (NBFC-MFI).

CHAITANYA INDIA FIN CREDIT PVT. LTD. Bangalore

M/s. RAMESH ASHWIN & KARANTH Chartered Accountants BANGALORE 560 025.

b) Revenue Recognition

i. Revenue from Interest on loans financed by the Company is recognized on accrual basis, except for loans outstanding for more 90 days which will be recognized only on receipt basis, considering the directions issued by the RBI from time to time.

ii. Revenues from loan processing charges are recognized as income on cash basis.

iii. Income on securitization is recognized on cash basis.

iv. Revenue from interest income in fixed deposits with banks is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

v. Dividend income is recognized when the right to receive is established.

vi. Short term capital gains on sale of investment instruments (treasury operations) are recognized on actual sale of instruments.

c) Use Of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the results of operations at the end of reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

d) Fixed Assets

i. Tangible Fixed Assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of a tangible asset comprises its purchase price net of any trade discounts and rebates, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.

ii. Intangible Fixed Assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred, unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

e) Depreciation and Amortization

Depreciation on Tangible Fixed Assets has been provided on the Written down value method as prescribed in Schedule II of Companies Act 2013 or the rates determined by the management as per estimated useful life of the Assets, whichever is higher. During Immediately Preceding financial year Depreciation was being charged on the rates prescribed Schedule XIV of the Companies Act 1956. In case the remaining useful life of the asset is nil as on the opening day of the Financial year as per Schedule II of Companies Act 2013, the net carrying amount of such asset minus residual value has been charged to Retained earnings as per The Application Guide on the Schedule II to the Companies Act 2013 issued by Institute of Chartered Accountants of India. All Individual Assets (other than Furniture & Fixtures and Office equipments) valued less than Rs. 5000/- are depreciated in full in the year of acquisition. The Useful life of the Assets are as follows:

INDIA FIN CREDIT PVT. Bangalore

M/s. RAMESH ASHWIN & KARANTH BANGALORE 560 025. Chartered Accountants

Tangible Assets:

Sl. No	Asset	Useful Life (In Years)
1.	Furniture & Fixtures	10
2.	Computer &Peripherals	3
3.	Office Equipments	5
4.	Electrical Equipments	10
5.	UPS	10
6.	Motor Bikes	10
7.	Motor Car	8
8.	Safe Locker	10

Intangible Assets:

Sl. No	Asset	Useful Life (In Years)
1.	Computer Software	3

Depreciation on Computer software was calculated on Written down Value method till 31st March 2014. However, with effect from 01st April 2014, the company wishes to charge depreciation on Computer software on Straight Line method as the company feels the same would result in a more appropriate presentation of Financial Statements. This amounts to change in the Accounting policy. As per clause 21 of Accounting Standard 6 issued by The Institute of Chartered Accountants of India, the deprecation is recalculated from the date of the Asset coming into use. The result of the retrospective re-computation of Depreciation has resulted in a deficiency, the same has been charged to Profit & Loss account.

f) Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

g) Employee Retirement Benefits

Employee benefits include provident fund, gratuity and ESI.

Defined contribution plan:

The Company's contribution to provident fund and ESI are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit (PUC) actuarial method, with actuarial valuations being carried out at balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets.

Company adopted Accounting Standard 15 "Employee Benefits" ('AS 15') as specified in Rule 3 of the Companies (Accounting Standard) Rules, 2006:

CHAITANYA INDIA FIN CREDIT PVT. LTD. Bangalore

M/s. RAMESH ASHWIN & KARANTH Chartered Accountants BANGALORE 560 025.

Particulars	31 March 2015 (Rs.)	31 March 2014 (Rs.)
Change in present value of obligation		
Present value of obligation as at the beginning of the year	-	-
Current service cost	-	-
Interest cost	-	-
Actuarial (gain) / loss	-	-
Benefits paid	-	-
Present value of obligation as at the end of the year	17,94,649	-
Change in plan assets		
Plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Contribution by the Company	-	-
Benefits paid	-	-
Actuarial gain / (loss)	-	-
Plan assets at the end of the year	-	-
Liability recognized in the financial statement	**17,94,649**	-
Expense recognized in the Statement of Profit and Loss		
Current service cost	17,94,649	-
Interest cost	-	-
Actuarial (gain) / loss	-	-
Expense recognized in the Statement of Profit and Loss	17,94,649	-
Constitution of plan assets		
Other than equity, debt, property and bank a/c	**Not applicable**	Not applicable
Funded with LIC	**Not applicable**	Not applicable

Particulars	31 March 2015 (Rs.)	31 March 2014 (Rs.)
Main actuarial assumptions		
Discount rate	8.00%	-
Expected future salary increase*	5.00%	-
Expected rate of return on plan assets	-	-
Demographic assumptions		
Retirement age	65 years	-
Mortality table	Indian Assured Lives Mortality (2006-08)	-
Withdrawal rate:		
Up to 25 years	8%	-
26 to 30 years	7%	-
31 to 35 years	6%	-
36 to 40 years	5%	-
41 to 45 years	4%	-
46 to 50 years	3%	-
51 to 55 years	2%	-
Above 56 years	1%	-

CHAITANYA INDIA FIN CREDIT PVT. LTD. Bangalore

M/s. RAMESH ASHWIN & KARANTH Chartered Accountants BANGALORE 560 025.

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Present value of obligation at the end	17,94,649	-
Fair value of plan assets at the end	-	-
Net liability recognized in Balance Sheet	17,94,649	-
Experience adjustment on plan liabilities (loss) / gain	-	-
Experience adjustment on plan assets (loss) / gain	-	-

h) **Asset classification & Provisioning**

1. **Classification of Assets:**

The Company follows Prudential Norms of the Reserve Bank of India (RBI) with regards to classification in respect of all loans extended to its customers. Loans where the installment is overdue for a period of 90 days or more or on which interest amount remained overdue for a period of 90 days or more is treated as Non Performing Assets. Provision is made for loan assets as per the RBI Circular No. RBI/2014-15/43 DNBS.(PD)CC.No. 395/ 03.10.38 /2014-15, Dated 1st July 2014.

Classification of Assets	As at 31st March 2015	As at 31st March 2014
Standard Assets	89,46,32,553	47,60,12,909
Sub-standard Assets		
Secured Loans	34,61,400	7,48,460
Unsecured Loans(JLG loans)	4,16,849	10,967
Total Sub- Standard Assets	38,78,249	7,59,427
Total	**89,85,10,802**	**47,67,72,336**

2. **Provisioning Norms for Loans - As Per RBI Guidelines**[Non-Banking Financial Companies - Micro Finance Institutions (Reserve Bank) Directions, 2011]

The aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of the following:

1% of the outstanding loan portfolio or

50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more.

Provision for Assets	As at 31st March 2015	As at 31st March 2014
1% of Aggregate Loan Portfolio (A)	**89,93,263**	**47,76,066**
50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days	6,29,665	3,44,574
100% of the aggregate loan installments which are overdue for 180 days or more	16,69,271	39,300
Total Provision on Sub-Standard Assets (B)	**22,98,936**	**3,83,874**
Higher of (A) & (B)	**89,93,263**	**47,76,066**
Less: Provision at the Beginning of the Period	47,76,066	7,61,850
Additional Provision for the FY	42,17,197	40,14,216

Note: *Provision for Standard Assets for the Financial Year 2014-15 - Rs. 66,94,327/-. Provision for Standard Assets for the Previous Financial Year 2013-14 - Rs. 43,92,192/-.*

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i) **Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis.

j) **Provisions and Contingencies**

A provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made, Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date, these are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

All material known liabilities are provided for and liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

k) **Taxes on Income**

Tax expense comprises of current and deferred tax.

Current income tax is measured after taking into consideration benefits/disallowances admissible under the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets on unabsorbed depreciation and carried forward business losses, are recognized only if there is virtual certainty that they will be realized and are reviewed every year. The tax effect is calculated on the accumulated timing differences at the end of the period based on enacted or substantially enacted tax rates.

l) **Deferred Tax Expense/ Income**

The Deferred Tax Expense /Income for the period ended 31.03.2015 is worked out by considering the difference between depreciation under the Companies Act, 2013 and the Income Tax Act, 1961, recognition of preliminary expenses to the extent permitted under section 35D of the Income Tax Act, 1961, difference in treatment of provision for standard assets/ provision for Gratuity under Income Tax act 1961, Companies Act 2013 and difference between Unabsorbed Capital loss under Income tax 1961, and Companies act 2013.

m) The Balances in Trade payable, other current liabilities [other than current maturities of long term borrowings], short term provisions, Long Term / Short Term Loans & Advances towards financing activities, Long Term / Short Term Loans & Advances and Other Current assets are subject to confirmation.

n) Provisions for all known liabilities are adequate in the opinion of the Management.

o) The Company has written off Bad debts to the tune of Rs 1,13,321/- as the company feels that the chances of recovery of the said advances are remote.

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p) **Related Party Disclosures**

Nature of Transaction	Related Party	Relationship	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
			Rs.	Rs.
Loan received from Director	Mr. Ramesh Sundaresan	Nominee Director	-	32,00,000
Loan repayment to Director	Mr. Ramesh Sundaresan	Nominee Director	-	32,00,000
Remuneration to Key Managerial Personnel	Mr. Anand Rao	Managing Director	17,63,904	14,88,912
	Mr. Samit Shankar Shetty	Director	17,63,904	14,88,912
	Mr. Ane Narasimha	Director	1,44,800	2,17,200
	Total		**36,72,608**	**31,95,024**
Director's Sitting Fees	Mr. K S Ravi	Independent Director	30,000	30,000
	Mr. R Nanda Kumar	Independent Director	30,000	30,000
	Mr. Ramesh Sundaresan	Nominee Director	30,000	30,000
	Total		**90,000**	**90,000**
Share Application Money Received	Chaitanya Rural Intermediation Development Services Pvt. Ltd.	Holding Company	9,11,00,000	-
Equity Shares allotted	Chaitanya Rural Intermediation Development Services Pvt. Ltd.	Holding Company	2,44,00,000	-
Securities Premium Received	Chaitanya Rural Intermediation Development Services Pvt. Ltd.	Holding Company	3,66,00,000	-

q) **Auditors Remuneration**

PARTICULARS	2014-2015
STATUTORY AUDIT FEES	90,000/-
TAX AUDIT FEES	30,000/-
SERVICE TAX	14,832/-

r) During the year company has auctioned the gold in case of defaults in repayment of gold loans. The details of such auction conducted during the year are as follows.

Number of Cases	Amount recovered
40	15,64,320/-

s) The company has Qualifying assets of Rs. 83,39,44,320/- the qualifying assets is as defined in RBI **Circular** No. **RBI/2014-15/43 DNBS.(PD)CC.No. 395 /03.10.38/2014-15, Dated 1st July 2014** the percentage of qualifying assets to total assets is **89.37%.**

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t) **Capital Adequacy Ratio**

Capital Adequacy Ratio		
Particulars	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Tier I Capital	21,04,17,036	14,48,61,721
Tier II Capital	66,94,327	47,76,066
Total Capital	21,71,11,363	14,96,37,787
Total Risk Assets	96,65,60,721	50,62,74,971
Capital Ratios		
Tier I Capital as a percentage of Total Risk Assets (%)	21.77%	28.61%
Tier II Capital as a percentage of Total Risk Assets (%)	0.69%	0.94%
Total Capital (%)	22.46%	29.56%

u) **Disclosure as required under DNBS.(PD)CC.No. 395 /03.10.38/2014-15, Dated 1st July 2014:**

Margin Cap of the Company as on 31 March 2015 is 10.17%. This has been computed as suggested by MFIN in their representation to the Reserve Bank India Circular No. RBI/2014-15/43 DNBS.(PD)CC.No. 395 /03.10.38/2014-15, Dated 1st July 2014.

v) **Borrowing Costs**

Borrowing costs include interest and ancillary costs that the Company incurs in connection with the borrowings. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss at the time of availment of the Loan.

w) **Segment reporting**

The company does not have a distinguishable and reportable business or geographical segment. As such disclosure requirements stated in Accountant Standard -17(Segment reporting) are not applicable to the company.

x) **Earnings per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

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y) Impairment of Assets

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the assets recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, as if no impairment loss had been recognised.

z) Statutory Reserve:

As per Section 45-IC of the Reserve bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the net profit after tax of the Company every year. Accordingly the Company has transferred an amount of Rs. 16,67,720/- (Previous Year Rs.15,91,493/-), out of the net profit after the tax for the year ended 31st March 2015 to Statutory Reserve.

aa) Securitization of Assets

As per the RBI Guidelines on Securitization on Standard Assets issued on 6 February 2006, the details of Assets De-recognised by way of securitisation are as under:

Particulars	For the Year Ended 31st March 2015 (Rs.)	For the Year Ended 31st March 2015 (Rs.)
Total Number of Loan Assets Securitized during the Year	13,415	18,613
Book Value of Loans Assets Securitized during the Year	10,92,07,324	18,54,71,576
Micro Finance Loans Subordinated as Credit Enhancements for Assets De-Recognised	-	-
Sale Consideration Received during the Year	11,36,70,752	19,37,24,779
Quantum of Credit Enhancement provided during the Year in the form of Deposits	89,56,088	1,71,48,700
Un-amortized Income as at year end	-	-
Interest spread Recognised in the Statement of Profit and Loss during the Year	44,63,428	82,43,263

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bb) Disclosures Pursuant to Reserve Bank of India Guidelines on Securitization Transactions RBI/2014-15/52 DNBS(PD).CC.NO.392/03.02.001/2014-15 dated July 1st 2014

Sl. No.	Particulars	As at 31 March 2015	As at 31 March 2014
1	No of special purpose vehicle's (SPV's) sponsored by the NBFC for securitization transactions (Nos.)	3	6
2	Total amount of securitized assets as per books of the SPVs sponsored by the NBFC	10,92,07,324	18,54,71,576
3	Total amount of exposures retained by the NBFC to comply with Minimum Retention Ration(MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss (Cash Collateral)	89,56,088	1,71,48,700
	- Others (Investment in pass through Certificates)	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitisations		
	- First loss	-	-
	- Others	-	-

cc) Disclosure for Buy-out Transactions

Particulars	For the Year Ended 31st March 2015 (Rs.)	For the Year Ended 31st March 2015 (Rs.)
No. of Buy-out Transactions during the year	2	-
Total Number of Loan Assets buy-out during the Year	1,489	-
Loans Assets buy-out during the Year	3,26,18,532	-
Total amount of exposures retained by the NBFC to comply with Minimum Retention Ration (MRR)	20,81,853	-
Consideration Received during the Year	3,26,18,532	-

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dd) Disclosure Pursuant to paragraph 13 of Non- Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007):

	Particulars	As on 31 March 2015		As on 31 March 2014	
		Amount Outstanding in Rs.	Amount Overdue in Rs.	Amount Outstanding in Rs.	Amount Overdue in Rs.
	Liabilities:				
1	**Loans and Advances availed by the NBFC inclusive of interest accrued there on but not paid:**				
(a)	Debentures				
	- Secured	8,66,66,625	-	-	-
	- Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits)				
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans				
	- Secured	1,03,16,66,128	-	-	-
	- Unsecured	43,04,000	-	-	-
(d)	Inter- Corporate Loans and Borrowings	-	-	-	-
(e)	Commercial Paper	-	-	-	-
(f)	Cash Credits	-	-	-	-

	Particulars	Amount outstanding as at 31 March 2015 in Rs.	Amount outstanding as at 31 March 2014 in Rs.
	Assets:		
2	**Break -up of loans and Advances including Bills Receivables [Other than those included in (3) below]:**		
(a)	Secured	6,45,66,482	4,59,50,105
(b)	Unsecured (Refer Note(i)Below)	83,39,44,320	43,08,22,231
3	**Break up of Leased Assets and Stock on Hire and Other Assets Counting towards AFC activities**		
(i)	Lease Assets including Lease Rentals Accrued and Due:		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where Assets have been Repossessed	-	-
	(b) Loans other than (a) above	-	-

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	Particulars	Amount outstanding as at 31 March 2015 in Rs.	Amount outstanding as at 31 March 2014 in Rs.
4	**Break-up if Investments**		
	Current Investments		
I	**Quoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Other (Please specify)		
II	**Unquoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Other (Please specify)	-	-
	Long Term Investments		
I	**Quoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Other(Please specify)	-	-
II	**Unquoted:**		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Investment in Pass Through Certificates	-	-

5	Borrower Group-wise Classification of Assets Financed as in(2)and (3) above				
	Category	As at 31 March 2015 Amount in Rs.		As at 31 March 2014 Amount in Rs.	
		Secured	Unsecured	Secured	Unsecured
1	Relate Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same Group	-	-	-	-
	(c) Other Related Parties	-	-	-	-
2	Other than Related Parties	6,45,66,482	83,39,44,320	4,59,50,105	43,08,22,231
	Total	**6,45,66,482**	**83,39,44,320**	**4,59,50,105**	**43,08,22,231**

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6	Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted):				
	Category	Market Value/ Break-up value or Fair value or Net Asset Value (Company's Share) as on 31 March 2015	Book Value as on 31 March 2015	Market Value/ Break-up value or Fair value or Net Asset Value (Company's Share) as on 31 March 2014	Book Value as on 31 March 2014
1	Relate Parties				
(a)	Subsidiaries	-	-	-	-
(b)	Companies in the same Group	-	-	-	-
(c)	Other Related Parties	-	-	-	-
2	Other than Related Parties(Refer Note Below)"				
	Total	-	-	-	

7	Other Information				
	Category	As at 31 March 2015		As at 31 March 2014	
		Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i)	Gross Non-Performing Assets	-	38,78,249	-	7,59,427
(ii)	Net Non-Performing Assets	-	38,78,249	-	7,59,427
(iii)	Assets Acquired in Satisfaction of Debt	-	-	-	-

ee) Expenditure incurred in Foreign Currency (On Accrual basis)**:**

Particulars	For the year ended 31st March 2015 (Rs.)	For the year ended 31st March 2014 (Rs.)
Web hosting charges	64,898.09	-

ff) Payable to Micro & Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information presently available with the management, the disclosures required under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are given below:

Sl No	Particulars	As at 31 March 2015 (Rs.)	As at 31 March 2014 (Rs.)
1	The principal amount remaining unpaid to any supplier as at the end of the year	-	-
2	The interest due on the principal remaining outstanding as at the end of the year	-	-
3	The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the	-	-

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	interest specified under the Act		
5	The amount of interest accrued and remaining unpaid at the end of the year	-	-
6	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-

gg) Disclosures of Transactions Pursuant to clause 28 of the Debt Listing Agreement with BSE Limited

Sl. No	Loans and Advances in the nature of Loans	As at 31 March 2015		As at 31 March 2014	
		Amount Outstanding	Maximum Amount Outstanding during the year	Amount Outstanding	Maximum Amount Outstanding during the year
1	From Holding Company:				
	- Chaitanya Rural Intermediation Development Services Private Limited	-	-	-	-
2	To Fellow Subsidiaries				
3	To Associates				
	-No Associate during the Current Year	-	-	-	-
4	Where there is				
	- No Repayment Schedule	-	-	-	-
	Repayment Schedule beyond seven years				
	- No Interest	-	-	-	-
	Interest below the rate as specified in section 372A of the Companies Act	-	-	-	-
5	To Firms/ Companies in which directors are interested (other than the 1 and 2 above).	-	-	-	-
6	Investments by Loanee in the shares of Parent and Subsidiary Company	-	-	-	-

hh) Details of Fraud Noticed during the year:

Based on the audit procedures performed and the information and explanations given to us, we report that the following Fraud has been noticed by the Company during the year-

Category	For the year ended 31st March 2015		For the year ended 31st March 2014	
	No Of Instances	Amount Rs.	No Of Instances	Amount Rs.
Embezzlement of Cash by Employee	01	1,04,966	-	-

Note: Out of the above an amount of Rs. 96,000/- has been recovered by the company.

ii) Previous year figures have been regrouped wherever necessary.

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Notes Forming Part Of Balance Sheet

3 SHARE CAPITAL

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorized capital		
1,80,00,000 equity shares of Rs.10 each *(Previous Year 1,00,00,000 equity shares of Rs. 10 each)*	**18,00,00,000**	**10,00,00,000**
Issued, subscribed and paid up capital		
117,06,926 equity shares of Rs. 10 each fully paid-up ((Previous Year 92,66,926 equity shares of Rs. 10 each)	11,70,69,260	9,26,69,260
	11,70,69,260	**9,26,69,260**

3.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Financial year 2014-15 (Units in Nos.)	Financial year 2014-15 (Amount in rupees)	Financial year 2013-14 (Units in Nos.)	Financial year 2013-14 (Amount in rupees)
Number of shares outstanding as at the beginning of the financial year (April 01)	92,66,926	9,26,69,260	92,66,926	9,26,69,260
Add: Increase in number of shares during the year				
- Fresh issue of shares	24,40,000	2,44,00,000	-	-
	1,17,06,926	11,70,69,260	92,66,926	9,26,69,260
Less: Reduction in number of shares during the year				
- Redemption of shares	-	-	-	-
- Forfeiture of shares	-	-	-	-
Number of shares outstanding as at the Close of the financial year (March 31)	1,17,06,926	11,70,69,260	92,66,926	9,26,69,260

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Disclosures to made:

3.2 The Company has only one class of equity share having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of Companies, 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 share holders.

3.3 Details of Shares held by Holding Company

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	Amount in Rupees	No. of Shares held	Amount in Rupees
Chaitanya Rural Intermediation Development Services Private Limited	1,17,06,925	11,70,69,250	-	-

3.4 Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Samit Shankar Shetty	-	-	43,65,635	47.11
U. Raghurama Rao	-	-	5,90,000	6.37
Anand Rao	-	-	5,32,256	5.74
Chaitanya Rural Intermediation Development Services Private Limited	1,17,06,925	100.00	-	-

3.5 The Company has not issued bonus shares, not issued shares for consideration other than cash and has not bought back shares during the period of five years immediately preceding the reporting date.

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Bangalore

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BANGALORE 560 025.
Chartered Accountants

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

NO. 312, 14 - P, SKYLINE SURABHI APARTMENT, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE - 560085

Notes Forming Part Of Balance Sheet

4 RESERVES AND SURPLUS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Securities Premium Account		
Opening Balance	3,19,43,408	3,19,43,408
Add : Securities premium credited on Share issue	3,66,00,000	-
Less: Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
Closing Balance	6,85,43,408	3,19,43,408
(b) Statutory Reserve		
Opening Balance	43,15,730	27,24,237
Add : Current Year Transfer	16,67,720	15,91,493
Less: Written Back in Current Year	-	-
Closing Balance	59,83,450	43,15,730
(c) Surplus		
Opening balance	1,59,33,323	95,67,349
Add : Net Profit/(Net Loss) For the current year	83,38,598	79,57,467
Add : Transfer from Reserves	-	-
Less: Proposed Dividends	-	-
Less: Interim Dividends	-	-
Less: Asset Adjustment on Account of Companies Act, 2013	1,92,381	
Less: Transfer to Reserves	16,67,720	15,91,493
Closing Balance	2,24,11,820	1,59,33,323
Total	**9,69,38,678**	**5,21,92,461**

5 LONG TERM BORROWINGS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Long Term Borrowings		
(a) Term loans		
Secured		
From Banks *[Refer sub-note A-i]*	35,56,05,634	17,42,72,249
From Financial Institutions *[Refer sub-note A-ii]*	7,54,65,809	75,00,000
	43,10,71,443	18,17,72,249
(b) NCDs		
Secured		
[Refer sub-note C]	2,91,66,525	
	2,91,66,525	-
Total	**46,02,37,968**	**18,17,72,249**

6 LONG TERM PROVISIONS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Long Term Provisions		
Provision for receivables under financing activity	7,13,664	2,79,196
Total	**7,13,664**	**2,79,196**

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7 SHORT TERM BORROWINGS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Short Term Borrowings		
(a) Term Loan		
<u>Secured</u>		
From Financial Institutions *[Refer sub-note B]*	8,66,86,005	11,30,41,954
<u>Unsecured</u>		
From Financial Institutions	43,04,000	-
Total	**9,09,90,005**	**11,30,41,954**

8 TRADE PAYABLES

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Sundry Creditors		
Dues to others	1,45,29,302	1,69,37,927
Total	**1,45,29,302**	**1,69,37,927**

9 OTHER CURRENT LIABILITIES

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Current maturities of long-term borrowings *[Refer sub-note A-i & ii]*	51,39,08,680	18,25,90,460
(b) Current maturities of NCDs *[Refer sub-note C]*	5,75,00,100	-
(c) Insurance Payable	18,72,996	20,06,534
(d) Other payables	17,42,704	7,64,700
Total	**57,50,24,480**	**18,53,61,694**

10 SHORT TERM PROVISIONS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Provision for Employee Benefit	5,71,818	1,29,495
(b) Provision for Gratuity	17,94,649	-
(c) Provision for Payment to Auditor	1,22,832	1,02,360
(d) Provision for Expenses	8,72,402	13,46,993
(e) Provision for Income Tax	7,57,765	19,01,264
(f) Provision for Receivables under Financing Activity	82,79,599	44,96,870
Total	**1,23,99,065**	**79,76,982**

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13 DEFERRED TAX ASSET

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Opening balance as at the beginning of the year (April 01)		
- Depreciation on tangible fixed assets	(1,06,116)	(1,39,909)
- on Preliminary expenses	-	28,961
- on Asset Provisioning	14,75,804	2,36,401
- on Gratuity Provision	-	
-Un absorbed loss as per Income Tax Act	6,113	-
	13,75,801	1,25,453
(b) Adjustments during the financial year		
- Depreciation on tangible fixed assets	3,99,699	33,793
- on Preliminary expenses	-	(28,961)
- on Asset Provisioning	14,42,060	12,39,403
- on Gratuity Provision	5,82,274	
-Un absorbed loss as per Income Tax Act	306	6,113
	24,24,339	12,50,348
(c) Closing balance as at the end of the year (March 31)		
- Depreciation on tangible fixed assets	2,93,583	(1,06,116)
- on Preliminary expenses	-	-
- on Asset Provisioning	29,17,864	14,75,804
- on Gratuity Provision	5,82,274	
-Un absorbed loss as per Income Tax Act	6,419	6,113
Total	**38,00,140**	**13,75,801**

14A LONG TERM LOANS AND ADVANCES

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Security deposits - Unsecured, considered good		
Rental deposits	19,84,700	15,54,200
Other deposits	47,938	32,835
	20,32,638	**15,87,035**
(b) Other Loans and Advances		
Loans to employees - Unsecured, considered good	8,15,418	8,34,208
Total	**28,48,056**	**24,21,243**

14B LOANS AND ADVANCES TOWARDS FINANCING ACTIVITIES - LONG TERM

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Receivable under Financing Activities		
(a) Secured and Considered Good	2,15,89,028	96,07,194
[Assets Derecognized on account of securitization of receivables is Rs. 2,70,63,853/- (P.Y. Rs. 0/-)]		
(b) Unsecured and Considered Good	4,95,71,184	1,81,65,986
Total	**7,11,60,212**	**2,77,73,180**

15 OTHER NON-CURRENT ASSETS:

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Others bank balances		
Fixed Deposit Bank		
maturity more than 12 months	-	-
Cash Collateral with maturity more than 12 months (Term Loan)		
- With Banks	5,71,74,261	3,59,22,075
- With Financial Institutions	1,00,23,891	15,00,887
Total	**6,71,98,152**	**3,74,22,962**

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16 CASH AND CASH EQUIVALENTS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	2,39,727	14,00,842
(b) Balances with banks		
In current account	15,72,07,935	8,21,41,052
Fixed Deposit Bank		
maturity less than 12 months	17,27,39,993	1,14,579
Cash Collateral with maturity less than 12 months (Term Loan)		
- With Banks	3,39,80,778	84,73,653
- With Financial Institutions	2,31,43,986	1,09,70,926
Cash Collateral with maturity less than 12 months (Securitisation)	89,88,872	1,50,17,444
	39,60,61,564	**11,67,17,654**
Total	**39,63,01,291**	**11,81,18,496**

17 LOANS AND ADVANCES TOWARDS FINANCING ACTIVITIES - SHORT TERM

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Receivable under Financing Activities		
(a) Secured and Considered Good	4,29,77,454	3,63,42,911
(b) Unsecured and Considered Good	78,43,73,136	41,26,56,245
[Assets Derecognized on account of securitization of receivables is Rs. 6,52,18,650/- (P.Y. Rs. 8,79,91,781/-)]		
Total	**82,73,50,590**	**44,89,99,156**

18 OTHER SHORT TERM LOANS & ADVANCES

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Prepaid expenses	30,57,398	1,86,607
Interest Accrued on Loan Portfolio	84,49,721	46,02,296
Total	**1,15,07,119**	**47,88,903**

19 OTHER CURRENT ASSETS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Interest accrued on fixed deposits but not Due	42,225	42,225
Advances to Others	7,29,747	8,51,897
Advance to Staffs	2,94,717	52,900
CENVAT Credit	4,81,058	1,70,295
Insurance Claim Receivable	34,09,227	7,59,159
Deferred Revenue Expenditure	26,64,214	-
IT Refund Receivable	-	17,050
Other Receivables	21,731	3,64,500
Retention Money on Buyout Transaction	2,36,402	-
Total	**78,79,320**	**22,58,026**

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CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

NO. 312, 14 - P, SKYLINE SURABHI APARTMENT, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE - 560085

Notes Forming Part Of Balance Sheet

11 FIXED ASSETS

(Amount in Rupees)

TANGIBLE ASSETS

Particulars	Gross Block					Accumulated Depreciation				Net block	
	As at April 1, 2014	Addition during the year	Disposals during the year	Other adjustments	Balance as at March 31, 2015	As at April 1, 2014	For the year	Adjustment during the year	Balance as at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Computers & Computer Equipments	32,19,107	26,41,229	-	-	58,60,336	17,23,648	16,73,376	(88,123)	34,85,147	**23,75,189**	**14,95,459**
Furniture and fixtures	28,37,746	17,60,684	9,843	-	45,88,587	4,96,903	8,53,940	5,370	13,45,473	**32,43,114**	**23,40,843**
Motor Car	34,17,642	10,88,000	-	-	45,05,642	14,31,506	8,01,161	-	22,32,667	**22,72,975**	**19,86,136**
Motor Bike	1,32,538	-	-	-	1,32,538	59,042	19,101	-	78,143	**54,395**	**73,496**
UPS	5,77,930	3,85,224	15,170	-	9,47,984	1,49,325	1,65,049	8,206	3,06,168	**6,41,816**	**4,28,605**
Office equipments	2,82,126	1,70,850	-	-	4,52,976	57,570	1,63,939	-	2,21,509	**2,31,467**	**2,24,556**
Godrej Safe	3,18,975	32,130	-	-	3,51,105	75,179	70,070	-	1,45,249	**2,05,856**	**2,43,796**
Electrical Equipments	17,245	-	-	-	17,245	8,138	3,066	-	11,204	**6,041**	**9,107**
Total	1,08,03,309	60,78,117	25,013	-	1,68,56,413	40,01,311	37,49,702	(74,547)	78,25,560	90,30,853	68,01,998
Previous period	69,46,582	39,74,750	1,18,023	-	1,08,03,309	23,82,024	16,47,631	28,344	40,01,311	68,01,998	

12 INTANGIBLE ASSETS

(Amount in Rupees)

Particulars	Gross Block					Accumulated Depreciation				Net block	
	As at April 1, 2014	Addition during the year	Disposals during the year	Other adjustments	Balance as at March 31, 2015	As at April 1, 2014	For the year	Adjustment during the year	Balance as at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Computer software	13,74,070	9,91,764	-	-	23,65,834	11,02,111	1,90,874	(1,46,161)	14,39,146	9,26,688	2,71,959
Total	13,74,070	9,91,764	-	-	23,65,834	11,02,111	1,90,874	(1,46,161)	14,39,146	9,26,688	2,71,959
Previous period	13,74,070	-	-	-	13,74,070	9,20,805	1,81,306	-	11,02,111	2,71,959	

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CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

NO. 312, 14 - P, SKYLINE SURABHI APARTMENT, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE - 560085

Notes Forming Part Of Statement of Profit & Loss

20 REVENUE FROM OPERATIONS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Interest Received from Customers	17,04,39,770	8,82,77,503
Loan Processing Fees	1,59,84,663	87,76,910
Securitization Income	29,99,737	56,09,282
Total	**18,94,24,170**	**10,26,63,695**

21 OTHER INCOME

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Interest income		
On Bank Deposits	79,40,031	40,42,042
Dividend income		
On Current Investments	30,71,266	14,25,296
Short Term Capital gain on Mutual Fund	-	(19,783)
Loan Processing Fees on employee loan	7,750	13,410
Interest on employee loan	1,44,419	2,10,848
Bad Debt Recovered	-	4,000
Prior Period Income	-	12,363
Income Tax Excess Provision Made written back	-	16,217
Other Income	5,21,996	1,35,779
Total	**1,16,85,462**	**58,40,172**

22 FINANCE COSTS

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Interest expense		
On Term Loans	8,71,29,442	4,16,95,296
On NCDs	89,96,689	-
Bank charges	3,56,608	2,12,781
Loan Processing Expenses	63,34,035	43,99,896
NCD Expenses	8,80,131	-
Total	**10,36,96,905**	**4,63,07,973**

23 EMPLOYEE BENEFIT EXPENSES

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Salary, Wages, Allowances & other Benefits	4,15,66,061	2,58,02,333
Contributions to P.F., ESI & Others	29,90,575	15,47,842
Gratuity Expenses	17,94,649	-
Staff welfare expenses	19,90,253	13,81,368
Total	**4,83,41,538**	**2,87,31,543**

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24 OTHER EXPENSES

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Conveyance Expenses	64,33,277	35,19,155
Rent	31,04,434	23,34,905
Printing, Books & Other Stationary	25,99,786	13,29,407
Vehicle Running & Maintenance	16,64,924	11,50,459
Telephone & Internet Charges	18,49,160	11,26,377
Professional Charges	33,33,576	9,62,454
Professional Fees towards Application for Small Finance Bank	9,92,700	-
Tour & Travelling Expenses	19,14,340	9,26,843
Meeting & Training Expenses	15,49,443	7,50,743
Rent Paid For Server Hosting	2,81,806	3,76,417
Remuneration to Statutory Auditors	1,28,652	1,07,725
Remuneration to Internal Auditors	1,22,500	1,00,000
Business Promotion Expenses	2,13,173	4,44,556
Service Tax Paid	19,34,431	10,65,478
Membership Fee & Subscription	2,72,215	2,89,643
Electricity Charges	3,99,787	2,44,055
Postage & Courier Charges	1,94,419	81,175
Director's Sitting Fees	90,000	95,562
Repairs & Maintenance [General]	2,81,106	1,99,177
Repairs & Maintenance of Computers	74,038	1,23,101
Water Charges	1,86,005	1,26,419
Insurance Charges	1,60,162	90,014
Office & General Expenses	6,52,264	3,66,381
Brokerage for Office	15,750	63,012
Rates & Taxes	13,89,334	1,86,713
Prior Period Expenses	42,526	16,779
Recruitment Expenses	1,13,565	30,105
Cash loss in Transit	5,000	-
Assets Written Off	804	39,031
Interest Paid on Service Tax	-	2,021
Depreciation effect on Account of Change in Accounting Policy for Intangible Assets	41,903	-
Loss on sale of Assets	4,140	4,339
Total	**3,00,45,221**	**1,61,52,045**

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Bangalore

M/s. RAMESH ASHWIN & KARANTH
BANGALORE 560 025.
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CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

NO. 312, 14 - P, SKYLINE SURABHI APARTMENT, VIDYAPEETA MAIN ROAD, BSK 3RD STAGE, BANGALORE - 560085

Subnote Forming Part Of Balance Sheet

A. Long Term Borrowings & Current Maturities Of Long-Term Borrowings

i. From Banks

Sl. No.	Rate of Interest	Original Loan Tenure	No. of Installments O/s as on 31.03.2015	Long Term Borrowings		Current Maturities of Long Term Borrowings		Securities Offered
				31.03.2015	31.03.2014	31.03.2015	31.03.2014	
1	13.95%	36 Months	9	-	3,45,00,007	3,45,00,007	4,59,99,996	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
2	13.75%	33 Months	21	1,50,00,014	3,33,33,330	1,99,99,992	1,66,66,670	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
3	12.55%	33 Months	30	7,00,00,003	-	3,01,37,531	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
4	12.35%	36 Months	5	83,30,000	2,49,98,000	1,27,62,439	1,71,06,033	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
5	14.00%	23 Months	4	-	40,00,000	40,00,000	1,20,00,000	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
6	14.00%	23 Months	10	-	1,25,00,000	1,25,00,000	1,25,00,000	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
7	14.00%	24 Months	20	1,14,10,000	-	1,71,60,000	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
8	14.00%	24 Months	21	2,84,00,000	-	2,16,00,000	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
9	13.75%	30 Months	-	-	-	-	1,14,20,958	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
10	14.00%	13 Months	-	-	-	-	10,00,000	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
11	14.00%	36 Months	21	54,32,000	1,27,16,000	72,84,000	72,84,000	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
12	14.00%	36 Months	30	1,63,50,000	-	1,09,20,000	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
13	12.00%	48 Months	29	2,11,054	3,43,701	1,35,619	1,21,502	Motor Car Hypothecated to Bank
14	14.75%	24 Months	4	-	1,71,42,858	1,71,42,858	1,29,05,635	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
15	14.50%	24 Months	6	1,42,85,715	-	2,85,71,428	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
16	12.50%	22 Months	4	-	36,36,364	36,48,817	1,09,43,960	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
17	12.50%	24 Months	21	2,42,85,710	-	1,82,43,400	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
18	14.70%	36 Months	8	1,00,00,000	1,25,00,000	1,01,37,397	1,01,54,048	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
19	14.00%	36 Months	25	81,25,000	-	87,84,767	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned

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20	12.75%	36 Months	30	2,10,00,000	-	93,26,167	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
21	13.50%	36 Months	11	3,63,63,635	-	1,41,35,680	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
22	13.75%	36 Months	33	1,13,56,000	-	1,36,62,836	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
23	14.00%	48 Months	20	80,00,000	1,80,00,000	1,01,51,890	67,06,740	Personal Guarantees of Promoter Directors, Book Debts
24	10.50%	36 Months	6	6,66,66,667	-	3,50,01,825	-	Personal Guarantees of Promoter Directors, Book Debts Assigned
25	11.75%	60 Months	30	94,985	1,50,810	56,651	50,760	Motor Car Hypothecated to Bank
26	11.75%	60 Months	30	94,985	1,50,810	56,651	50,760	Motor Car Hypothecated to Bank
27	15.75%	60 Months	32	1,99,867	3,00,368	1,02,705	88,778	Motor Car Hypothecated to Bank
	Total (a)			35,56,05,634	17,42,72,249	34,00,22,659	16,49,99,840	

ii. From Financial Institutions

Sl. No.	Rate of Interest	Original Loan Tenure	No. of Installments O/s as on 31.03.2015	Long Term Borrowings		Current Maturities of Long Term		Securities Offered
				31.03.2015	31.03.2014	31.03.2015	31.03.2014	
1	17.25%	24 Months	-		-		1,00,72,312	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
2	16.50%	24 Months	12	-	75,00,000	75,03,049	75,18,308	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
3	16.50%	24 Months	18	75,00,000	-	1,50,18,309	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
4	16.50%	24 Months	24	1,00,00,004	-	1,00,08,133	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
5	15.25%	18 Months	8	-	-	1,89,82,107	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
6	15.25%	18 Months	9	-	-	2,13,46,128	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
7	15.25%	18 Months	10	-	-	1,17,70,835	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
8	15.25%	18 Months	10	-	-	1,17,49,849	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
9	15.25%	18 Months	15	54,88,100	-	1,99,91,626	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
10	15.50%	24 Months	21	1,87,55,000	-	2,54,80,917	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
11	15.50%	36 Months	34	99,72,710	-	44,61,831	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
12	16.50%	24 Months	24	1,50,00,000	-	1,50,73,233	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
13	16.00%	24 Months	20	50,00,000	-	75,00,000	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
14	16.00%	24 Months	21	37,49,995	-	50,00,004	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
	Total (b)			7,54,65,809	75,00,000	17,38,86,021	1,75,90,620	
	Total (a) + (b)			43,10,71,443	18,17,72,249	51,39,08,680	18,25,90,460	

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B. Short Term Borrowings

From Financial Institutions

	Rate of Interest	Loan Tenure	No. of Installments O/s as on 31.03.2015			Short Term Borrowings		Securities Offered
				31.03.2015	31.03.2014	31.03.2015	31.03.2014	
1	15.50%	12 Months	-			-	3,08,27,134	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
2	15.50%	12 Months	8			3,45,78,597	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
3	16.50%	12 Months	-			-	6,00,00,000	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
4	16.25%	12 Months	10			4,00,00,000	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
5	16.50%	12 Months	4			1,21,07,408	-	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned, PDCs for EMI Amount
6	14.96%	12 Months	-				1,21,33,608	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
7	14.97%	12 Months	-				1,00,81,212	Cash Collateral, Personal Guarantees of Promoter Directors, Book Debts Assigned
	Total			-	-	**8,66,86,005**	**11,30,41,954**	
	Grand Total			43,10,71,443	18,17,72,249	60,05,94,685	29,56,32,414	

Note: (a) The Company has not defaulted in the repayment of dues to Banks and Financial Institutions
(b) The Interest Rate disclosed above represents the rate interest as on 31.03.2015

C. Details of Non Convertible Debentures

Sl. No.	Coupon Rate	Maturity Date	Debenture Details		As at 31.03.2015	As at 31.03.2014	Options Available	Date of Redemption if Option is exercised
			Nos.	Face Value	Rs.	Rs.		
1	12.95%	28-Jul-16	75	10,00,000	5,00,00,025	-	No	NA
2	11.88%	28-Jan-17	50	10,00,000	3,66,66,600	-	No	NA
	Total				**8,66,66,625**	-		
		Less: Current Maturities of NCDs			5,75,00,100			
		Long Term Portion of NCDs			**2,91,66,525**			

Note: (a) The Secured, Non Convertible Debentures are secured by hypothecation of specified Receivables under Financing Activities

(b) The above Non Convertible Debentures are listed on BSE Limited (Bombay Stock Exchange). Further, the Company has entered into an agreement with GDA Trusteeship Services Limited to act as Debentures Trustees for the Debetures

(c) The Company has not defaulted in the repayment of dues to the Debenture Holders.

CHAITANYA INDIA FIN CREDIT PVT. LTD. Bangalore

M/s. RAMESH ASHWIN & KARANTH Chartered Accountants BANGALORE 560 025.