

INDEPENDENT AUDITOR'S REPORT

To the Members of ASA International India Microfinance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ASA International India Microfinance Limited ("the Company"), which comprise the Balance Sheet as at March 31 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 32 to the accompanying financial statements, which describes the extent to which the COVID-19 pandemic may impact the Company's operations and its financial metrics which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a

going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our 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 on its financial position in its financial statements - Refer Note 29 to the financial statements;

- 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. Refer note 5A to the financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal
Partner
Membership Number: 060352
UDIN: 21060352AAAABZ2612

Place of Signature: Kolkata
Date: June 29, 2021

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ASA INTERNATIONAL INDIA MICROFINANCE LIMITED AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company. Accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company and hence not commented upon.
- (vii) (a) Undisputed statutory dues in respect of employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though in case of tax deducted at source and professional tax dues there have been delays in a few cases and in case of provident fund dues there have been delays in number of cases. Also Refer Note 31 to the financial statements.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues which were outstanding at the year-end for a period of more than six months from the date they became payable except as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	7,87,631	April-August 2019	May-September 2019	April 7, 2021	Rs 71,503 paid (refer note 31 to the financial statements)
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	162,245	April - August 2020	May - September 2020	April 7, 2021	Rs 162,245 paid (refer note 31 to the financial statements)

(c) According to the records of the Company, the dues of income-tax, service tax, goods and service tax and cess on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (*) (Rs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	8,09,99,175	A.Y. 2011-12 and A.Y 2012-13	Commissioner of Income-tax-(Appeal)

(*) net of Rs. 1,65,35,485 paid under protest

(d) In respect of sub clauses (vii) (a) to (vii) (c) above, the Company did not have any dues towards sales tax, service tax, custom duty, service tax and value added tax excise duty, during the year.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders. The Company did not have any loans or borrowing dues in respect of government during the year.
- (ix) According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money by way of initial public offer or further public offer. Money raised by the Company by way of term loans / debt instruments were applied for the purpose for which those were raised, though idle/ surplus funds were gainfully invested in fixed deposits/ liquid assets, pending deployment for the purpose for they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or by its employees or officers has been noticed or reported during the year except for instances of cash embezzlements by certain employees of the Company aggregating to an amount of Rs. 12,50,178 and out of which Rs 8,41,773 has since been recovered.

- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 21060352AAAABZ2612

Place of Signature: Kolkata

Date: June 29, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ASA INTERNATIONAL INDIA MICROFINANCE LIMITED

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

We have audited the internal financial controls with reference to financial statements of ASA International India Microfinance Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

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

Inherent Limitations of Internal Financial Controls With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 21060352AAAABZ2612

Place of Signature: Kolkata

Date: June 29, 2021

ASA International India Microfinance Limited Balance Sheet as at March 31, 2021			
	Notes	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
I. Equity and liabilities			
Shareholders' funds			
Share capital	3	1,96,18,800	1,96,18,800
Reserves and surplus	4	1,50,80,46,451	2,13,16,67,482
		1,52,76,65,251	2,15,12,86,282
Non-current liabilities			
Long-term borrowings	5	7,22,27,25,580	5,25,82,17,184
Long-term provisions	6	74,14,18,233	17,56,80,549
		7,96,41,43,813	5,43,38,97,733
Current liabilities			
Short-term borrowings	7	27,57,20,000	-
Trade payables		-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8	2,03,98,779	1,14,99,865
Other current liabilities	9	2,94,05,70,768	3,19,09,08,426
Short-term provisions	6	22,65,08,951	8,20,49,445
		3,46,31,98,498	3,28,44,57,736
Total		12,95,50,07,562	10,86,96,41,751
II. Assets			
Non-current assets			
Property, plant and equipment	10A	2,31,82,559	3,40,60,409
Intangible assets	10B	20,54,169	34,23,614
Deferred tax assets	11	27,29,67,539	6,76,74,290
Long-term loans and advances (net)	12	2,96,97,63,296	1,94,37,99,341
Other non-current assets	13	23,18,53,916	31,22,66,103
		3,49,98,21,479	2,36,12,23,757
Current assets			
Cash and bank balances	14	1,91,96,43,735	70,54,28,359
Short-term loans and advances	12	6,81,09,93,815	7,38,84,44,568
Other current assets	13	72,45,48,533	41,45,45,067
		9,45,51,86,083	8,50,84,17,994
Total		12,95,50,07,562	10,86,96,41,751
Summary of significant accounting policies (refer note 2.1)			
The accompanying notes are an integral part of the financial statements.			
As per our report of even date			
For S.R.Batliboi & Co. LLP Chartered Accountants Firm Registration No.301003E/E300005		For and on behalf of the Board of Directors of ASA International India Microfinance Limited	
per Sanjay Kumar Agarwal Partner Membership No. 060352		Anjan Dasgupta Managing Director DIN 03314638	Md Enamul Haque Director DIN 02961971
Place: Kolkata Date: June 29, 2021		Subhrangsu Chakravarty Chief Financial Officer	Vanita Mundhra Company Secretary

ASA International India Microfinance Limited
Statement of Profit and Loss for the year ended March 31, 2021

	Notes	Year ended March 31, 2021 (Rs.)	Year ended March 31, 2020 (Rs.)
I. Income			
Revenue from operations	15	2,06,26,81,216	2,40,86,88,953
Other income	16	3,80,26,236	5,10,92,511
Total revenue		2,10,07,07,452	2,45,97,81,464
II. Expenses			
Employee benefits expense	17	55,51,89,959	51,86,87,831
Finance costs	18	1,21,59,55,677	1,10,50,70,929
Depreciation and amortisation expense	19	1,62,54,500	2,13,97,410
Other expenses	20	22,47,67,526	23,46,97,876
Provisions and write-offs	21	91,74,54,070	14,77,45,719
Total expenses		2,92,96,21,732	2,02,75,99,765
Profit / (Loss) before tax (III)=(I)-(II)		(82,89,14,280)	43,21,81,699
Tax expense (IV)			
Current tax		-	14,01,37,646
Deferred tax credit		(20,52,93,249)	(2,66,34,566)
Total tax expenses		(20,52,93,249)	11,35,03,080
Profit / (Loss) for the year (III)-(IV)		(62,36,21,031)	31,86,78,619
Earnings per share (EPS)	22		
Nominal value of share		100.00	100.00
Basic		(3,179)	1,721
Diluted		(3,179)	1,721

Summary of significant accounting policies (refer note 2.1)

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

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.301003E/E300005

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

per Sanjay Kumar Agarwal
Partner
Membership No. 060352

Anjan Dasgupta
Managing Director
DIN 03314638

Md Enamul Haque
Director
DIN 02961971

Place: Kolkata
Date: June 29, 2021

Subhransu Chakravarty
Chief Financial Officer

Vanita Mundhra
Company Secretary

ASA International India Microfinance Limited
Cash Flow Statement for the year ended March 31, 2021

Particulars	Year ended March 31, 2021 (Rs.)	Year ended March 31, 2020 (Rs.)
A. Cash flow from operating activities :		
Profit / (Loss) before tax	(82,89,14,280)	43,21,81,699
Adjustments for :		
Depreciation and amortisation expense	1,62,54,500	2,13,97,410
Provisions and write-offs	91,74,54,070	14,77,45,719
Gain from sale of current investments	(6,20,844)	(1,90,71,783)
Excess provision for litigation written back	-	(1,66,63,184)
Liabilities written back	-	(93,42,767)
Profit on sale of property, plant and equipment (net)	-	(3,000)
Operating profit before working capital changes	10,41,73,444	55,62,44,095
Movements in working capital:		
Increase in loans and advances	(57,02,07,178)	(2,60,34,63,105)
Increase in other assets	(55,77,34,669)	(2,89,33,733)
Increase in provisions	27,50,39,861	10,37,36,235
Decrease/ (increase) in margin money deposits (net)	(1,93,35,794)	3,88,56,443
Decrease in other current liabilities	(3,82,81,584)	(6,19,98,596)
Cash used in operations	(80,63,45,920)	(1,99,55,58,662)
Direct taxes paid (net of refunds)	(11,95,20,960)	(14,62,86,605)
Net Cash flow used in operating activities (A)	(92,58,66,880)	(2,14,18,45,267)
B. Cash flow from investing activities :		
Purchase of property, plant and equipments	(40,13,533)	(2,26,54,477)
Proceeds from sale of property, plant and equipments	6,328	3,000
Proceeds from purchase and sale of investments (net)	6,20,844	1,90,71,783
Net cash flow used in investing activities (B)	(33,86,361)	(35,79,694)
C. Cash flow from financing activities :		
Proceeds from short-term borrowings (net)	27,57,20,000	-
Repayment of cash credit facility (net)	-	(1,213)
Proceeds from long-term borrowings	2,02,71,65,322	3,19,94,49,168
Repayment of long-term borrowings	(2,39,95,64,082)	(2,44,32,09,383)
Proceeds from issue of equity shares	-	37,94,70,890
Proceeds from issue of non-convertible debentures	3,60,87,50,000	80,00,00,000
Repayment of non-convertible debentures	(1,47,50,00,000)	(6,66,66,800)
Net Cash flow generated from financing activities (C)	2,03,70,71,240	1,86,90,42,662
Net increase in cash and cash equivalents (A+B+C)	1,10,78,17,999	(27,63,82,299)
Cash and cash equivalents at the beginning of the year	65,50,41,439	92,63,35,695
Add-: Increase in cash and cash equivalents due to merger	-	50,88,043
Cash and cash equivalents at the end of the year (refer note 14)	1,76,28,59,438	65,50,41,439
Summary of significant accounting policies (refer note 2.1)		
The accompanying notes are an integral part of the financial statements.		
As per our report of even date		
For S.R.Batliboi & Co. LLP Chartered Accountants Firm Registration No.301003E/E300005	For and on behalf of the Board of Directors of ASA International India Microfinance Limited	
per Sanjay Kumar Agarwal Partner Membership No. 060352	Anjan Dasgupta Managing Director DIN 03314638	Md Enamul Haque Director DIN 02961971
Place: Kolkata Date: June 29, 2021	Subhrangsu Chakravarty Chief Financial Officer	Vanita Mundhra Company Secretary

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

1. Corporate information

ASA International India Microfinance Limited ("the Company") is a Company domiciled and incorporated in India. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') registered with the Reserve Bank of India ('RBI').

The Company is engaged in providing financial services to mostly women mainly in rural and semi urban areas of India who are organized into small groups.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ("the Act"), read together with Rule 7 of the Companies (Account) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, provisions of the RBI applicable as per Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Notification No. DNBR. PD. 007/03.10.119/2016-17 dated September 01, 2016, as amended from time to time ('the NBFC Master Directions, 2016') and other applicable clarifications provided by RBI.

The financial statements are prepared on a going concern basis, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability and cash flows.

The financial statements have been prepared under the historical cost convention on an accrual basis except interest on non-performing loans that are recognized on realization. The accounting policies applied by the Company are consistent with those applied in the previous year, unless specified otherwise.

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

2.1 Summary of significant accounting policies/ accounting estimate

a. Use of estimates

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

b. Property, plant and equipment

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

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

c. Intangible assets

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

Computer software is amortized using the written down value method at a rate of 40% per annum.

d. Depreciation on property, plant and equipment

Depreciation on tangible property, plant and equipment is calculated on the written down value method as per the useful life prescribed under Schedule II to the Companies Act, 2013, which is the useful lives of the underlying assets as estimated by the management.

e. Borrowing Cost

Borrowing costs includes interests which are recognised on time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings. Processing fees and ancillary fees incurred for arrangement of borrowings from banks and financial institutions are charged off up-front to the statement of profit and loss.

f. Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g. Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statement at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of investment, the difference between the carrying amount and net disposal proceeds are charged or credited to the statement of profit and loss.

h. Revenue recognition

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

- i) Interest income on portfolio loans is recognized in the Statement of profit and loss on time proportion basis taking into account the amount outstanding and the rates applicable, except in the case of non-performing assets ("NPA's"), where it is recognized, upon realization, as per prudential norms of RBI. Any such income recognised before the assets become non-performing and remaining unrealized are reversed.

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

- ii) Interest income on deposits with banks is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- iii) Processing fees are recognized as income upfront when it becomes due.
- iv) Income from services rendered in connection with loans given on behalf of banks/NBFCs to joint liability groups/individual liability groups organized / monitored by the Company are recognized on accrual basis as and when such services are rendered.
- v) Profit/premium arising at the time of securitization/assignment of loan portfolio is amortized over the life of the underlying loan portfolio/securities and any loss arising therefrom is accounted for immediately. Income from interest strip (excess interest spread) is recognized in the statement of profit and loss account net of any losses at the time of actual receipt. Interest retained under assignment of loan receivables is recognized on realization basis over the life of the underlying loan portfolio.
- vi) All other income is recognized on an accrual basis.

i. Foreign currency transactions

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

j. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable under the scheme. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Actuarial gains and losses for defined benefit plan are recognized in full in the year in which they occur in the statement of profit and loss.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Short term compensated absences are provided for based on estimates.

k. Income taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carried forward unabsorbed depreciation or tax losses, all deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient taxable income will be available in future against which such deferred tax assets can be realised. At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax assets can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available.

l. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

m. Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

n. Contingent Liabilities

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

o. Cash and cash equivalents

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

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

p. Classification of Portfolio loans

Loans are classified as follows:

Asset Classification	Period
Standard Assets	Current Loan and overdue upto 90 days
Non-Performing Assets	Overdue from 90 days and more

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

The above classification is in accordance with the NBFC Master Directions, 2016 for Non-Banking Financial Company – Micro Finance Institutions (NBFC-MFIs).

q. Provision for loan portfolio

- (a) Provision on portfolio loans are made at the higher of management estimates or minimum provision required as per RBI directions issued in this behalf.

As per the Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, the aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of a) 1% of the outstanding loan portfolio or b) 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 and management estimates of future losses, whichever is higher.

Further as per circular DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 ('Regulatory Package'), the lending institutions were permitted to grant a moratorium of three months on payment of all term loan instalments falling due between March 1, 2020 and August 31, 2020 ('moratorium period'). As such, in line with the clarification provided by the Basel Committee on Banking Supervision, in respect of all accounts classified as standard as on February 29, 2020, even if overdue, the moratorium period, wherever granted, shall be excluded by the lending institutions from the number of days past-due for the purpose of asset classification under the IRAC norms.

- (b) Provision for losses arising under securitized/managed portfolio is on the basis of incurred losses (shortfall in collection), subject to the maximum guarantee given in respect of such arrangements.
- (c) Overdue loans are written-off, when the prospect for recovery is considered remote as per management estimate.

r. Leases

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

s. Corporate Social Responsibility (CSR) expenditure

Expenditure incurred towards CSR is charged to the statement of profit and loss.

t. Derivative instruments and hedge accounting

The Company uses derivative financial instruments, such as, foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. It also uses interest rate swaps to hedge interest rate risk arising from variable rate loans. The company designates

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

these forward contracts and interest rate swaps in a hedging relationship by applying the hedge accounting principles as set out in the Guidance note on Accounting for Derivative Contracts issued by ICAI.

For the purpose of hedge accounting, hedges are classified as:

1. Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
2. Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
3. Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Company will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for as described below:

Fair value hedges

The change in the fair value of a hedging derivative is recognized in the statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the statement of profit and loss.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in the statement of profit and loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized directly under shareholders fund in the hedging reserve, while any ineffective portion is recognized immediately in the statement of profit and loss.

The company uses foreign currency forward contracts as hedges of its exposure to foreign currency risk in forecasted transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognized immediately in the statement of profit and loss.

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

Amounts recognized in the hedging reserve are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged income or expense is recognized or when a forecast sale occurs.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in the hedging reserve is transferred to the statement of profit and loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognized in the hedging reserve remains in the hedging reserve until the forecast transaction or firm commitment affects profit or loss.

Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as hedging reserve while any gains or losses relating to the ineffective portion are recognized in the statement of profit and loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in hedging reserve is transferred to the statement of profit and loss.

Presentation of derivative contracts in the financial statement

Derivative assets and liabilities recognized on the balance sheet are presented as current and non-current based on the following considerations:

- Derivatives that are hedges of recognized assets or liabilities are classified as current or non-current based on the classification of the hedged item.
- Derivatives that are hedges of forecasted transactions and firm commitments are classified as current or non-current based on the settlement date / maturity dates of the derivative contracts.
- Derivatives that have periodic or multiple settlements such as interest rate swaps are not bi-furcated into current and non-current elements. Their classification is based on when a predominant portion of their cash flows are due for settlement as per their contractual terms.

u. Amalgamation accounting

The Company treats an amalgamation in the nature of merger if it satisfies all the following criteria:

- (i) All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company.
- (ii) Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company.
- (iii) The consideration for amalgamation receivable by those equity shareholders of the transferor company who agree to become shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares, except that cash may be paid in respect of any fractional shares.

ASA International India Microfinance Limited**Notes to the Financial Statements as at and for the year ended March 31, 2021**

- (iv) The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.
- (v) The transferee company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor company, except to ensure uniformity of accounting policies.

All other amalgamations are in the nature of purchase.

The Company accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the Company to recognize any non-cash element of the consideration at fair value. The company recognizes assets, liabilities and reserves, whether capital or revenue, of the transferor company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in reserves.

An amalgamation in the nature of purchase is accounted for using the purchase method. The cost of an acquisition/ amalgamation is measured as the aggregate of the consideration transferred, measured at fair value. Other aspects of accounting are as below:

- (i) The assets and liabilities of the transferor company are recognized at their fair values at the date of amalgamation. The reserves, whether capital or revenue, of the transferor company, except statutory reserves, are not recognized.
- (ii) Any excess consideration over the value of the net assets of the transferor company acquired is recognized as goodwill. If the amount of the consideration is lower than the value of the net assets acquired, the difference is treated as capital reserve.
- (iii) The goodwill arising on amalgamation is amortized to the statement of profit and loss on a systematic basis over its useful life not exceeding five years.

3	Share capital	As at March 31, 2021	As at March 31, 2020
		(Rs.)	(Rs.)
	Authorized Shares		
	10,01,000 (March 31, 2020: 10,01,000) equity shares of Rs. 100/- each	10,01,00,000	10,01,00,000
		10,01,00,000	10,01,00,000
	Issued, subscribed and fully paid-up shares		
	1,96,188 (March 31, 2020: 1,96,188) equity shares of Rs. 100/- each [refer note (A) below]	1,96,18,800	1,96,18,800
		1,96,18,800	1,96,18,800
	Total issued, subscribed and fully paid-up share capital	1,96,18,800	1,96,18,800

A. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at March 31, 2021		As at March 31, 2020	
	Number	(Rs.)	Number	(Rs.)
At the beginning of the year	1,96,188	1,96,18,800	1,72,380	1,72,38,000
Add: Issued during the year	-	-	23,570	23,57,000
Less: Shares issued pursuant to the Scheme [refer note (E) below]	-	-	30,233	30,23,300
Less: Cancellation pursuant to the Scheme [refer note (E) below]	-	-	(29,995)	(29,99,500)
Shares outstanding at the end of the year	1,96,188	1,96,18,800	1,96,188	1,96,18,800

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 100 per equity share. Each holder of equity shares is entitled to one vote per share held.

The dividend as and when proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing general meeting. During the current financial year, the Company has not proposed/declared any dividend.

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

C. Shares held by holding company

Out of equity issued by the Company, shares held by its holding company is as below:

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	(Rs.)	No. of Shares held	(Rs.)
Equity Shares of Rs. 100 each fully paid				
ASA International Holdings (ASAIH), Mauritius, the Holding Company	1,76,595	1,76,59,500	1,76,595	1,76,59,500

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of Rs. 100 each fully paid				
ASA International Holding (ASAIH), Mauritius, the	1,76,595	90.01%	1,76,595	90.01%
IDFC First Bank Limited (formerly IDFC Bank Limited)	19,581	9.98%	19,581	9.98%

E. Scheme of Arrangement

Pursuant to a scheme of Arrangement ("the Scheme") under section 230 to 232 of the Companies Act, 2013, sanctioned by the National Company Law Tribunal ("NCLT"), Kolkata Bench vide its order dated March 11, 2020, Proswift Consultancy Private Limited ("Transferor Company") merged with "ASA International India Microfinance Limited" ("Transferee Company") with effect from April 1, 2019 ("Appointed Date"). The Scheme came into effect on September 19, 2020, the day on which the order of the NCLT, Kolkata Bench was delivered to the Registrar of Companies. Accordingly, the figures for the financial year March 31, 2020 has been restated to account for impact of the Scheme. The investment held in the Transferee Company by the Transferor Company (29,995 equity shares of Rs. 100 each) have been cancelled. The Transferee Company has issued 3.0233 equity shares for every 1 share held in the Transferor Company to the shareholders of the Transferor Company aggregating to 30,233 equity shares of Rs. 100 each.

F. No shares were allotted as fully paid-up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(This space has been left intentionally blank)

4	Reserves and surplus	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
A.	Securities premium account Balance as per the last financial statements Add: On issue of equity shares Closing Balance (A)	1,15,40,37,318 - 1,15,40,37,318	77,39,23,928 38,01,13,390 1,15,40,37,318
B.	Statutory reserve Balance as per the last financial statements Add: Amount transferred from surplus balance in the Statement of Profit and Loss Closing Balance (B)	19,90,06,888 - 19,90,06,888	13,52,79,939 6,37,26,949 19,90,06,888
C.	General Reserve Balance as per the last financial statements Less: Additions pursuant to the Scheme [refer Note 35(c)] Closing Balance (C)	49,88,047 - 49,88,047	79,11,847 (29,23,800) 49,88,047
D.	Surplus in the Statement of Profit and Loss Balance as per the last financial statements Add: Additions pursuant to the Scheme [refer Note 35(c)] Profit / (Loss) for the year Less: Appropriations Transferred to statutory reserve (@ 20% of profit after tax as required by section 45-IC of Reserve Bank of India Act, 1934) Net surplus in the Statement of Profit and Loss (D)	77,36,35,229 - (62,36,21,031) - 15,00,14,198	51,36,95,516 49,88,043 31,86,78,619 6,37,26,949 77,36,35,229
	Total reserves and surplus (A+B+C+D)	1,50,80,46,451	2,13,16,67,482

5	Long-term borrowings	Non Current portion		Current maturities	
		As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	Secured				
	Debentures (privately placed) (*)	3,99,30,83,333	2,80,50,00,000	60,06,66,667	40,50,00,000
	Terms loans				
	From banks	-	33,63,43,412	38,16,75,729	81,67,29,461
	From Financial Institutions	37,50,00,000	12,00,00,000	62,00,00,000	12,00,00,000
	From non banking finance companies	56,21,42,247	45,43,73,772	1,00,06,24,330	1,46,27,76,145
	Vehicle loans	-	-	-	58,476
	External commercial borrowings	99,25,00,000	99,25,00,000	-	-
		5,92,27,25,580	4,70,82,17,184	2,60,29,66,726	2,80,45,64,082
	Unsecured				
	Term loans from banks	55,00,00,000	55,00,00,000	-	-
	Debentures (privately placed) (*)	75,00,00,000	-	-	-
		1,30,00,00,000	55,00,00,000	-	-
	Total borrowings	7,22,27,25,580	5,25,82,17,184	2,60,29,66,726	2,80,45,64,082
	Amount disclosed under the head "other current liabilities" (Refer Note 9)	-	-	(2,60,29,66,726)	(2,80,45,64,082)
	Total	7,22,27,25,580	5,25,82,17,184	-	-

Refer Note 5A and 5B for terms of repayment of debentures, term loans, vehicle loans and sub-ordinated debt.

(*) Debentures are privately placed and hence no Debenture Redemption Reserve is created.

(This space has been left intentionally blank)

i) Terms and conditions of debentures issued

Name of debenture holder	Amount Outstanding as at March 31, 2021 (Rs.)	Rate of Interest	Repayment schedule
AAV S.A.R.L and Masala Investments S.A.R.L.	34,87,50,000	12.39%	99.99% of the principal amount will be repaid on July 14, 2023 and balance 0.01% on maturity date i.e. July 14, 2025.
CDC Group	40,00,00,000	11.42%	3% of the principal amount will be repaid in every 6 months till 30th month, 10% of the principal amount will be repaid in 36th & 38th month, 12% of the principal amount will be repaid in every alternative month, and balance 17% on the maturity date i.e. March 30, 2025.
AAV S.A.R.L and Masala Investments S.A.R.L.	49,00,00,000	13.25%	99.99% of the principal amount will be repaid on September 30, 2022 and balance 0.01% on maturity date i.e. September 30, 2024.
Stichting Juridisch Eigenaar Actiam Institutional	32,00,00,000	12.08%	Bullet Repayment in October 2023
Stichting Juridisch Eigenaar Actiam Institutional	32,00,00,000	12.40%	Bullet Repayment in October 2023
IFMR(Northern ARC) FImpact Long Term Credit Fund [refer note (a) below]	15,00,00,000	14.39%	Bullet repayment in September 2023
Blue Orchard Microfinance Fund and Microfinance Enhancement Facility [refer note (b) below]	56,00,00,000	13.12%	Bullet repayment in February 2023
Blueorchard Microfinance Fund [refer note (c) below]	17,00,00,000	13.12%	Bullet Repayment in February 2023
Blue Orchard Microfinance Fund and Microfinance Enhancement Facility	56,00,00,000	13.12%	Bullet repayment in January 2023
Blueorchard Microfinance Fund [refer note (c) below]	28,00,00,000	13.12%	Bullet Repayment in December 2022
Stichting Juridisch Eigenaar Actiam Institutional	14,00,00,000	13.50%	Two equal instalments in 36th month and 37th month from the date of disbursement i.e. December 2022
IFMR(Northern ARC) FImpact Long Term Multi Asset Class Fund [refer note (a) below]	25,00,00,000	14.39%	Bullet repayment in June 2022
Magallanes Impacto, FIL and Northern Arc Capital Limited [refer note (d) below]	8,50,00,000	13.14%	Half yearly instalments starting after one year from the date of disbursement i.e. till August 2021
AAV S.A.R.L and Masala Investments S.A.R.L.	52,00,00,000	13.25%	Bullet Repayment in May 2021
Un-Secured debenture			
AAV S.A.R.L and Masala Investments S.A.R.L.	75,00,00,000	16.67%	Bullet repayment in January 2028
Total	5,34,37,50,000		

(a) Debentures amounting to Rs. 40,00,00,000 has a call/ put option available with the Company /Debenture holders at the exercise date June 30, 2022.

(a) Debentures amounting to Rs. 56,00,00,000 has a call/ put option available with the Company /Debenture holders at the end of 24 months from the date of allotment.

(c) Debentures amounting to Rs. 45,00,00,000 has a call/ put option available with the Company /Debenture holders at the end of 36 months from the date of allotment.

(d) Debentures amounting to Rs. 8,50,00,000 has a call/ put option available with the Company /Debenture holders at the end of 24 months from the date of allotment.

5A Borrowings (Contd.)

Terms of repayment of Debentures, Term Loans and External Commercial Borrowings as on March 31, 2021

Descriptions	Due within 1 year		Due between 1 and 2 years		Due between 2 and 3 Years		Due between 3 and 5 Years		More than 5 Years		Interest Rate	Total
	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)		
Non-Convertible Debentures												
Secured												
Half-yearly repayment schedule												
From NBFCs:												
0 - 3 Yrs.	4	8,06,66,667	3	5,23,33,333	2	5,20,00,000					13.14% & 11.42%	18,50,00,000
3 - 5 Yrs.							6	30,00,00,000			11.42%	30,00,00,000
Bullet repayment schedule												
From NBFCs:												
0-3 Yrs.	1	52,00,00,000	7	2,44,99,51,000	4	1,13,87,15,125					12.08%- 14.39%	4,10,86,66,125
3 - 5 Yrs.							2	83,875			12.39% & 13.25%	83,875
Un-secured												
Bullet repayment schedule												
From NBFCs:												
More than 5 Yrs.									1	75,00,00,000	16.67%	75,00,00,000
Term Loans												
Secured												
Half-yearly repayment schedule												
From FIs:												
0-3 Yrs.	3	50,00,00,000	2	375000000							7.00%	87,50,00,000
Quarterly repayment schedule												
From NBFCs:												
0-3 Yrs.	11	14,33,32,997	4	5,00,00,000	3	3,75,00,000	-	-			12.50%- 13.25%	23,08,32,997
Monthly repayment schedule												
From Banks:												
0-3 Yrs.	63	60,13,95,729			-	-	-	-			10.45% - 13.25%	60,13,95,729
From NBFCs:												
0-3 Yrs.	359	85,72,91,333	129	39,77,92,967	15	7,68,49,280	-	-			12.50%- 14.25%	1,33,19,33,580
From FIs:												
0-3 Yrs.	13	17,60,00,000	-	-							6.97%-13.25%	17,60,00,000
Unsecured												
Bullet repayment schedule												
From Banks:												
0-3 Yrs.	-	-	1	30,00,00,000	-	-	-	-	-	-	13.10%	30,00,00,000
3 - 5 Yrs.							1	25,00,00,000	-	-	14.25%	25,00,00,000
External Commercial Borrowings												
Bullet repayment schedule												
From NBFCs:												
0-3 Yrs.	-	-	2	99,25,00,000	-	-					11.80%-12.55%	99,25,00,000
Grand Total*		2,87,86,86,726		4,61,75,77,300		1,30,50,64,405		55,00,83,875		75,00,00,000		10,10,14,12,306

* Due within 1 year includes Rs. 27,57,20,000 for short-term borrowings (refer note 7)

Note:

A. Debentures

Secured

Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

Unsecured

During the year ended March 31, 2021, the Company has issued Unsecured Non-convertible debenture amounting to Rs 75,00,00,000 as Subordinated debt.

B. Term Loans

Term loans from banks and others are secured by way of hypothecation of the outstanding loan portfolio, in addition to the fixed deposits being held as collateral security. The term loans carries interest in the range of 6.97% per annum to 14.25% per annum.

C. External Commercial Borrowings

The Company has obtained external commercial borrowing facilities of USD 3 million and Euro 10 million with a carrying amount of Rs. 20,70,00,000 and Rs. 78,55,00,000 from Mikrofinanzfonds. These long-term loans are repayable through bullet repayment in July 2022 and December 2022 and carries an interest rate of EURIBOR + 4.3% p.a. and LIBOR + 4.3% p.a. respectively. The term loan facilities are secured by first priority pari-passu charge the outstanding loan portfolio.

The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

5B Borrowings (Contd.)

Terms of repayment of Debentures, Term Loans, External Commercial Borrowings and Vehicle loans as on March 31, 2020

Descriptions	Due within 1 year		Due between 1 and 2 years		Due between 2 and 3 Years		Due between 3 and 5 Years		More than 5 Years		Interest Rate	Total
	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)	No. of Instalments	Amount (Rs.)		
Non-Convertible Debentures												
Secured												
Half-yearly repayment schedule												
From NBFCs:												
0-3 Yrs.	2	8,50,00,000	2	5,66,66,667	1	2,83,33,333	-	-	-	-	13.14%	17,00,00,000
3 - 5 Yrs.												-
Bullet repayment schedule												
From NBFCs:												
0-3 Yrs.	1	32,00,00,000	1	52,00,00,000	5	1,71,00,00,000					13.25%- 14.00%	2,55,00,00,000
3 - 5 Yrs.							1	49,00,00,000			13.25%	49,00,00,000
Term Loans												
Secured												
Quarterly repayment schedule												
From Banks:												
0-3 Yrs.	1	2,50,00,000	-	-			-	-			14.25%	2,50,00,000
From NBFCs:												
0-3 Yrs.	18	26,99,99,005	7	11,41,66,331	-	-	-	-			12.50%- 13.25%	38,41,65,336
3 - 5 Yrs.	-	-	-	-	-	-	-	-	-	-		-
Monthly repayment schedule												
From Banks:												
0-3 Yrs.	98	79,17,29,461	46	33,63,43,412	-	-	-	-			12.10% - 13.35%	1,12,80,72,873
From NBFCs:												
0-3 Yrs.	511	1,19,28,35,616	111	33,52,07,516	1	49,99,925	-	-			12.50%- 14.50%	1,53,30,43,057
3 - 5 Yrs.												
From FIs:												
0-3 Yrs.	12	12,00,00,000	12	12,00,00,000							13.25%	24,00,00,000
Unsecured												
Bullet repayment schedule												
From Banks:												
0-3 Yrs.	-	-	-	-	1	30,00,00,000	-	-	-	-	13.10%	30,00,00,000
More than 5 Yrs.									1	25,00,00,000	14.25%	25,00,00,000
External Commercial Borrowings												
Bullet repayment schedule												
From NBFCs:												
0-3 Yrs.	-	-	-	-	2	99,25,00,000					11.80%-12.55%	99,25,00,000
Grand Total		2,80,45,64,082		1,48,23,83,926		3,03,58,33,258		49,00,00,000		25,00,00,000		8,06,27,81,266

Note:

A. Debentures

Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

B. Term Loans

Term loans from banks and others are secured by way of hypothecation of the outstanding loan portfolio, in addition to the fixed deposits being held as collateral security.

C. External Commercial Borrowings

During the year ended March 31, 2020, the Company has obtained external commercial borrowing facilities of USD 3 million and Euro 10 million with a carrying amount of Rs. 20,70,00,000 and Rs. 78,55,00,000 from Mikrofinanzfonds. These long-term loans are repayable through bullet repayment in July 2022 and December 2022 and carries an interest rate of EURIBOR + 4.3% p.a. and LIBOR + 4.3% p.a. respectively. The term loan facilities are secured by first priority pari-passu charge the outstanding loan portfolio.

The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

6	Provisions:	Non-current		Current	
		As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
A.	Provision for employee benefits				
	Provision for gratuity (Refer note 26)	6,33,80,545	4,92,82,718	31,22,874	4,82,675
	Provision for leave benefits	-	-	5,68,94,628	3,92,81,343
		6,33,80,545	4,92,82,718	6,00,17,502	3,97,64,018
B.	Provision for portfolio loans (Refer note 23)				
	On standard assets (Refer note 2.1.q(a))	-	90,31,984	-	3,91,31,505
	On non performing assets (Refer note 2.1.q(a))	67,80,37,688	10,13,43,430	-	-
		67,80,37,688	11,03,75,414	-	3,91,31,505
C.	Others				
	Provision for securitised/managed portfolio loans (Refer note 2.1.q(b))	-	1,60,22,417	16,64,91,449	31,53,922
		-	1,60,22,417	16,64,91,449	31,53,922
	Total	74,14,18,233	17,56,80,549	22,65,08,951	8,20,49,445

7	Short-term borrowings	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	Secured		
	Term Loans		
	From a bank	21,97,20,000	-
	From a financial institution	5,60,00,000	-
		27,57,20,000	-
	The above amount includes		
	Secured	27,57,20,000	-
	Unsecured	-	-
	Total	27,57,20,000	-

Short term borrowings are secured by first pari passu charge of underlying portfolio loans and margin money deposits, where applicable, in accordance with the respective loan agreements. The term loans carry an interest rate ranging from 6.97% to 9.75% per annum (March 31, 2020: Nil). The term loans are repayable within 12 months from the date of disbursement.

8	Trade payables	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	Total outstanding dues of micro enterprises and small enterprises *	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises **	2,03,98,779	1,14,99,865
	Total	2,03,98,779	1,14,99,865

* There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises. For the year ended March 31, 2020 and March 31, 2019, no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

** Includes Rs. 2,33,470 received against old loans (prior to 1.7.2012), fully matured for refund and are pending as current addresses of the loanees are not available.

9	Other Current liabilities	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	Current maturities of long-term borrowings	2,60,29,66,726	2,80,45,64,082
	Interest accrued but not due on borrowings	18,31,44,804	13,88,60,017
	Payable to banks towards securitization transactions	-	89,74,012
	Payable to Banks/NBFCs against BC arrangement*	4,10,23,418	1,40,27,565
	Payable to bank against direct assignment	3,30,55,981	11,42,85,330
	Unrealised gain on securitisation transactions	-	66,33,352
	Advance from banks/NBFCs (pending disbursement) under BC arrangement	-	53,54,074
	Payable to group company	15,59,800	18,32,850
	Employee benefits Payable	4,45,89,092	4,27,44,859
	Security deposits	1,17,63,994	1,13,90,910
	Insurance premium Payable	20,65,159	1,46,04,652
	Statutory dues payable (refer note 31)	1,30,55,026	87,86,999
	Interest refund payable (refer note 30)	73,46,768	32,29,862
	Other payables#	-	1,56,19,862
	Total	2,94,05,70,768	3,19,09,08,426

* Payable to Banks/NBFCs against BC arrangement represents amount collected from customers for loans disbursed on behalf of Banks/NBFCs. As per terms of arrangements, such amounts are repaid on fixed monthly instalments. The amount collected out of such disbursement is shown in other liabilities.

Advance from Banks/NBFCs against BC arrangement represents amount received from the Bank/NBFC for onward disbursement to the customers, pending disbursement.

Represents provision against PF liability in accordance with Supreme Court (SC) judgement on PF dated February 28, 2019. During the year, the Company has deposited Rs. 1,56,19,862 against the said provision.

ASA International India Microfinance Limited
Notes to the Financial Statement as at and for the year ended March 31, 2021

10A Property, plant and equipment (Rs.)					
Particulars	Furniture and Fixtures	Computers	Office equipments	Vehicles	Total
At March 31, 2019	1,57,26,809	3,13,36,239	2,24,20,808	13,41,359	7,08,25,215
Additions (*)	65,17,343	77,88,657	81,07,342	62,000	2,24,75,342
Disposals	-	-	(30,100)	-	(30,100)
At March 31, 2020	2,22,44,152	3,91,24,896	3,04,98,050	14,03,359	9,32,70,457
Additions	18,10,953	16,98,615	5,03,965	-	40,13,533
Disposals	-	-	(7,900)	-	(7,900)
At March 31,2021	2,40,55,105	4,08,23,511	3,09,94,115	14,03,359	9,72,76,090
(*) Additions includes Rs. 467,865 added on merger [refer Note 35(a)]					
Depreciation					
At March 31, 2019	71,68,807	1,91,17,757	1,22,21,983	10,09,695	3,95,18,242
Adjustment pursuant to merger [refer Note 35(a)]	1,40,513	1,09,512	1,71,535	-	4,21,560
Charge for the year	30,49,310	97,12,428	64,19,190	1,19,418	1,93,00,346
Disposals	-	-	(30,100)	-	(30,100)
At March 31, 2020	1,03,58,630	2,89,39,697	1,87,82,608	11,29,113	5,92,10,048
Charge for the year	31,70,932	63,08,744	53,22,203	83,176	1,48,85,055
Disposals	-	-	(1,572)	-	(1,572)
At March 31,2021	1,35,29,562	3,52,48,441	2,41,03,239	12,12,289	7,40,93,531
Net Block					
At March 31, 2020	1,18,85,522	1,01,85,199	1,17,15,442	2,74,246	3,40,60,409
At March 31,2021	1,05,25,543	55,75,070	68,90,876	1,91,070	2,31,82,559

10B Intangible Assets: (Rs.)	
Particulars	Software
At March 31, 2019	95,83,147
Additions (*)	6,60,500
Disposals	-
At March 31, 2020	1,02,43,647
Additions	-
Disposals	-
At March 31,2021	1,02,43,647

(*) Additions includes Rs. 13,500 added on merger [refer Note 35(a)]

Depreciation	
At March 31, 2019	47,09,469
Adjustment pursuant to merger [refer Note 35(a)]	13,500
Charge for the year	20,97,064
Disposals	-
At March 31, 2020	68,20,033
Charge for the year	13,69,445
Disposals	-
At March 31,2021	81,89,478
Net Block	
At March 31, 2020	34,23,614
At March 31,2021	20,54,169

11	Deferred tax assets: non-current	As at March 31, 2021	As at March 31, 2020
		(Rs.)	(Rs.)
	Impact of difference between written down value of depreciable assets as per books of account and for income tax purposes	58,71,472	49,05,970
	Impact of provision on portfolio, managed loans and other receivables	19,99,81,025	3,04,66,827
	Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	4,02,93,572	3,23,01,493
	Impact of unabsorbed business losses	2,68,21,470	-
	Total	27,29,67,539	6,76,74,290

12	Loans and advances (Unsecured, considered good unless stated otherwise)	Non-current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
A.	Portfolio loans				
	Individual loans:				
	Considered good*	93,04,04,929	1,68,10,06,564	6,74,90,67,547	7,28,30,41,546
	Considered doubtful**	1,87,71,88,117	20,31,78,870	-	-
		2,80,75,93,046	1,88,41,85,434	6,74,90,67,547	7,28,30,41,546
B.	Security deposits				
	Considered good	10,92,688	15,49,756	34,42,268	29,77,200
		10,92,688	15,49,756	34,42,268	29,77,200
C.	Advances recoverable in cash or kind				
	Considered good	-	-	1,92,68,668	5,40,54,788
	Considered doubtful	1,012	1,60,22,417	-	-
		1,012	1,60,22,417	1,92,68,668	5,40,54,788
D.	Others				
	Considered good				
	Prepaid expenses	-	-	50,97,045	49,71,832
	Loan to staff (net of provision of Rs. 5,26,385 (March 31, 2020 :Rs. Nil)	34,76,498	39,62,641	34,90,883	34,97,458
	Advance income tax (net of provision for taxation of Rs. 14,01,22,829 (March 31, 2020: Rs. 14,01,22,829)	15,76,00,052	3,80,79,093	-	-
	Other receivables (net of provision of Rs.30,66,221) (March 31, 2020 :Rs. 31,99,350)#	-	-	3,06,27,404	3,99,01,744
		16,10,76,550	4,20,41,734	3,92,15,332	4,83,71,034
	Total	2,96,97,63,296	1,94,37,99,341	6,81,09,93,815	7,38,84,44,568

*Represents standard assets classified in accordance with the RBI Master Directions on NBFCs.

**Represents non-performing assets classified in accordance with the RBI Master Directions on NBFCs.

#represents amount receivable in respect of deceased borrowers

13	Other assets (Considered good)	Non-current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
	Non current bank balances (Refer note 14)	22,86,62,512	24,29,84,008	-	-
		22,86,62,512	24,29,84,008	-	-
	Others				
	Interest accrued on portfolio loans	-	-	32,18,99,639	7,36,94,544
	Interest strip on securitisation transactions	-	24,434	-	66,08,918
	Interest accrued but not due on deposits placed with banks, NBFCs and financial institutions	31,91,404	96,22,986	2,85,18,615	2,21,13,883
	Service fees receivable under Business Correspondence arrangements	-	-	13,70,88,964	6,19,80,994
	Margin money with non-banking financial companies *	-	5,96,34,675	23,70,41,315	25,01,46,728
		31,91,404	6,92,82,095	72,45,48,533	41,45,45,067
	Total	23,18,53,916	31,22,66,103	72,45,48,533	41,45,45,067

* Placed as lien towards term loans availed and business correspondence arrangements

14	Cash and bank balances	Non-Current Portion		Current Portion	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
	Cash and cash equivalents				
	Balances with banks				
	-on current accounts	-	-	1,17,46,26,916	55,44,49,189
	-deposit with original maturity of less than three months	-	-	57,93,00,000	10,00,00,000
	Cash in hand	-	-	89,32,522	5,92,250
		-	-	1,76,28,59,438	65,50,41,439
	Other bank balances:				
	Deposit for more than 3 months but not more than 12 months (*)	-	-	15,67,84,297	5,03,86,920
	Deposit maturity for more than 12 months (*)	22,86,62,512	24,29,84,008	-	-
		22,86,62,512	24,29,84,008	15,67,84,297	5,03,86,920
	Amount disclosed under non-current assets (Refer Note 13)	(22,86,62,512)	(24,29,84,008)	-	-
	Total	-	-	1,91,96,43,735	70,54,28,359

(*) Includes deposit certificates of Rs. 37,96,80,574 (March 31, 2020: Rs. 21,06,55,418) marked as lien towards term loans availed from banks and financial institutions, towards cash collateral placed in connection with portfolio loan securitisation and business correspondence arrangements entered with banks/NBFCs.

15	Revenue from operations	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.)	(Rs.)
	Interest income on portfolio loans (refer note 34)	1,62,69,16,057	1,78,16,89,005
	Service fee income from business correspondence arrangements	29,55,12,511	30,06,34,696
	Excess interest spread on Direct assignment	2,19,23,468	3,00,45,804
	Excess interest spread on securitization	27,37,629	8,99,38,026
	Other operating revenue:		
	Recovery against loans written off	14,06,345	61,56,918
	Processing fee on portfolio loans	7,70,32,480	15,35,45,660
	Interest on margin money deposits*	3,71,52,726	4,66,78,844
	Total	2,06,26,81,216	2,40,86,88,953
* Represents interest on margin money deposits marked as lien towards term loans availed from banks, NBFCs and financial institutions and on deposits marked as cash collateral placed in connection with portfolio loan securitisation and business correspondent arrangements entered with banks/NBFCs.			
16	Other income	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.)	(Rs.)
	Interest income on fixed deposits	3,52,63,294	33,19,374
	Gain on sale of current investments	6,20,844	1,90,71,783
	Excess provision for litigation written back	-	1,66,63,184
	Liabilities written back	-	93,42,767
	Miscellaneous income	21,42,098	26,95,403
	Total	3,80,26,236	5,10,92,511
17	Employee benefits expenses	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.)	(Rs.)
	Salaries and bonus	46,35,72,746	41,82,97,353
	Contributions to provident fund *	4,12,01,022	3,15,09,535
	Contributions to Employee State Insurance Corporation	1,11,83,668	1,08,33,564
	Gratuity expenses (refer 26)	1,97,73,611	3,36,41,643
	Leave Benefits	1,76,13,285	1,84,07,238
	Staff welfare expenses	18,45,627	59,98,498
	Total	55,51,89,959	51,86,87,831
* Contribution to Provident Fund is net of Rs. 68,49,154 (March, 31 2020: Rs. 80,94,940) received under the scheme "Pradhan Mantri Rojgar Protsahan Yojana".			
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.			
18	Finance Costs	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.)	(Rs.)
	Interest on:		
	debentures	53,26,29,833	38,71,47,051
	term loans from banks	18,95,47,164	25,81,61,842
	term loans from financial institutions	6,45,79,898	3,77,35,271
	term loans from non banking financial companies	37,68,90,273	37,24,70,188
	overdraft facility	411	-
	Other finance costs*	5,23,08,098	4,95,56,577
	Total	1,21,59,55,677	1,10,50,70,929
* includes loan processing and arranger/facilitation fees.			
19	Depreciation and amortisation expense	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.)	(Rs.)
	Depreciation of tangible assets	1,48,85,055	1,93,00,346
	Amortisation of intangible assets	13,69,445	20,97,064
	Total	1,62,54,500	2,13,97,410
20	Other expenses	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.)	(Rs.)
	Rent	4,75,46,846	4,31,35,368
	Rates and taxes	1,21,52,973	1,63,40,706
	Repairs & maintenance - others	15,11,703	15,28,554
	Travelling and conveyance	3,54,71,634	3,41,66,690
	Communication expenses	1,94,77,756	1,28,37,807
	Printing and stationery	34,63,456	69,03,093
	Legal and professional expenses	3,56,53,023	4,80,30,119
	Payment to auditors (Refer note below)	94,62,420	88,09,894
	IT support charges	53,22,630	42,29,558
	Bank charges	78,65,875	1,19,47,017
	Insurance	40,12,678	29,11,294
	Power and fuel	68,98,904	64,05,237
	Membership and subscription	47,31,469	40,99,898
	Donation	5,50,000	-
	Corporate social responsibility expenses (Refer note 33)	77,73,733	1,11,85,611
	Miscellaneous expenses	2,28,72,426	2,21,67,030
	Total	22,47,67,526	23,46,97,876

20 (a) Payment to auditors:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	(Rs.)	(Rs.)
As auditors:		
Audit fee (excluding Goods and service tax)	40,00,000	40,29,500
Other services (including certification fees)	53,85,860	45,00,000
Reimbursement of expenses	76,560	2,80,394
Total	94,62,420	88,09,894

21 Provisions and write-offs

	Year ended March 31, 2021	Year ended March 31, 2020
	(Rs.)	(Rs.)
Contingent provision for standard assets [Refer note 2.1.q(a)]	(4,81,63,489)	6,47,927
Provision for non performing assets [Refer note 2.1.q(a)]	57,66,94,258	8,34,02,254
Provision for securitised/ managed portfolio loans [Refer note 2.1.q(b)]	14,73,15,110	(18,22,135)
Portfolio loans written-off on book [Refer note 2.1.q(c)]*	22,17,80,604	5,30,96,978
Portfolio loans written-off off book [Refer note 2.1.q(c)]	1,94,34,331	92,74,466
Provision for other receivables [Refer note 2.1.q(c)]	(1,33,129)	15,75,065
Provision for advance recoverable in cash/kind	5,26,385	15,71,164
Total	91,74,54,070	14,77,45,719

* The Company has written off loan portfolio for over due days more than 210 days and 365 days as at March 31, 2021 and March 31, 2020 respectively.

22 Earnings per share (EPS)

	Year ended March 31, 2021	Year ended March 31, 2020
	(Rs.)	(Rs.)
Profit / (Loss) for the year	(62,36,21,031)	31,86,78,619
Net profit / (loss) for calculation of basic and diluted EPS	(62,36,21,031)	31,86,78,619
Weighted average number of equity shares in calculating basic and diluted EPS	1,96,188	1,85,176
Basic & Diluted EPS	(3,179)	1,721

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

23 Loan portfolio and provision for standard and non-performing assets as at March 31,2021:

(Rs.)

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and non-performing assets				Portfolio loans outstanding (Net)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020	Provision made during the year	Provision written back / utilised	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Standard assets	7,67,94,72,476	8,96,40,48,110	4,81,63,489	-	4,81,63,489	-	7,67,94,72,476	8,91,58,84,620
Non-Performing assets	1,87,71,88,117	20,31,78,870	10,13,43,430	79,84,74,862	22,17,80,604	67,80,37,688	1,19,91,50,429	10,18,35,440
Total	9,55,66,60,593	9,16,72,26,980	14,95,06,919	79,84,74,862	26,99,44,093	67,80,37,688	8,87,86,22,905	9,01,77,20,060

Loan portfolio and provision for standard and non-performing assets as at March 31,2020:

(Rs.)

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and non-performing assets				Portfolio loans outstanding (Net)	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2019	Provision made during the year	Provision written back / utilised	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Standard assets	8,96,40,48,110	6,66,31,00,653	4,75,15,562	6,47,927	-	4,81,63,489	8,91,58,84,620	6,61,55,85,091
Non-Performing assets	20,31,78,870	3,25,70,399	1,79,41,176	13,64,99,232	5,30,96,978	10,13,43,430	10,18,35,440	1,46,29,223
Total	9,16,72,26,980	6,69,56,71,052	6,54,56,738	13,71,47,160	5,30,96,978	14,95,06,919	9,01,77,20,060	6,63,02,14,314

(This space has been left intentionally blank)

24 A Details of Business Correspondence arrangements executed with banks/NBFCs:

The Company has entered into DSAs with banks/NBFCs under the following terms:

- Amounts received from the bank are disbursed as loan to joint-liability groups organised / monitored by the Company and such joint-liability groups are considered as banks/NBFCs borrowers.
- The Company provides services in connection with recovery and monitoring of such loans.
- The Company has provided collaterals in the form of fixed deposits which would be adjusted by banks/NBFCs, to the extent of default made by borrowers.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	(Rs.)	(Rs.)
Total book value of the loan disbursed through managed portfolio during the year	2,48,79,15,000	5,18,01,10,000
Outstanding Balance of Loan Disbursed through managed portfolio as at year end	3,28,15,87,338	3,68,87,78,309
Service fee income recognised during the year	29,55,12,511	30,06,34,696

Particulars	As at March 31, 2021	As at March 31, 2020
	(Rs.)	(Rs.)
Credit enhancements provided and outstanding:		
Cash collateral	21,47,59,700	21,54,55,661

24 B Details of Securitised portfolio and income arising out of the same:

The information regarding the securitisation activity as an originator is shown below:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	(Rs.)	(Rs.)
Total book value of the loan asset securitised during the year (A)	-	1,06,10,91,846
Sale consideration received for the loan asset securitised during the year (B)	-	1,06,10,91,846
Gain on securitisation (B-A)	-	-
Portfolio loan securitised and outstanding as at the year end (including Minimum Retention Rate)	-	5,82,25,246
Income from assets securitisation recognised during the year	27,37,629	8,99,38,026

Particulars	As at March 31, 2021	As at March 31, 2020
	(Rs.)	(Rs.)
Credit enhancements provided and outstanding		
Principal subordination	-	4,72,85,317
Cash Collateral	2,22,81,615	9,43,25,742

The Company has transferred all the rights and obligations relating to above Securitization loan assets to the buyers with which securitisation arrangements have been entered into.

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statement as at and for the year ended March 31, 2021

25 Segment reporting:

The Company operates in a single reportable segment i.e. giving loans and other related activities, which have similar risks and returns for the purpose of Accounting Standard-17 on 'Segment Reporting'. The Company operates in a single geographical segment i.e. India.

26 (a) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on departure and it is computed at 15 days salary (last drawn salary) for those who joined after 30th June 2011 and at 30 days salary (last drawn salary) for those who joined before 1st July 2011 for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognised in the statement of profit and loss, the funded status and amounts recognised in the balance sheet for the gratuity plan.

		Gratuity	
Particulars		As at March 31, 2021	As at March 31, 2020
i) Assumptions:			
Discount rate		6.79%	6.71%
Salary escalation		9.50%	9.50%
Withdrawal rate		29.60%	20.00%
Expected rate of return on assets		6.91%	7.43%
Expected average remaining working life of employees		27	28
Particulars		As at March 31, 2021	As at March 31, 2020
		(Rs.)	(Rs.)
ii) Table Showing changes in present value of Defined Benefit obligation:			
Present value of defined benefit obligations as at beginning of the year		7,75,45,939	4,55,37,293
Interest cost		52,33,061	29,98,330
Current service cost		1,86,28,003	1,67,08,987
Benefit paid		(9,51,655)	(17,05,577)
Actuarial loss / (gain) on obligations		(8,57,966)	1,40,06,906
Present value of defined benefit obligations as at end of the year		9,95,97,382	7,75,45,939
iii) Table showing fair value of plan assets:			
Fair value of plan assets at beginning of the year		2,77,80,546	2,55,01,224
Expected return on plan assets		19,72,124	17,79,451
Contributions		30,35,585	39,12,319
Benefits paid		(9,51,655)	(17,05,577)
Actuarial gain / (loss) on plan assets		12,57,363	(17,06,871)
Fair value of plan assets at end of the year		3,30,93,963	2,77,80,546
iv) Actuarial (gain)/loss recognised:			
Actuarial loss / (gain) on obligations		(8,57,966)	1,40,06,906
Actuarial gain / (loss) on plan assets		(12,57,363)	17,06,871
Actuarial loss / (gain) recognised in the year		(21,15,329)	1,57,13,777
v) The amounts to be recognised in the balance sheet and statement of profit and loss:			
Present value of obligations at the end of the year		9,95,97,382	7,75,45,939
Fair value of plan assets at the end of the year		3,30,93,963	2,77,80,546
Net liability recognised in balance sheet		6,65,03,419	4,97,65,393
vi) Expenses Recognised in statement of profit and loss:			
Current service cost		1,86,28,003	1,67,08,987
Interest cost		52,33,061	29,98,330
Expected return on plan assets		(19,72,124)	(17,79,451)
Net Actuarial loss recognised in the year		(21,15,329)	1,57,13,777
Expenses recognised in statement of profit and loss		1,97,73,611	3,36,41,643
Actual return on plan assets		32,29,487	72,580

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statement as at and for the year ended March 31, 2021

vii) Amounts for the current and previous four years are as follows:

(Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Defined benefit obligations	9,95,97,382	7,75,45,939	4,55,37,293	3,08,88,225	2,59,99,979
Plan assets	3,30,93,963	2,77,80,546	2,55,01,224	2,09,61,020	1,68,13,977
Deficit	(6,65,03,419)	(4,97,65,393)	(2,00,36,069)	(99,27,205)	(91,86,002)
Experience adjustments on plan liabilities [(gain)/loss]	(8,57,966)	1,40,06,906	38,34,254	(13,20,171)	17,22,926
Experience adjustments on plan assets [(gain)/loss]	(12,57,363)	17,06,871	4,812	(85,559)	(3,78,078)
Actuarial (gain)/ loss due to change on assumptions	(21,15,329)	1,57,13,777	38,39,066	(14,05,730)	13,44,848

viii) The Major categories of Plan Assets as a percentage of the fair value of Total Plan Asset are as follows:

	As at March 31, 2021	As at March 31, 2020
LIC Fund	100%	100%

- ix)** The estimates of future salary increases considered in actuarial valuation, takes account of inflation, seniority and other relevant factors such as supply and demand in the employment market.
- x)** The Company expects to contribute Rs. 32,27,155 (March 31, 2020: Rs. 4,98,606) to gratuity fund in the financial year 2021-22.
- xi)** The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled.
- (b)** Amount incurred as expense for defined contribution to Provident Fund is Rs. 4,12,01,022 (March 31, 2020: Rs. 3,15,09,535)

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

27 Related party disclosures

A. Names of related parties and related party relationship

Names of related parties	
Holding Company	ASA International Holding, Mauritius
Ultimate Holding Company	ASA International Group plc.
Entities under common control	Pinoy Consultancy Private Limited
	Pagasa Consultancy Private Limited
Key Management Personnel (KMP)	Mr. Anjan Dasgupta, Managing Director Mr. Subhrangsu Chakravarty, Chief Financial Officer Ms. Sadiyah Zaheer (till February 2, 2021) - Company Secretary Ms. Vanita Mundhra (appointed wef April 19, 2021) - Company Secretary

B. Nature of transactions

Nature of transaction	Name of Related Party	March 31, 2021	March 31, 2020
		(Rs.)	(Rs.)
Salary, Bonus and other allowances*	Mr. Anjan Dasgupta	57,59,343	62,86,801
Contribution to provident fund	Mr. Anjan Dasgupta	5,62,634	3,37,221
Salary, Bonus and other allowances*	Mr. Subhrangsu Chakravarty	28,22,770	27,17,240
Contribution to provident fund	Mr. Subhrangsu Chakravarty	1,95,241	1,70,460
Salary, Bonus and other allowances*	Ms. Sadiyah Zaheer	7,10,519	7,62,765
Contribution to provident fund	Ms. Sadiyah Zaheer	49,723	44,076
Reimbursement of expense	Pinoy Consultancy (P) Ltd.	30,000	3,23,000
Reimbursement of expenses	Pagasa Consultancy (P) Ltd.	7,35,000	6,60,000

*As the future liability for gratuity and leave has been provided for the Company as a whole, the amount pertaining to the Key Management Personnel are separately not ascertainable, and therefore not included above.

28 Leases

Operating lease: Company as lessee

Certain office premises are obtained on operating lease. The lease term is for one to nine years and renewable for further periods either mutually or at the option of the Company. There are no restrictions imposed by lease agreements. There are no subleases and the leases are cancellable.

Description	March 31, 2021	March 31, 2020
	(Rs.)	(Rs.)
Operating lease expenses recognised during the year	4,75,46,846	4,31,35,368

29 Contingent Liabilities

Description	March 31, 2021	March 31, 2020
	(Rs.)	(Rs.)
Demands/claims by various Government authorities not acknowledged as debts and contested by the Company:		
Income Tax (*)	11,94,81,006	10,96,26,107
Total	11,94,81,006	10,96,26,107

(*) Based on discussions with the solicitors/favourable decisions in similar cases, the management believes that the Company has a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

- 30** During the year, the Company has realised interest on portfolio loan in excess of interest caps stipulated under pricing guidelines in the NBFC Master Directions, 2016 for Non-Banking Financial Company – Micro Finance Institutions (NBFC-MFIs) to the extent of Rs. 41,16,906 (March 31, 2020: Rs. 19,22,887). Balance of similar excess interest realised in earlier years pending refund on the commencement of the year was Rs. 32,29,862. The total unpaid amount is disclosed as "Interest refund payable" under "Other Current liabilities". Management believes that after considering the refund, loans in respect of which such excess interest was realised will be considered as Qualifying asset as per NBFC-MFIs norms.

The Company has initiated measures to refund the excess amount collected. The refund however, has been delayed mostly due to onset of COVID-19.

- 31** The Employees Provident fund Organization (EPFO) vide notification dated March 06, 2018, acknowledged the difficulties faced in submission of Aadhar by members of Employee Pension Scheme (EPS) in the State of Assam. The issue was re-examined by EPFO and new members joining EPS in the state of Assam were exempted from submission of Aadhar till March 31, 2018.

However, during this period registration of new staff member for EPS with said state was getting rejected for non-submission of Aadhar. As a result new staff without Aadhar could not be registered and consequently their and Company's contribution to EPS could not be deposited till date.

Moreover, for other states also, and mostly from Tripura and West Bengal, the Company could not deposit some PF related to its employees/former employees due to unavailability of full date of birth from their respective Aadhar card. The said issue has been duly informed to the concerned PF Authorities by the Company.

The Company has been generally regular in following up with the concerned regional provident fund commissioner for appropriate resolution to enable the Company in depositing the aforesaid contributions. The matter is yet to be clarified and amount aggregating Rs. 9,49,876 (March 31, 2020: Rs. 11,96,804) in respect of aforesaid contributions till March 31, 2021 and paid subsequently Rs. 2,33,748 (March 31, 2020: Rs. 3,66,394) and the balance amount of Rs. 7,16,128 (March 31, 2020: Rs. 830,410) is held by the Company as a Liability till such time the issue is clarified and rectified by EPFO.

32

- i)** Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, as led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations and collection efficiency. This may lead to a rise in the number of borrower defaults consequently an increase in corresponding provisions. Further, pursuant to the Reserve Bank of India ("RBI") COVID-19 Regulatory package issued vide circulars dated March 27, 2020 and May 23, 2020 which allowed lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company had offered a moratorium to its borrowers until May 31, 2020 which was further extended up to August 31, 2020.

- ii)** The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's impairment on loan and advances and future results will depend on future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.
- iii)** The Company has recognized provisions as on March 31, 2021 aggregating to Rs. 67,80,37,688 based on the information available at this point of time, in accordance with RBI (Reserve Bank of India) guidelines. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial statements.
- iv)** Given the dynamic and evolving nature of the pandemic, these estimates include the possible impact of known events till date and are subject to uncertainty caused by resurgence of COVID-19 pandemic and related events.

33 Details of CSR Expenditure

Particulars	March 31, 2021	March 31, 2020
	(Rs.)	(Rs.)
a) Gross amount required to be spent by the Company during the year	77,26,547	53,42,253
b) Amount spent during the year		
i) Construction/Acquisition of any asset	-	-
ii) On purposes other than (i) above	77,73,733	1,11,85,611

34 Additional disclosure required by the Reserve bank of India:

A) Information on Net Interest Margin

Particulars	March 31, 2021	March 31, 2020
Average interest (a)*	22.08%	21.67%
Average effective cost of borrowing (b)	12.72%	13.60%
Net interest margin (a-b)	9.36%	8.07%

* Interest income considered for computation of "average interest charged" includes interest on NPA customers which have been derecognised amounting to Rs. 30,93,35,211 (March 31, 2020: Rs. 87,45,426) in the Statement of profit and loss account.

B) Exposure to Gold Loan

The Company has no exposure to Gold Loan directly or indirectly.

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

C) Disclosures required as per the Non Banking Financial Company -Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:

	Particulars	Remarks
1.	Capital to Risk (Weighted) Assets Ratio	Refer Note No. 34 (D)
2.	Investments	The Company has no investments as on March 31, 2021 (March 31, 2020: Nil)
3.	Derivatives	
i)	Forward Rate Agreement / Interest Rate Swap	The Company has entered into Cross currency interest rate swaps. Refer Note 5(A).
ii)	Exchange Traded Interest Rate (IR) Derivatives	Further the Company does not have unhedged foreign currency exposure in the current and previous year.
iii)	Disclosures on Risk Exposure in Derivatives	
iv)	Forward rate agreement/interest rate swap	
4.	Disclosures relating to Securitisation	
i)	Information duly certified by the SPV's auditors obtained by the originating NBFC from the SPV.	Refer Note No. 34 (E.i)
ii)	Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction	The Company has not sold financial assets to securitisation or reconstruction company for assets reconstruction during the current year and previous year.
iii)	Details of Assignment transactions undertaken by NBFCs	Refer Note No. 34 (E.ii)
5.	Details of non-performing financial assets purchased / sold	
i)	Details of non-performing financial assets purchased :	The Company has not purchased / sold non-performing financial assets during the current year and previous year.
ii)	Details of Non-performing Financial Assets sold :	
6.	Asset Liability Management Maturity pattern of certain items of Assets and Liabilities	Refer Note No. 34 (F)
7.	Exposures	
i)	Exposure to Real Estate Sector	The Company has no exposure to real estate directly or indirectly.
ii)	Exposure to Capital Market	The Company has no exposure to capital market directly or indirectly.
8.	Details of financing of parent company products	None
9.	Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC	The Company has not exceeded any limit in respect of SGL / GBL during the current and previous year.
10.	Unsecured Advances	Refer Note No. 34 (G)
11.	Miscellaneous	
i)	Registration obtained from other financial sector regulators	Refer Note No. 34 (H)
ii)	Disclosure of Penalties imposed by RBI and other regulators	No penalties were imposed by RBI and other regulators during the current year.
iii)	Related Party Transactions	Refer Note No. 27
iv)	Ratings assigned by credit rating agencies and migration of ratings during the year	Refer Note No. 34 (I)
v)	Remuneration of Directors	Refer Note No. 27
vi)	Net Profit or Loss for the period, prior period items and changes in accounting policies	Refer Note No. 2 & 2.1
vii)	Revenue Recognition	Refer Note No. 2.1(h)
viii)	Accounting Standard 21 -Consolidated Financial Statements (CFS)	The Company does not have any subsidiary or associate as on March 31, 2021 hence AS 21 is not applicable to the Company.
12.	Additional Disclosures	
i)	Provisions and Contingencies	Refer Note No. 34 (J)
ii)	Draw Down from Reserves	There has been no draw down from reserves during the year ended March 31, 2021 (March 31, 2020: Nil)
iii)	Concentration of Deposits, Advances, Exposures and NPAs :	
a)	Concentration of Deposits (for deposit taking NBFCs)	This Disclosure is not applicable as the Company as it is not a deposit taking NBFC.
b)	Concentration of Advances	Refer Note No. 34 (K)
c)	Concentration of Exposure	Refer Note No. 34 (K)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

d)	Concentration of NPAs	Refer Note No. 34 (K)
e)	Sector-wise NPAs	Refer Note No. 34 (L)
f)	Movement of NPAs	Refer Note No. 34 (M)
iv)	Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)	The Company has no exposure or transaction with overseas assets.
v)	Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)	There are no off balance sheet exposure as on March 31, 2021.
13.	Disclosure of Complaints	Refer Note No. 34 (N)

D) Capital to Risk -Assets Ratio (CRAR):

Particulars	March 31, 2021	March 31, 2020
CRAR (%)	19.26	25.31
CRAR - Tier I Capital (%)	12.84	21.09
CRAR - Tier II Capital (%)	6.42	4.22
Amount of subordinated debt raised as Tier-II capital	1,30,00,00,000	55,00,00,000
Amount raised by issue of Perpetual Debt Instruments	-	-

E.i) The followings figures are being reported based on certificate issued by the auditors of the SPV

	Particulars	March 31, 2021 (Rs.)	March 31, 2020 (Rs.)
1	No of SPVs sponsored by the NBFC for securitisation transaction	-	2
	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC as on the date of balance sheet	-	6,62,63,285
2	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	-
3	Off-balance sheet exposures	-	-
a	First loss	-	-
	Others	-	-
b	On-balance sheet exposures	-	4,72,85,317
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR	-	-
a	Off-balance sheet exposures	-	-
i	Exposure to own securitisations	-	-
	First loss	-	-
	Others	-	-
ii	Exposure to third party securitisations	-	-
	First loss	-	-
	Others	-	-
b	On-balance sheet exposures	-	-
i	Exposure to own securitisations	-	9,43,25,742
	First loss	-	-
	Others	-	-
ii	Exposure to third party securitisations	-	-
	First loss	-	-
	Others	-	-

E.ii) Details of assignment transactions undertaken:

Particulars	March 31, 2021 (Rs.)	March 31, 2020 (Rs.)
Number of accounts	-	72,856
Aggregate value (net of provision) of accounts sold	-	1,18,06,96,235
Aggregate consideration	-	1,18,06,96,235
Additional consideration realized in respect of accounts transferred in earlier year	-	-
Aggregate gain/loss over net book value	-	-

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

Assets Liability management:

F) Maturity pattern of certain assets and liabilities as on March 31, 2021

(Rs.)

	Upto 30/31 days	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Advances	76,88,44,086	78,00,02,184	84,89,67,287	2,22,68,65,603	2,12,43,88,387	2,80,75,93,046	-	-	9,55,66,60,593
Deposits	54,84,29,678	8,27,45,143	4,98,37,364	12,67,63,726	16,53,49,701	21,66,62,512	1,20,00,000	-	1,20,17,88,124
Borrowings	36,58,23,743	70,57,56,580	41,08,85,273	46,63,57,602	92,98,63,528	5,92,26,41,705	55,00,83,875	75,00,00,000	10,10,14,12,305

Maturity pattern of certain assets and liabilities as on March 31, 2020

(Rs.)

	Upto 30/31 days	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Advances	-	2,36,11,101	1,06,93,07,137	2,86,90,00,445	3,32,11,22,863	1,88,41,85,434	-	-	9,16,72,26,980
Deposits	18,94,52,891	2,64,86,711	3,23,75,620	8,93,48,069	18,13,54,365	18,41,34,675	-	-	70,31,52,331
Borrowings	10,62,50,291	7,12,08,002	24,84,72,949	83,38,92,657	1,54,47,40,183	5,00,81,68,184	49,000	25,00,00,000	8,06,27,81,266

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

G) Unsecured Advances

Particulars	March 31, 2021	March 31, 2020
	(Rs.)	(Rs.)
Portfolio loans	9,55,66,60,593	9,16,72,26,980

H) Registration obtained from other financial sector regulators:

Regulator	Registration No.
Ministry of Company Affairs	U65921WB1990PLC231683
Reserve Bank Of India	B-05.07083

I) Ratings assigned by Credit Rating Agencies :

Particulars	March 31, 2021	March 31, 2020
1 Long term Facilities		
Bank Rating	ICRA BBB (negative)	ICRA BBB (stable)
2 Long term non convertible debentures		
Hinduja Leyland Finance Limited	-	ICRA BBB (stable)
BlueOrchard Microfinance Fund	ICRA BBB (negative)	ICRA BBB (stable)
Microfinance Enhancement Facility SA, SICAV-SIF	ICRA BBB (negative)	ICRA BBB (stable)
AAV S.A.R.L	ICRA BBB (negative)	ICRA BBB (stable)
Masala Investments S.A.R.L	ICRA BBB (negative)	ICRA BBB (stable)
Northern Arc Capital Limited	ICRA BBB (negative)	ICRA BBB (stable)
Magallanes Impacto, FIL	ICRA BBB (negative)	ICRA BBB (stable)
IFMR Fimcap Long term Multi Asset Class Fund	ICRA BBB (negative)	-
IFMR Fimcap Long term Credit Fund	ICRA BBB (negative)	-
CDC Group	CARE A (CE) (stable)	-
AAV S.A.R.L-Subdebt	ICRA BBB (negative)	-
Masala Investments S.A.R.L-Subdebt	ICRA BBB (negative)	-
3 MFI Grading	SMERA M1C1	ICRA M2+
4 Code of conduct assessment Grading	SMERA M1C1	-
5 Securitisation/Assignment:		
Northern Arc 2019 MFI Tully	-	Provisional ICRA A (SO)
PTC Series A1		Provisional ICRA BBB+(SO)
PTC Series A2		
Vivriti Derek 06 2019	-	Provisional ICRA A (SO)
PTC Series A1		Provisional ICRA BBB+(SO)
PTC Series A2		
Northern Arc 2019 MFI Milnor	-	ICRA A+(SO)
PTC Series A1		ICRA A-(SO)
PTC Series A2		
Northern Arc 2019 MFI Wurz	-	ICRA A(SO)
PTC Series A1		ICRA BBB+(SO)
PTC Series A2		

J) Provision and Contingencies :

Break up of ' Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	March 31, 2021	March 31, 2020
Provision for standard and non performing assets	75,03,11,373	13,71,47,159
Provision made towards income tax	(20,52,93,249)	11,35,03,080
Other provision and Contingencies (with details)		
a) Provision for Gratuity	1,97,73,611	3,36,41,643
b) Provision for Leave Benefit	1,76,13,285	1,84,07,238
c) Provision for managed portfolio loans	16,67,49,441	74,52,331
d) Provision for other receivables	(1,33,129)	15,75,065
e) Provision for advance recoverable in cash/kind	5,26,385	15,71,164

K) Concentration of Advances, exposures and NPA's :

Particulars	March 31, 2021	March 31, 2020
	(Rs.)	(Rs.)
Concentration of Advances		
Total Advances to twenty largest borrowers	20,43,565	19,71,039
Percentage of advances to twenty largest borrowers to total advances	0.02%	0.02%
Concentration of Exposures		
Total Exposures to twenty largest borrowers/ customers	20,43,565	19,71,039
Percentage of Exposures to twenty largest borrowers / customers to total Exposure	0.02%	0.02%
Concentration of NPAs		
Total Exposures to top four NPA accounts	3,48,292	2,19,066

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

L) Sector-wise NPAs :

Sector	Percentage of NPAs to Total Advances in that sector	
	March 31, 2021	March 31, 2020
i) Agriculture & allied activities	17.54%	2.70%
ii) MSME	18.41%	1.96%
iii) Corporate borrowers	-	-
iv) Services	27.68%	3.04%
v) Unsecured personal loans	-	-
vi) Auto loans	-	-
vii) Other personal loans	-	-

M) Movement of NPA :

Particulars	March 31, 2021	March 31, 2020
	(Rs.)	(Rs.)
i) Net NPA to Net Advances (%)	13.51%	1.13%
ii) Movement of NPAs (Gross)		
Opening balance	20,31,78,870	3,25,70,399
Additions during the year	1,84,75,22,520	20,31,50,755
Reductions during the year (represents loan portfolio written-off)	17,35,13,273	3,25,42,284
Closing balance	1,87,71,88,117	20,31,78,870
iii) Movement of NPAs (Net)		
Opening balance	10,18,35,440	1,46,29,223
Additions during the year	1,04,90,47,658	6,66,51,523
Reduction during the year	(4,82,67,331)	(2,05,54,694)
Closing balance	1,19,91,50,429	10,18,35,440
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
Opening balance	10,13,43,430	1,79,41,176
Provision made during the year	79,84,74,862	13,64,99,232
Write-off/ write back of excess provisions	22,17,80,604	5,30,96,978
Closing balance	67,80,37,688	10,13,43,430

N) Customer Complaints :

Particulars	March 31, 2021	March 31, 2020
No. of complaints pending at the beginning of the year	3	-
No. of complaints received during the year	119	43
No. of complaints redressed during the year	122	40
No. of complaints pending at the end of the year	-	3

The Company has a Customer Grievance Redressal Mechanism for convenience of customers to register their complaints and for Company to monitor and redress them.

The above information is as certified by the management and relied upon by the auditors.

O) Frauds

Information on instances of fraud for the year ended March 31, 2021:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Considered as recoverable	(Rs.)
					Amount Provided for
Cash embezzlement	99	12,50,178	8,41,773	-	4,08,405

Information on instances of fraud for the year ended March 31, 2020:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Considered as recoverable	(Rs.)
					Amount Provided for
Cash embezzlement	48	13,72,579	5,15,386	15,467	8,41,726

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

35 Scheme of Arrangement

(a) Pursuant to a scheme of Arrangement ("the Scheme") under section 230 to 232 of the Companies Act, 2013, sanctioned by the National Company Law Tribunal ("NCLT"), Kolkata Bench vide its order dated March 11, 2020, Proswift Consultancy Private Limited ("Transferor Company") merged with "ASA International India Microfinance Limited" ("Transferee Company") with effect from April 1, 2019 ("Appointed Date"). The Scheme came into effect on September 19, 2020, the day on which the order of the NCLT, Kolkata Bench was delivered to the Registrar of Companies. Accordingly, the figures for the financial year March 31, 2020 has been restated to account for impact of the Scheme. The investment held in the Transferee Company by the Transferor Company (29,995 equity shares of Rs. 100 each) have been cancelled. The Transferee Company has issued 3.0233 equity shares for every 1 share held in the Transferor Company to the shareholders of the Transferor Company aggregating to 30,233 equity shares of Rs. 100 each.

(b) Proswift Consultancy Private Limited is in the business providing technical assistance services recruiting operations staff in the form of Branch Managers, Loan officers and other staffs for Indian MFIs. The aforementioned staffs are trained in the uniquely efficient MFI Industry methodology, so they are able to utilize this methodology in existing Indian MFIs. The scheme will bring greater administrative efficiency, consolidation of businesses and financial strength of the transferee company.

(c) The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 'Accounting for Amalgamations' as under:

- All assets, liabilities and reserves (whether capital or revenue arising on revaluation) recorded in the books of account of the Transferor Company have been transferred and recorded in the books of the Transferee Company pursuant to this Scheme, at their existing carrying amounts and in the same form as at the Appointed Date. Intercompany balances have been cancelled by adjustment in the opening balance of General Reserve and Surplus in the Statement of Profit and Loss.

- The identity of reserves of the Transferor Company have been preserved when transferred to the Transferee Company and they appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company. The balance in the Statement of Profit and Loss, General Reserve and Reserve Fund have been aggregated with the balances standing in the books of the Transferee Company.

Break-up of assets and liabilities merged with the transferee Company are as follows:-

Particulars	Amount in Rs.
Total assets (A)	66,89,804
Total liabilities (B)	16,02,261
Net assets (C)	50,87,543
Purchase consideration by issuing equity shares (D)	30,23,300
Surplus in the Statement of Profit and Loss of Transferor Company added (E)	49,88,043
Amount reduced from General Reserve as per NCLT order (F) = (E) - (D) - (C)	(29,23,800)

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

36 Public disclosure on Liquidity risk management

i. Funding concentration based on significant counterparty (both deposits and borrowings)

Funding concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2021

Number of significant counter parties	Amount (Rs. in crores)	% of total deposits	% of total liabilities
20	983.96	NA	86.11

Funding concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2020

Number of significant counter parties	Amount (Rs. in crores)	% of total deposits	% of total liabilities
21	770.66	NA	88.39

ii. Top 20 large deposits (amount in Rs. crore and % of total deposits) - Not Applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company, MFI registered with Reserve Bank of India and does not accept public deposits.

iii. Top 10 borrowings (amount in Rs. crore and % of total borrowings)

Top 10 borrowings (amount in Rs. crore and % of total borrowings) for the year ended March 31, 2021

Amount (Rs. in crore)	% of total borrowings
815.17	80.70%

Top 10 borrowings (amount in Rs. crore and % of total borrowings) for the year ended March 31, 2020

Amount (Rs. in crore)	% of total borrowings
610.05	69.99%

iv. Funding concentration based on significant instrument / product *

Funding concentration based on significant instrument / product * for the year ended March 31, 2021

Name of the instrument / product	Amount (Rs. in crore)	% of total liabilities
Term loan from banks	115.14	10.08%
Non-Convertible debentures	534.37	46.76%
Term loan from Non banking Financial Companies	156.28	13.68%
Term loans from financial institutions	105.10	9.20%
External commercial borrowings	99.25	8.69%

Funding concentration based on significant instrument / product * for the year ended March 31, 2020

Name of the instrument / product	Amount (Rs. in crore)	% of total liabilities
Term loan from banks	170.31	19.54%
Non-Convertible debentures	321.00	36.83%
Term loan from Non banking Financial Companies	191.71	21.99%
Term loans from financial institutions	24.00	2.75%
External commercial borrowings	99.25	11.39%

v. Stock ratios

Stock ratios for the year ended March 31, 2021

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial papers	NA	NA	NA
Non-convertible debentures (original maturity of less than one year)	NA	NA	NA
Other short term liabilities	NA	NA	NA

Stock ratios for the year ended March 31, 2020

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial papers	NA	NA	NA
Non-convertible debentures (original maturity of less than one year)	NA	NA	NA
Other short term liabilities	NA	NA	NA

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

vi. Institutional set-up for liquidity risk management

The Company's Board of Director's has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance/limits decided by it.

The Company also has a Risk management Committee, which is a sub-committee of the Board and is responsible for evaluating the overall risk faced by the Company including liquidity risk.

Asset Liability Management Committee (ALCO) of the Company is responsible ensuring adherence to the risk tolerance/limits as well as implementing the liquidity risk management strategy of the Company.

***Notes**

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSIs, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
3. Total liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserve/Surplus.
4. "Public funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period of exceeding 10 years from the date of issue as defined in Regulatory Framework for Core Investment issued vide Notification No. DNBS (PD) CC. No. 206/03.10.001/2010-11 dated January 5, 2011.
5. The amount stated in this disclosure is based on the audited financial statements for the year ended March 31, 2021.

(This space has been left intentionally blank)

ASA International India Microfinance Limited
Notes to the Financial Statements as at and for the year ended March 31, 2021

- 37** Reserve Bank of India ("RBI") on March 27, 2020, April 17, 2020 and May 23, 2020 announced "COVID-19 Regulatory Package" on asset classification and provisioning. In terms of these RBI guidelines, the Company has granted a moratorium of six months on payments of all instalments / interest as applicable, falling due between March 1, 2020 and August 31, 2020 ("moratorium period") to all eligible borrowers classified as standard, even if overdue, as on February 29, 2020. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The disclosures as required by RBI circular dated April 17, 2020 are given below:

Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.
Respective amounts in SMA / overdue categories, where the moratorium / deferment was extended in terms of paragraph 2 and 3 of the Circular#	11,40,38,407	19,82,13,368
Respective amount where asset classification benefit is extended*	11,40,38,407	19,82,13,368
Provisions made in terms of paragraph 5 of the circular	1,98,21,337	1,98,21,337
Provisions adjusted during the respective accounting periods against slippages in terms of paragraph 6 of the circular	1,81,82,201	-
Residual provisions as of March 31, 2021 in terms of paragraph 6 of the circular	16,39,136	1,98,21,337

excludes amounts in SMA / overdue categories, where the moratorium / deferment was extended on securitized, assigned and business correspondence loan portfolio.

- 38** Disclosure pursuant to RBI Notification – RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06, 2020 ("Resolution Framework for COVID-19 Related Stress") is not applicable as the Company has not restructured any loan accounts during the year.

39 Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.301003E/E300005

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

per Sanjay Kumar Agarwal
Partner
Membership No.: 060352

Anjan Dasgupta
Managing Director
DIN 03314638

Md Enamul Haque
Director
DIN 02961971

Subhrangsu Chakravarty
Chief Financial Officer

Vanita Mundhra
Company Secretary

Place: Kolkata
Date: June 29, 2021