

**ANNUAL REPORT**

**OF**

**ASA INTERNATIONAL INDIA MICROFINANCE LIMITED**  
**CIN:- U65921WB1990PLC231683**

**REGISTERED OFFICE**

**Victoria Park, 4th Floor, GN-37/2, Sector Salt lake City,  
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**FINANCIAL YEAR 2023-24**

**AUDITORS**

**SHANKAR SARAF & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**11, Dacers Lane, 1<sup>st</sup> Floor,  
Kolkata-700 069**  
**e-mail : Subham@ssaa.co.in**



**INDEPENDENT AUDITOR'S REPORT**

To  
**THE MEMBERS OF ASA INTERNATIONAL INDIA MICROFINANCE LIMITED**  
Report on the audit of the financial statements

**Qualified Opinion**

We have audited the financial statements of **ASA International India Microfinance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, and 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, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2024, and its profit and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- a. In respect of Credit balance aggregating Rs. 0.51 crore in the account of several borrowers shown under Note 8 : Other Current Liabilities under line item "Refundable to Borrower" it is not ascertainable whether such credit balance has arisen due to data entry or other errors in the books of accounts or excess payment received from the borrowers. The effect of the same on the state of affairs, profit and cash flow is not ascertainable. In the opinion of the management considering the size of the company and nature of its business the amount is not material. However, in our view considering the loss for the year, the amount is material.
- b. During the year, the Company has recognized an income of Rs. 41.50 crore (Being 65% of bad debts of Rs. 63.84 crore written off in earlier years) as extra-ordinary income recoverable from Assam State Government for which claims are made after end of the financial year. In our opinion, such recognition of income is not consistent with the accounting policy in the Financial Year 2022-23 whereas similar income was recognised on actual receipt. Furthermore, in our opinion the policy to recognise only 65% of the bad debts as income during the Financial Year 2023-24 (which in the opinion of management is receivable in the Financial Year 2024-25) and not recognising the balance amount of 35% of the bad debts is also not correct. The accounting policy adopted is not in accordance with Generally Accepted Accounting Principles in as much as that the recognition of such income is neither based on expected recovery of bad debts in future period nor based upon actual recovery during the year.

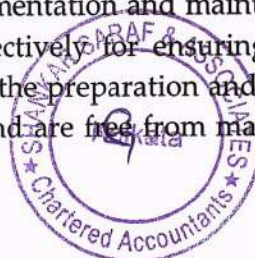


**Emphasis of Matter**

- a) As on March 31, 2024, the company has shown a liability of Rs. 7.65 crore as per AS-15 Employee Benefits which appears under Note 6 (A) as line item Provision of Gratuity. In our opinion, there is an excess provision of Rs. 3.86 crore on this account. The same has also resulted into understatement of free reserves of the company by Rs. 3.86 crore.
- b) The company has not recognised deferred tax assets amounting Rs. 45.30 crores approx. over the timing difference of Rs. 180 Crore approx in respect of business loss available for set off against profits of subsequent years whereas on the other hand the company has recognized deferred tax assets in respect of other timing difference. The management has not been able to explain the divergent approach of accounting treatment in respect of similar item which is not in accordance with the AS-21 (Deferred Tax Asset) issued by the Ministry of Corporate Affairs.
- c) Even in cases where the returns filed by the company has been accepted by the Income-tax Department in summary or regular assessment, the company has not adjusted the Provision for Income-tax with corresponding tax payments. The same has resulted into overstatement of Provision for Income-tax shown under Note 11: Short Term Provision as well as Income Tax Payments shown under Note: Short Term Loan and Advances. In the absence of year wise break-up of Income Tax Provision and Income Tax Payments being provided by the management, we are unable to quantify the effect of the same.
- d) During the year, the company has acted as business correspondence for IDFC Bank however the company has not been able to provide with the counter-party confirmation for the portfolio.
- e) Considering the volume of the operations of the company, we have verified the loans and advances on sample basis.

**Responsibilities of Management and those charged with governance for the financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

The Board of Directors is 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 scepticism 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In view of the above, the management of ASA India and all its stakeholders are confident that the company will continue to perform and continue to remain sustainable.



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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

#### Report on other legal and regulatory requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
  - (a) As described in the Basis for Qualified Opinion paragraph, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;



- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (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, in our opinion and to the best of our information and according to the explanations given to us;
- i. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 30 to the financial statements;
- ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The Company is not required to transfer, any amount to the Investor Education and Protection Fund.
- iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no fund have been received by the company from any persons(s) or entity(ies), including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.



c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. The Company has migrated to Br.Net from AMB software during the year and is in the process of establishing necessary controls and documentations regarding audit trail. *Consequently, we are unable to comment on audit trail feature of the said software.*

Based on our examination the company is using accounting software maintained by third party which confirms that the accounting software have audit trail feature. However the audit trails are not accessible to the company or the auditors. So we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all the relevant transactions recorded in the software or whether there any instance of the audit trail feature been tampered with. The third party provided us the audit trail relating to changes made.

(3) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/ payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Shankar Saraf & Associates

Chartered Accountants

ICAI Firm Registration No. 325896E

*Subham Tulsian*

Subham Tulsian

Partner

Membership No. 313573



Place: Kolkata

Date: 27<sup>th</sup> of June, 2024



**Annexure "A" to the Independent Auditor's Report**

**(With reference to the Annexure A referred to in paragraph 1 under 'Report on other legal and regulatory requirements' of the Independent Auditor's report to the members of ASA International India Microfinance Limited for the year ended 31 March 2024, we report that:**

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property plant & equipment.

(B)The Company is maintaining proper records showing full particulars of intangible Assets.

(b) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the financial statements of the company, we report that the Property, Plant and Equipment have not been physically verified by the management at reasonable intervals. Therefore we are unable to comment whether there are any material discrepancies in physical PPE and as per books. However, considering the nature of assets lying at the branch, we recommend that physical verification of assets lying in all branches should be done at least once in a year.

(c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year. Accordingly, clause 3(i)(d) of the Order is not applicable.

(e) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, no proceedings has been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988.

(ii) (a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(b) During the year, the company had not availed working capital limits from banks and financial institutions and hence, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.





(iii) (a) Clause 3(iii)(a) is not applicable to the company since the company's principal business is to give loans.

(b) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the Company's interests.

(c) According to the information and explanations given to us and based on an overall examination of the financial statements of the company, we report that loans and advances given to employees are in the nature of loans where schedule of repayment of principal and payment of interest has not been stipulated and therefore we are unable to comment whether the repayments or receipts are regular;

The schedule of repayment of principal and payment of interest has been stipulated for all Loans and advances in the nature of loans except employee loans. The classification of loans and their repayment or receipts are as follows:-

Count of Borrowers	Amount ( ₹ in Lakhs)	Due Date	Extent of delay	Remarks, if any
1732	4.86	Various	1-30	
1711	16.32	Various	31-60	
1573	27.35	Various	61-90	
2926	166.14	Various	90+	Provision exists as per RBI norms

(d) According to the information and explanation given to us and on the basis of our examination of the record of the company, there is no overdue amount for more than ninety days in respect of loans (and advance in the nature of loan) given except amounts aggregating to ₹ 166.14 lakhs (principal amount) and ₹ 45.80 lakhs (interest) overdue for more than ninety days as at 31<sup>st</sup> March 2024. In our opinion reasonable steps have been taken by the company for recovery of principal and interest.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters and related parties as defined in clause (76) of section 2 of the Companies Act, therefore this clause does not apply to the company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees given, where applicable.



The Company has not provided any security for which the provisions of section 185 and 186 of the Act are applicable.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence, the provisions of clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues applicable to it during the year with appropriate authorities.

(b) According to the information and explanations given to us, as on 31st March, 2024 and the records of the company examined by us, there are no dues of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute except the following:

Act	Forum where case is pending	Period	Amount (₹ In Lakhs)
The Income Tax Act' 1961	Commissioner of Income Tax (Appeal)	AY 2011-12 and AY 2012-13	1,293.36

- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no instances of any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the financial statements of the company, we report that during the year, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any bank or financial institution or government. However, we draw your attention to paragraph no. "a" of the Emphasis of Matter in the main Audit Report.

(b) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, we report that the Company has not been declared as a wilful defaulter by any bank or financial institution or any government authority.



- (c) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, the Company has utilized the money obtained by way of term loans for the purpose for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31st March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, the fraud reported during the year was misappropriation of cash amounting to ₹ 2.75 lakhs by the employee of the Company. Aforesaid fraud has been disclosed in the Note No. 32(O) Disclosure of frauds in the notes forming part of the Financial Statement. As informed, service of the employee has been terminated and the company has taken legal action against the concerned employee.
- (b) No report under section 143(12) of the Companies Act, 2013, has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company. Hence, clauses 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties.



and the details of related party transactions have been disclosed in the note 27 of the financial statements as required by the applicable accounting standards.

- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) *We were unable to obtain on timely basis the internal audit reports of the company, hence the internal audit report have not been considered by us.*
- (xv) According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has obtained registration vide registration no. B-05.07083.
- (b) According to the information and explanations given to us, the Company has conducted Non-Banking Financial Companies activities during the year under a valid Certificate of Registration (CoR) from the Reserve Bank of India ("RBI") as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses during the year and the immediately preceding financial year.
- (xviii) The Previous statutory auditor had resigned creating a Casual vacancy. We have duly taken into consideration the issues, objections, or concerns raised (if any) by the outgoing auditors.
- (xix) We draw attention to the Note 35 in the financial statements, which indicates that the Company has on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however,



state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Shankar Saraf & Associates

Chartered Accountants

ICAI Firm Registration No: 325896E

*Subham*

Subham Tulsian

Partner

Membership No. 313573



Place: Kolkata

Date: 27<sup>th</sup> of June, 2024



**Annexure "B" to the Independent Auditor's Report**

**(Referred to in paragraph 2 (e) under 'Report on other legal and regulatory requirements' section of our report to the Members of ASA INTERNATIONAL INDIA MICROFINANCE LIMITED**

**Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 ("the Act")**

**Opinion**

We have audited the internal financial controls over financial reporting of ASA International India Microfinance Limited ("the Company") as at 31st March 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, 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.

**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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an



audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**



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

### Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, possible effects of the matters described in the Qualified Opinion paragraph of our report on the financial statements and in view of the material weaknesses described in the Basis for Adverse Opinion paragraph below on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls over financial reporting as at 31 March 2024, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2024 financial statements of the Company, and these material weaknesses have affected our opinion on the said financial statements of the Company and we have issued a Qualified Opinion on the financial statements of the Company.

### Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the Company's internal financial controls over financial reporting as at 31<sup>st</sup> March 2024.

However, we draw attention to the following weakness noticed by us but our opinion is not modified since we conducted various substantive checks in area of weaknesses noted to validate the transactions.

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2024:

- The company's existing IT software underwent a change and certain transitional deficiencies have been noted. This will require modification of the risk matrix and documentation procedures.





- In view of the matters described in the basis of Qualified Opinion and other concerned misstatements, the company did not have adequate controls over the entity's financial reporting process, including the financial statements closure process.

For Shankar Saraf & Associates  
Chartered Accountants  
ICAI Firm Registration No: 325896E

*Subham Tulsian*

Subham Tulsian  
Partner  
Membership No. 313573



Place: Kolkata  
Date: 27<sup>th</sup> of June, 2024

ASA International India Microfinance Limited  
CIN No:U65921WB1990PLC231683  
Balance Sheet as at March 31, 2024

₹ IN LAKHS

Particulars	Notes	As at March 31, 2024 (₹)	As at March 31, 2023 (₹)
<b>I. Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	3	196	196
Reserves and Surplus	4	3,882	3,418
		<b>4,078</b>	<b>3,614</b>
<b>Non-current Liabilities</b>			
Long-term borrowings	5	11,104	13,375
Long-term provisions	6	1,759	3,559
		<b>12,863</b>	<b>16,934</b>
<b>Current Liabilities</b>			
Short-Term Borrowing	5	5,061	12,154
Trade payables	7	26	102
Other current liabilities	8	2,000	1,603
Short-term provisions	6	-	-
		<b>7,088</b>	<b>13,860</b>
<b>Total</b>		<b>24,028</b>	<b>34,409</b>
<b>II. Assets</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	9A	135	121
Intangible assets	9B	39	14
Deferred tax assets	10	1,850	987
Loans and advances	11	2,058	7,233
Other Non-current assets	12	208	271
		<b>4,290</b>	<b>8,625</b>
<b>Current Assets</b>			
Trade Receivables	13	2,134	2,116
Cash and Cash Equivalent	14	508	3,054
Loans and Advances	11	13,692	17,694
Other Current assets	12	3,404	2,920
		<b>19,738</b>	<b>25,783</b>
<b>Total</b>		<b>24,028</b>	<b>34,409</b>

Summary of significant accounting policies (refer note 2.1)  
The accompanying notes are integral part of financial statements.

As per our report of even date  
For Shankar Saraf & Associates  
Chartered Accountants  
ICAI Firm Registration No: 3258906

Subham Tulsian  
Partner  
Membership No. 313573



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

Anjan Dasgupta  
Managing Director  
DIN 03314038

Md. Enamul Haque  
Director  
DIN 02961971



Place: Kolkata  
Date: 27th June, 2024

Vanita Mundhra  
Company Secretary  
Membership No. A23546



ASA International India Microfinance Limited  
 CIN No:U65921WB1990PLC231683  
 Statement of Profit and Loss for the year ended March 31, 2024

₹ IN LAKHS

Particulars	Notes	Year ended March 31, 2024 (₹)	Year ended March 31, 2023 (₹)
<b>I. Income</b>			
Revenue from operations	15	8,805	12,036
Other income	16	458	4,819
<b>Total revenue</b>		<b>9,263</b>	<b>16,855</b>
<b>II. Expenses</b>			
Employee benefits expense	17	5,748	5,898
Finance costs	18	3,014	5,821
Depreciation and amortisation expense	19	64	60
Other expenses	20	1,178	2,152
Provisions and write-offs	21	4,088	2,838
<b>Total expenses</b>		<b>14,092</b>	<b>16,769</b>
<b>Profit before tax and Extraordinary Items</b>		<b>(4,828)</b>	<b>87</b>
Extraordinary Items	16(b)	4,428	
<b>Profit after Extraordinary Items and before Tax</b>		<b>(400)</b>	<b>87</b>
<b>Tax expense</b>			
Current Year		-	-
Earlier Year [Refer note 11]		-	(528)
Deferred tax credit		(864)	(987)
<b>Total tax expenses</b>		<b>(864)</b>	<b>(1,514)</b>
<b>Profit for the year</b>		<b>463</b>	<b>1,601</b>

Summary of significant accounting policies (refer note 2.1)  
 The accompanying notes are integral part of financial statements.

As per our report of even date

For Shankar Saraf & Associates  
 Chartered Accountants  
 ICAI Firm Registration No: 3258965

*Subham*



Subham Tulsian  
 Partner  
 Membership No. 313573

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

*Anjan Dasgupta*  
 Anjan Dasgupta  
 Managing Director  
 DIN 03314638

*Md. Enamul Haque*  
 Md. Enamul Haque  
 Director  
 DIN 02961971

*Vanita Mundhra*  
 Vanita Mundhra  
 Company Secretary  
 Membership No. A23546



Place: Kolkata  
 Date: 27th June, 2024

₹ IN LAKHS

Particulars	Year ended March 31, 2024 (₹)	Year ended March 31, 2023 (₹)
<b>A. Cash flow from operating activities :</b>		
Profit before tax	(400)	87
<b>Adjustments for :</b>		
Depreciation and amortisation expense	64	60
Provisions and write-offs(Net Off)	3,688	(1,338)
Gain from sale of Fixed Assets	(21)	(146)
Liabilities Written Back	-	-
Interest on IT Refund	(5)	-
Interest on fixed deposits	(54)	(231)
<b>Operating profit before working capital changes</b>	<b>3,271</b>	<b>(1,569)</b>
<b>Movements in working capital:</b>		
Increase in loans and advances	7,340	24,966
Increase in other assets	484	2,359
Increase in provisions	(4,037)	(2,937)
Decrease/ (increase) in margin money deposits (net)	(289)	4,779
Increase/ (decrease) in other current liabilities	421	(1,070)
<b>Cash used in operations</b>	<b>7,190</b>	<b>26,528</b>
Direct taxes paid (net of refunds)	-	(516)
<b>Net Cash flow used in operating activities (A)</b>	<b>7,190</b>	<b>26,012</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of property, plant and equipments	(66)	(9)
Proceeds from sale of property, plant and equipments	66	146
Net proceeds from purchase and sale of investments	-	-
Interest on fixed deposits	54	231
<b>Net cash flow used in investing activities (B)</b>	<b>54</b>	<b>368</b>
<b>C. Cash flow from financing activities :</b>		
Interest on IT Refund	5	-
Repayment of short-term borrowings	(7,093)	(46,909)
Proceeds from long-term borrowings	2,160	-
Repayment of long-term borrowings	-4,431.37	9,994
<b>Net Cash flow generated from financing activities (C)</b>	<b>(9,359)</b>	<b>(36,915)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(2,116)</b>	<b>(10,534)</b>
Cash and cash equivalents at the beginning of the year	2,497	13,032
Cash And Cash Equivalents at the end of the year (refer note 15)	382	2,497

Summary of significant accounting policies (refer note 2.1)  
 The accompanying notes are integral part of financial statements.

As per our report of even date

For Shankar Saraf & Associates  
 Chartered Accountants  
 ICAI Firm Registration No: 325899

Subham Tulsian  
 Partner  
 Membership No. 313573



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

Anjan Dasgupta  
 Managing Director  
 DIN 03314638

Md. Enamul Haque  
 Director  
 DIN 02961971



Place: Kolkata  
 Date: 27th June, 2024

Vanita Mundhra

Vanita Mundhra  
 Company Secretary  
 Membership No. A23546



**ASA International India Microfinance Limited**  
**Notes to the Financial Statements as at and for the year ended March 31, 2024**

**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') as a NBFC-MFI, a micro-finance institution.

The Company is a subsidiary of ASA International Holdings (ASAIH), Mauritius, an international micro-finance institution.

The Company is engaged in providing microfinance loans for business purposes to low-income entrepreneurs with the objective to improve financial inclusion and realise socioeconomic progress, mostly women who are organized into small self help groups.

**1.1 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 standalone financial statements have been prepared on historical cost convention, on accrual basis, and going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria as set out in the Part I of Schedule III.

**2 Summary of significant accounting policies/ accounting estimate**

**2.1 Use of estimates**

The preparation of standalone financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. The company has not revalued any Property, Plant and Equipment during the current year or in the previous year.

**2.2 Property, plant and equipment**

**Tangible Assets**

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. The company had no immovable properties during the current year or previous year. Therefore requirement of holding of Title Deeds of all Immovable Properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) by the company in its own name is not applicable.

**Intangible Assets**

Intangible assets acquired are initially measured at cost. Cost comprises its purchase prices including duties and taxes and any costs directly attributable to making the asset ready for its intended use. 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.



### 2.3 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.

Type of Assets	Period
Buildings	30 Years
Plant and Equipment	15 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	4 Years

### 2.4 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.

### 2.5 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 amortised over the period of the loan.

### 2.6 Investments

Investments that are readily realisable and are 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 at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

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.

### 2.7 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.

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.

Interest income on Term Deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Processing fees are recognized as income over the period of the loan on a time proportion.

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.

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.



## 2.8 Foreign currency transactions

### Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

## 2.9 Retirement and other employee benefits

Provident Fund: Contribution towards provident fund for eligible employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees, appointed after 31.7.2011, in accordance with the Payment of Gratuity Act, 1972. For all other existing employees as of 31.7.2011 the gratuity payment is as per a separate "Gratuity Plan" formulated by the company.

The Gratuity Plans provide for a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognized in the Statement of Profit and Loss in the year in which they arise.

The Company has maintained funds with the Life Insurance Corporation of India under the Group Gratuity Scheme for the liability relating to employees under the two schemes.

Compensated Absences: Such benefits of compensated absences are not allowed to be encashed and so no provision for the accrual or accumulation is made or accounted.

## 2.10 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.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws



## 2.11 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.

## 2.12 Provisions

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

## 2.13 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

## 2.14 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.

## 2.15 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.

## 2.16 Exceptional and Extra ordinary Items

Extraordinary items, i.e. gains or losses which arise from events or transactions which are distinct from ordinary activities of the company which are material are separately disclosed in the statement of accounts

## 2.17 Classification of Portfolio loans

Loans are classified as follows:

Asset Classification	Period of loan outstanding
Standard	All assets for which, interest/principal payment has remained overdue for a period less than 90 days and no default in repayment of principal or payment of interest is perceived or which does not disclose any problem nor carry more than normal risk attached to the business.
Non-Performing Assets	All assets for which, interest/principal payment has remained overdue for a period of 90 days or more.

"Overdue" means interest and / or instalment remaining unpaid from the day it become receivable.

The above classification is in compliance with Non-Banking Financial Company-Micro Finance Institutions (NBFC-MFI) Directions, September 1, 2016, as amended from time to time ('the NBFC-MFI Directions').





## 2.18 Provision for loan portfolio

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

(i) 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.

(ii) 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.

(iii) 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.

(iv) Overdue loans are written-off, when the prospect for recovery is considered remote as per management estimate.

(v) The company had written off loan portfolio for overdue days of more than 365 days (with nil recovery in last six months) and 210 days as at March 31, 2022 and March 31, 2021 respectively. No such write off has been made in 2023-24. An amount of Rs. 5,631.49 lakhs has been netted off against Provision and Portfolio as Technical write off for overdue loans more than 125 days overdue as on September 2023.

(vi) The Company has maintained the provisioning on standards assets at 0.40 % for the previous year and this year as well as per the latest RBI guidelines.

## 2.19 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of Profit & Loss on a straight-line basis over the period of the lease.

## 2.20 Derivative Financial instruments and hedge accounting

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains / (losses).

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating overseas borrowings.

The Company does not use forward contracts for speculative purposes

These ECB loans were received from the holding company "ASA International NV" in Indian Currency in this financial year, hence no hedging is done.



3 Share capital	As at March 31, 2024	As at March 31, 2023
	₹ in Lakhs	₹ in Lakhs
<b>Authorized Shares</b> 10,01,000 (March 31, 2024: 10,01,000) equity shares of ₹ 100/- each	1,001	1,001
	<b>1,001</b>	<b>1,001</b>
<b>Issued, subscribed and fully paid-up shares</b> 1,96,188 (March 31, 2024: 1,96,188) equity shares of ₹ 100/- each	196	196
	<b>196</b>	<b>196</b>
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>196</b>	<b>196</b>

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

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	Number	₹ in Lakhs	Number	₹ in Lakhs
At the beginning of the year	1,96,188	196	1,96,188	196
Issued during the year	-	-	-	-
Adjustment during the year (As per scheme of merger)	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,96,188</b>	<b>196</b>	<b>1,96,188</b>	<b>196</b>

## B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹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.
There exists a Shareholders Agreement with IDFC First Bank Ltd (erstwhile IDFC Bank Ltd) whereby they have agreed to hold 9.99% shares in the Company and such shares shall rank parri passu with its outstanding issued equity shares with respect to all stock activities, including but not limited to voting rights, dividends and rights issuance.
As per the Agreement, ASAIH cannot dilute its shares to below 51% and shall retain control over the Company. Also, ASAIH shall not be permitted to created any lien on their shareholding without specific written approval from IDFC First Bank Limited.

## C. Shares held by holding company

Out of equity issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries are as below:

	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	₹ in Lakhs	No. of Shares held	₹ in Lakhs
<b>Equity Shares of ₹ 100 each fully paid</b>				
ASA International Holdings (ASAIH), Mauritius,	1,76,595	177	1,76,595	177

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

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares of ₹ 100 each fully paid</b>				
ASA International Holding (ASAIH), Mauritius, the Holding Company	1,76,595	90.01%	1,76,595	90.01%
IDFC First Bank Limited	19,581	9.98%	19,581	9.98%

## E. Details of shareholdings by the Promoter's of the Company

Promoter name	As at March 31, 2024		As at March 31, 2023	
	No of shares	% of total shares	No of shares	% of total shares
ASA International Holding (ASAIH), Mauritius,	1,76,595	90.01%	1,76,595	90.01%
Dirk Brouwer	1	0.00%	1	0.00%
<b>Total promoters share</b>	<b>1,76,596</b>	<b>90.01%</b>	<b>1,76,596</b>	<b>90.01%</b>

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.

G. Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding March 31, 30,233 Equity Shares were allotted as fully paid up (₹100 each) pursuant to Scheme of arrangement in September 2020, in lieu of and by cancellation of 29,955 fully paid up (₹ 100 each) Equity Shares as per the Scheme approved by honourable NCLT, Kolkata Bench.



4	Reserves and Surplus	As at March 31, 2024	As at March 31, 2023
		₹ in Lakhs	₹ in Lakhs
A.	<b>Securities premium account</b>		
	Balance as at the beginning of the year	11,540	11,540
	Add: On issue of equity shares	-	-
	<b>Balance as at close of the year</b>	<b>11,540</b>	<b>11,540</b>
	Note: Securities Premium represents the amount received in excess of face value of the equity shares.		
B.	<b>Statutory reserve</b>		
	Balance as at the beginning of the year	2,310	1,990
	Add: Amount transferred from surplus balance in the Statement of Profit and Loss	93	320
	<b>Balance as at close of the year</b>	<b>2,403</b>	<b>2,310</b>
	Note: Statutory Reserve represents a Fund created in compliance with Section 45 IC of the RBI Act 1934 by transfer of a minimum of 20% of the profit for the year.		
C.	<b>General Reserve</b>		
	Balance as at the beginning of the year	50	50
	Add: Addition during the year	-	-
	<b>Balance as at close of the year</b>	<b>50</b>	<b>50</b>
D.	<b>Surplus in the Statement of Profit and Loss</b>		
	Balance as at the beginning of the year	(10,482)	(11,763)
	Profit / (Loss) for the year	463	1,601
	Less: Appropriations		
	Transferred to statutory reserve (@ 20% as per Sec 45-IC of RBI Act 1934)	93	320
	<b>Balance as at close of the year</b>	<b>(10,112)</b>	<b>(10,482)</b>
	<b>Total Reserves and Surplus (A+B+C+D)</b>	<b>3,882</b>	<b>3,418</b>

5	Long-term borrowings	Non Current portion		Current maturities	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
	<b>Secured</b>				
	Debentures (privately placed)	-	3,000	3,797	10,407
	Terms loans	-	-	-	-
	From banks	-	-	-	-
	From Financial Institution	278	375	1,264	375
	From non banking finance companies	-	-	-	1,372
	External commercial borrowings	826	-	-	-
		<b>1,104</b>	<b>3,375</b>	<b>5,061</b>	<b>12,154</b>
	<b>Unsecured</b>				
	Term loans from banks	2,500	2,500	-	-
	Debentures (privately placed)	7,500	7,500	-	-
		<b>10,000</b>	<b>10,000</b>	<b>-</b>	<b>-</b>
	<b>Total borrowings</b>	<b>11,104</b>	<b>13,375</b>	<b>5,061</b>	<b>12,154</b>
	Amount disclosed under the head "other current liabilities"	-	-	(5,061)	(12,154)
	<b>Total</b>	<b>11,104</b>	<b>13,375</b>	<b>-</b>	<b>-</b>

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

The Company has utilized the proceeds from Banks and Financial Institutions towards the specific purpose for which they were raised.

As at 31-Mar-2024 or as at 31-Mar-2023 there were no charges details of which had not been filed with Registrar of Companies. As at 31-Mar-2024 or as at 31-Mar-2023, there were no satisfaction of charges details of which had not been filed with Registrar of Companies.

The Company had entered into a restructuring agreement with its holding entity, "ASA International NV" wherein payment of interest on loan amounting to Rs.82,66,355, which was due on April'2024 was deferred to June'2024. However, company expects to further restructure the agreement and defer the payment to September' 2024.



5A Borrowings (Contd.)

Terms of repayment of Debentures, Term Loans and External Commercial Borrowings as on March 31, 2024

Descriptions	Due within 1 Year <sup>1</sup>		Due between 1 and 2 years		Due between 2 and 3 years		Due between 3 and 5 years		Interest Rate	(Amount ₹ in lakhs)
	No. of Installments	Amount ₹	No. of Installments	Amount ₹	No. of Installments	Amount ₹	No. of Installments	Amount ₹		
<b>Non-Convertible Debentures</b>										
<i>Secured</i>										
Monthly repayment schedule										
From NBFCs:										
0 - 3 Yrs.	13	3,796.76							11.42% to 12.40%	3,797
3 - 5 Yrs.										
<i>Unsecured</i>										
Bullet repayment schedule										
From NBFCs:										
0.3 Yrs.										
3 - 5 Yrs.										
<b>Term Loans</b>										
<i>Secured</i>										
Quarterly repayment schedule										
From NBFCs:										
0.3 Yrs.	4	1,261.35							5.00%	1,261.33
0.3 Yrs.			1	277.98						
From FIs:										
0.3 Yrs.										
<i>Unsecured</i>										
Bullet repayment schedule										
From Banks:										
0.3 Yrs.			1	2,500.00					14.25%	2,500.00
3 - 5 Yrs.										
<b>External Commercial Borrowings</b>										
Bullet repayment schedule										
From Others (Holding Company)										
0.3 Yrs.							1	826.00	11.80%	826.00
<b>Grand Total</b>		<b>5,061.13</b>		<b>2,777.98</b>		<b>826.00</b>		<b>7,500.00</b>		<b>16,165.11</b>

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

As at March 31, 2024, the Company has outstanding unsecured non-convertible privately placed debentures amounting to Rs 7,500 lakhs which were issued 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 5.00% per annum to 14.25% per annum.

C. External Commercial Borrowings

The Company has obtained external commercial borrowing facilities from holding company "ASA International NV" of USD 1 million with a carrying amount of Rs. 826 lakhs, however, the same was received in INR, hence no hedging is being done. These long-term loans are repayable through bullet repayment in June 2026 and carries an interest rate of 3 years Gov Bond plus 4.5% margin p.a. The term loan facilities are secured by first priority pari-passu charge the outstanding loan portfolio.



5B Borrowings (Contd.)

Terms of repayment of Debentures, Term Loans and External Commercial Borrowings as on March 31, 2023

Description	Due within 1 year		Due between 1 and 3 years		Due between 3 and 5 years		Interest Rate	Total
	No. of Installments	Amount ₹	No. of Installments	Amount ₹	No. of Installments	Amount ₹		
<b>Non-Convertible Debentures</b>								
<i>Secured</i>								
Half yearly repayment schedule								
From NHFCs								
0-3 Yrs								
3-5 Yrs								
From FIs								
0-3 Yrs	2	520.00	6	3,000.00			11.42%	3,520
3-5 Yrs								
Half yearly repayment schedule								
From NHFCs								
0-3 Yrs	3	9,887.50					12.08% to 13.50%	9,888
3-5 Yrs								
<i>Unsecured</i>								
Half yearly repayment schedule								
From NHFCs								
0-3 Yrs								
3-5 Yrs								
Term Loans								
<i>Secured</i>								
Half yearly repayment schedule								
From FIs								
0-3 Yrs								
Quarterly repayment schedule								
From NHFCs	2	196.34					13.75%	196.34
0-3 Yrs								
From FIs	4	375.00					5.00%	750.00
0-3 Yrs								
Monthly repayment schedule								
From Banks								
0-3 Yrs								
From NHFCs	19	1,175.55	1	0			13.50% to 17.5%	1,175.50
0-3 Yrs								
<i>Unsecured</i>								
Half yearly repayment schedule								
From Banks								
0-3 Yrs								
From NHFCs								
0-3 Yrs								
External Commercial Borrowings								
Half yearly repayment schedule								
From NHFCs								
0-3 Yrs								
From Banks								
0-3 Yrs								
3-5 Yrs								
Grand Total		12,154.41		3,000.00		2,875.34		7,500.00
								25,529.74

(Amount ₹ in lakhs)

**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  
 As at March 31, 2023, the Company has outstanding unsecured non-convertible priority placed debentures amounting to ₹ 2,500 lakhs which were issued 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 deposit being held as collateral security. The term loans carries interest in the range of 9.00% 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 ₹. 2,070 lakhs and ₹. 2,835 lakhs from the entity - Mikrofinansbank. These long-term loans are repayable through half yearly repayment in July 2022 and December 2022 and carries an interest rate of EURIBOR + 4.2% p.a. and LIBOR + 4.2% 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 change in exchange rates and foreign currency exposure. The tenure of FIBs and derivative instruments are same and hence are treated as perfectly hedged.



6	Provisions:	Non-current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A.	<b>Provision for employee benefits</b>				
	Provision for gratuity*	766	816	-	-
		<b>766</b>	<b>816</b>	-	-
B.	<b>Provision for portfolio loans ( Refer note 23)</b>				
	On standard assets	123	-	-	-
	On non performing assets	131	1,824	-	-
	(Provision amounting to Rs. 56,31,48,585 is netted off)				
		<b>253</b>	<b>1,824</b>	-	-
C.	<b>Others</b>				
	Provision for securitised/managed portfolio loans ( Refer	578	783	-	-
	Provision for employee advances	162	135	-	-
		<b>740</b>	<b>918</b>	-	-
	<b>Total</b>	<b>1,759</b>	<b>3,559</b>	-	-

\*The Company on the basis of management decision had provided for the provision of Rs. 861.62 lakhs for the previous year. However, as per actuarial valuation, liability as on 31st of March'2024 amounts to Rs. 765.53. Company has reversed the excess provision created in current financial year.

7	Trade payables	As at March 31, 2024	As at March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Other dues of creditors other than Micro Enterprises and Small Enterprises	26	102
	<b>Total</b>	<b>26</b>	<b>102</b>

\* None of the vendors have informed that they are register under Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') and so no disclosure in this regard has been made in absence of any information for the same.

Ageing of the Trade payables as on 31st March 2024					
Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	26.10	-	-	-	26.10
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues(others)	-	-	-	-	-
<b>Total</b>	<b>26.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26.10</b>

Ageing of the Trade payables as on 31st March 2023					
Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	101.75	-	-	-	101.75
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues(others)	-	-	-	-	-
<b>Total</b>	<b>101.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101.75</b>

8	Other Current liabilities	As at March 31, 2024	As at March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Interest accrued but not due on borrowings	851	608
	Payable to Banks towards securitization transactions	0	7
	Payable to Banks/NBFCs against BC arrangement	62	218
	Payable to Banks against Direct Assignment	21	112
	Employee benefits	457	255
	Security deposits	90	106
	Insurance premium	7	8
	Statutory dues	132	182
	Other payables	23	108
	Refundable to borrower*	51	-
	Advance from Borrowers	307	-
	<b>Total</b>	<b>2,000</b>	<b>1,603</b>

\* Recovery of Rs. 50.94 lakhs has been made from the borrowers. However, due to migration of software, borrowers are not traceable. Company is in process of finding the particular borrower and shall adjust the same against their loan in due course of time.

\* Payable to Banks/NBFCs under business correspondent arrangement represents amount collected from customers for loans disbursed under business correspondent arrangements with 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 Current Liabilities".



10	Deferred tax assets: non-current	As at March 31, 2024	As at March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Impact of difference between written down value of depreciable assets as per books of account and for income tax purposes	47	54
	Impact of provision on portfolio, managed loans and other receivables	1,803	932
	Impact of unabsorbed business losses*	-	-
	<b>Total</b>	<b>1,850</b>	<b>987</b>

\* The company has decided as a prudent policy not to recognise deferred tax asset on Carry over business losses amounting to Rs.175,53,27,765 resulting in deferred tax asset of Rs. 44,17,80,892.

11	Loans and advances (Unsecured, considered good unless stated otherwise)	Non-current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A.	<b>Portfolio loans</b>				
	<b>Individual loans:</b>				
	Considered good	-	496	8,298.89	17,293
	Considered doubtful	-	4,880	388	-
		-	<b>5,376</b>	<b>8,687</b>	<b>17,293</b>
B.	<b>Capital Advances</b>	-	25	-	-
		-	<b>25</b>	-	-
C.	<b>Advances recoverable in cash or kind</b>				
	Balances with Branch			43	77
	Considered good	-	-	170	140
		-	-	<b>212</b>	<b>217</b>
D.	<b>Others</b>				
	<b>Considered good</b>				
	Prepaid expenses	-	-	49	52
	Gratuity Fund with LIC	226	136	-	-
	Advance income tax*	6,823	6,355	-	-
	Less: Provision for Taxation	(4,991)	(4,528)	-	-
		<b>1,832</b>	<b>1,828</b>	-	-
	Other receivables	-	-	579	96
	Less: Provision	-	-	(37)	(36)
		-	-	<b>543</b>	<b>60</b>
	Balance lying with Statutory Authorities	4	4	51	72
	Recoverable under Assam Relief Scheme	-	-	4,150	-
	(Gross recoverable amount Rs. 63,84,45,226/-)	<b>2,058</b>	<b>1,831</b>	<b>4,793</b>	<b>184</b>
	<b>Total</b>	<b>2,058</b>	<b>7,233</b>	<b>13,692</b>	<b>17,694</b>

\*Represents standard assets/Sub-standard assets classified in accordance with the Master Directions of RBI and provisions made accordingly.

\*\* The company have received demands aggregating to ₹12.93 crores in respect of Assessment year 2011-2012 & 2012-2013, which has been contested by the company and is pending under appeal with ITAT Kolkata. The company has provided for ₹ 4.63 crores against the demand and the balance amount is disclosed under contingent liability under Note 29.

Further, the departemnt has adjusted various refunds available by the company against refund dues for AY 2013 to AY 2022-23 and the net receivable of ₹ 9.78 crores is accounted for by a credit in the statement of Profit and Loss account. This amount will finally be adjusted on disposal of the appeal.

\*\*\*Represents amount receivable in respect of deceased borrowers

\* The company have received demands aggregating to ₹12.93 crores in respect of Assessment year 2011-2012 & 2012-2013, which has been contested by the company and is pending under appeal with ITAT Kolkata. The company has provided for ₹ 4.63 crores against the demand and the balance amount is disclosed under contingent liability under Note 29.

Further, the departemnt has adjusted various refunds available by the company against refund dues for AY 2013 to AY 2022-23 and the net receivable of ₹ 9.78 crores is accounted for by a credit in the statement of Profit and Loss account. This amount will finally be adjusted on disposal of the appeal.

The company has not given any Loans or Advances in the nature of loans to Promoters, Directors, Key Managerial Persons and Other Related Parties either severally or jointly with any other persons which are (a) repayable on demand or (b) without specifying any terms or period of repayment.

The company has not obtained any credit facilities either in the current year or in the previous year from banks or financial institutions on the basis of security of current assets.

As at 31-Mar-2024 or as at 31-Mar-2023 there were no charges details of which had not been filed with Registrar of Companies. As at 31-Mar-2024 or as at 31-Mar-2023, there were no satisfaction of charges details of which had not been filed with Registrar of Companies.

The management on the basis of its estimate has evaluated to the tune of Rs. 6,384.45 lakhs which is receivable from The Assam Government towards the Assam portfolio. Company has recognised only 65% on conservative basis and it expects to renew the MOU for the claim of the said amount. The Company during the year under reporting has given loan to employees, tenure is more than two years. Hence, the company has provided maximum amount as provision on such receivable and will continue to make such.



9A Property, Plant and Equipment (Amount ₹ in lakhs)					
Particulars	Furniture and Fixtures	Computers	Office equipments	Vehicles	Total
<b>At March 31, 2022</b>	<b>249.32</b>	<b>408.24</b>	<b>314.66</b>	<b>14.03</b>	<b>986.25</b>
Additions	0.33	0.71	20.29	-	21.33
Disposals	(12.32)	-	-	-	(12.32)
<b>At March 31, 2023</b>	<b>237.34</b>	<b>408.95</b>	<b>334.96</b>	<b>14.03</b>	<b>995.27</b>
Additions	0.3480	-	36.7200	28.9151	65.98
Disposals	(27.5830)	-	(70.2198)	(13.4136)	(111.22)
<b>At March 31,2024</b>	<b>210.10</b>	<b>408.95</b>	<b>301.46</b>	<b>29.54</b>	<b>950.04</b>
<b>Depreciation</b>					
<b>At March 31, 2022</b>	<b>164.32</b>	<b>381.00</b>	<b>273.62</b>	<b>12.70</b>	<b>831.64</b>
Charge for the year	21.56	7.05	21.85	0.40	50.86
Disposals	(8.23)	-	-	-	(8.23)
<b>At March 31, 2023</b>	<b>177.64</b>	<b>388.05</b>	<b>295.47</b>	<b>13.10</b>	<b>874.27</b>
Charge for the year	14.20	1.38	19.51	5.71	40.80
Disposals	(21.01)	-	(66.51)	(12.76)	(100.28)
<b>At March 31,2024</b>	<b>170.84</b>	<b>389.43</b>	<b>248.47</b>	<b>6.05</b>	<b>814.79</b>
<b>Net Block</b>					
At March 31, 2023	59.69	20.89	39.49	0.93	121.00
<b>At March 31,2024</b>	<b>39.26</b>	<b>19.52</b>	<b>52.98</b>	<b>23.48</b>	<b>135.25</b>

\*The company has not revalued any Property, Plant and Equipment during the current year or in the previous year.

\*The company had no immovable properties during the current year or previous year. Therefore requirement of holding of Title Deeds of all Immovable Properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) by the company in its own name is not applicable.

9B Intangible Assets: ₹ in lakhs	
Particulars	Software
<b>At March 31, 2022</b>	<b>119.91</b>
Additions	-
Disposals	-
<b>At March 31, 2023</b>	<b>120.00</b>
Additions	47.02
Disposals	-
<b>At March 31,2024</b>	<b>167.02</b>
<b>Depreciation</b>	
<b>At March 31, 2022</b>	<b>96.31</b>
Charge for the year	9.30
Disposals	-
<b>At March 31, 2023</b>	<b>105.61</b>
Charge for the year	22.82
Disposals	-
<b>At March 31,2024</b>	<b>128.43</b>
<b>Net Block</b>	
At March 31, 2023	14.39
<b>At March 31,2024</b>	<b>38.59</b>





12 Other assets	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Term deposits with banks with maturity above 12 months	208	271	-	-
	<b>208</b>	<b>271</b>	-	-
<b>Others</b>				
Security Deposits	-	-	12	12
Interest accrued but not due on deposits	-	-	120	144
Margin money with non-banking financial companies*	-	-	3,272	2,764
	-	-	<b>3,404</b>	<b>2,920</b>
<b>Total</b>	<b>208</b>	<b>271</b>	<b>3,404</b>	<b>2,920</b>

13 Trade Receivables	As at March 31, 2024	As at March 31, 2023
	₹ in Lakhs	₹ in Lakhs
Service fees receivable	2,134	2,116
<b>Total</b>	<b>2,134</b>	<b>2,116</b>

\* Placed as lien towards Business Correspondence arrangements

Ageing of the Trade receivable as on 31st March 2024					
Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
Un-disputed Trade considered good	415.46	1,718.56	-	-	2,134.02
considered doubtful	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-
considered doubtful	-	-	-	-	-
Disputed dues(others)	-	-	-	-	-
<b>Total</b>	<b>415.46</b>	<b>1,718.56</b>	<b>-</b>	<b>-</b>	<b>2,134.02</b>

Ageing of the Trade receivable as on 31st March 2023					
Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
Un-disputed Trade receivables considered good	2,116.28	-	-	-	2,116.28
considered doubtful	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-
considered doubtful	-	-	-	-	-
Disputed dues(others)	-	-	-	-	-
<b>Total</b>	<b>2,116.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,116.28</b>

14 Cash and bank balances	Non-Current Portion		Current Portion	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>Cash and cash equivalents</b>				
Balances with banks				
-on current accounts	-	-	356	1,813
-deposit with original maturity of less than three months	-	-	3	487
Cash in hand	-	-	23	197
	-	-	<b>382</b>	<b>2,497</b>
<b>Other bank balances:</b>				
Deposit maturity for more than 3 months but less than 12	-	-	126	556
Deposit maturity for more than 12 months	208	271	-	-
	<b>208</b>	<b>271</b>	<b>126</b>	<b>556</b>
Amount disclosed under non-current assets	(208)	(271)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>508</b>	<b>3,054</b>

\* Earmarked balances with Banks relating to margin money against Term loans and Securitisation facility ₹ 2.08 crores (PY ₹ 7.94 crores) and for employee security deposit ₹ 1.26 crores (₹1.18 crores).



15	Revenue from operations	Year ended March 31, 2024	Year ended March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Interest on portfolio loans	3,306	7,266
	Service fee from business correspondence arrangements	2,315	1,616
	Interest on securitization contracts	35	351
	<b>Other operating revenue:</b>		
	Recovery against loans written off	2,707	2,385
	Processing fees	145	321
	Administrative fees	15	97
	<b>Interest on:</b>		
	Margin money deposits	229	224
	Fixed Deposits	54	231
	<b>Total</b>	<b>8,805</b>	<b>12,491</b>

16	Other income	Year ended March 31, 2024	Year ended March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Interest on:		
	IT Refund	5	146
	Gain on Sale of assets	21	-
	Liabilities written back	-	28
	Provisions written back	400	4,176
	Miscellaneous income	33	14
	<b>Total</b>	<b>458</b>	<b>4,364</b>

16(a)	Provisions written back		
	Contingent provision for standard assets	-	1,135
	Provision for non performing assets written back	-	1,762
	Provision for securitised/managed portfolio loans	205	1,272
	BC Books written back	194	-
	Provision for other receivables	-	6
	<b>Total</b>	<b>400</b>	<b>4,176</b>

The company has maintained provision on BC books at 5% on the outstanding and on DA at 15%, excess provision has been written back.

16(b)	Extra-ordinary Items		
	Provision on Gratuity written Back	278	-
	Recognition of Assam Portfolio	4,150	-
	<b>Total</b>	<b>4,428</b>	<b>-</b>

17	Employee benefits expenses	Year ended March 31, 2024	Year ended March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Salaries and bonus	4,551	5,068
	Contributions to Provident Fund	512	540
	Contributions to ESI	77	105
	Director Sitting Fees	3	9
	Gratuity expenses	92	170
	Staff welfare expenses	514	625
	<b>Total</b>	<b>5,748</b>	<b>6,516</b>

18	Finance Costs	Year ended March 31, 2024	Year ended March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Interest on Borrowing	3,001	5,722
	Other Borrowing Cost	13	20
	<b>Total</b>	<b>3,014</b>	<b>5,742</b>



19	Depreciation and amortisation expense	Year ended March 31, 2024	Year ended March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Depreciation of tangible assets	23	51
	Amortisation of intangible assets	41	9
	<b>Total</b>	<b>64</b>	<b>60</b>

20	Other expenses	Year ended March 31, 2024	Year ended March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Rent	139	265
	Rates and taxes	123	98
	Repairs & maintenance - others	6	12
	Travelling and conveyance	28	60
	Bank Charges	43	79
	Communication expenses	118	202
	Printing and stationery	23	26
	Legal and professional expenses	119	287
	Payment to auditors (Refer note below)	94	16
	IT support charges	149	40
	Insurance	53	48
	Power and fuel	42	58
	Membership and subscription	32	42
	Other Office expenses	200	349
	Miscellaneous expenses	9	31
	<b>Total</b>	<b>1,178</b>	<b>1,613</b>

## 20(a) Payment to auditors:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹ in Lakhs	₹ in Lakhs
As auditors:		
Audit fee (excluding Goods and service tax)	94	11
Reimbursement of expenses	-	5
<b>Total</b>	<b>94</b>	<b>16</b>

21	Provisions and write-offs	Year ended March 31, 2024	Year ended March 31, 2023
		₹ in Lakhs	₹ in Lakhs
	Contingent provision for standard assets	4,025	-
	Provision for Standard assets (Previous year)	0	-
	Provision for Non-Standard assets	36	-
	Provision on Other Receivables	27	783
	Irrecoverable loans W/off	-	2,054.47
	<b>Total</b>	<b>4,088</b>	<b>2,838</b>



22 Earnings per share ( EPS )	Year ended March 31, 2024	Year ended March 31, 2023
	₹ in Lakhs	₹ in Lakhs
Profit for the year	463	1,601
Weighted average number of equity shares in calculating basic and diluted EPS (Numbers)	1,96,188	1,96,188
<b>Basic &amp; Diluted EPS</b>	<b>0</b>	<b>0</b>

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

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹ in Lakhs	₹ in Lakhs
Managed portfolio disbursed during the year	31,629.55	21,002.88
Closing balance of managed portfolio	37,912.62	20,430.63
Service fee recognised on Managed portfolio	2,314.94	1,616.44

## 25 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, 2024	Year ended March 31, 2023
	₹ in Lakhs	₹ in Lakhs
Total book value of the loan asset securitised during the year (A)	-	762.17
Sale consideration received for the loan asset securitised during the year (B)	-	762.17
Gain on securitisation (B-A)	-	-
Portfolio loan securitised and outstanding as at the year end (including Minimum Retention Rate)	-	363.54
Income from assets securitisation recognised during the year	34.85	351.02

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹ in Lakhs	₹ in Lakhs
<b>Credit enhancements provided and outstanding</b>		
Principal subordination	-	84.69
Cash Collateral	-	84.69

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

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23 Loan portfolio and provision for standard and non-performing assets as at March 31, 2024:

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and non-performing assets				Portfolio loans outstanding (Net)	
	Year ended March 31, 2024 (₹)	As at March 31, 2023 (₹)	As at March 31, 2023 (₹)	Provision made during the year (₹)	Provision written back/ utilised (₹)	Year ended March 31, 2024 (₹)	Year ended March 31, 2024 (₹)	As at March 31, 2023 (₹)
Standard assets	3,527	12,767	-	-	-	123	3,404	12,644
Non-Performing assets	388	4,880	2,607	4,061	6,538	131	258	2,273
<b>Total</b>	<b>3,915</b>	<b>17,647</b>	<b>2,607</b>	<b>4,061</b>	<b>6,538</b>	<b>253</b>	<b>3,662</b>	<b>14,917</b>

Loan portfolio and provision for standard and non-performing assets as at March 31, 2023:

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and non-performing assets				Portfolio loans outstanding (Net)	
	As at March 31, 2023 (₹)	As at March 31, 2022 (₹)	As at March 31, 2022 (₹)	Provision made during the year (₹)	Provision written back/ utilised (₹)	As at March 31, 2023 (₹)	As at March 31, 2022 (₹)	
Standard assets	12,767	43,372	1,135	-	1,135	-	12,767	
Non-Performing assets	4,880	4,801	3,587	-	979	2,607	2,273	
<b>Total</b>	<b>17,647</b>	<b>48,172</b>	<b>4,722</b>	<b>-</b>	<b>2,114</b>	<b>2,607</b>	<b>15,040</b>	



26 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.

27 (a) Gratuity

The Company has made provisions for the gratuity liability on account of its employees as at 31.03.2024 on the basis of actuarial valuations. There are two Gratuity Plans in operation for (a) staff employed upto 31.7.2011 and (b) staff employed after 31.7.2011. The Company has contributed to two Group Gratuity Schemes with the LIC, which maintains the funds separately for the gratuity liability under the two Plans.

The company does not have a system of leave encashment benefit to its employees. No encashment provision is required to be made by the company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan and the disclosures as required under AS – 15, Employee Benefits.

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i) Assumptions:</b>		
Discount rate	7.00%	7.30%
Salary escalation	7.00%	9.00%
Withdrawal rate	29.36%	30.25%
Expected rate of return on assets	7.22% & 7.67%	6.89% & 7.36%
Expected average remaining working life of employees	18 yrs and 28 yrs	19 yrs and 29 yrs
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
	<b>(Amount ₹ in Lakhs)</b>	<b>(Amount ₹ in Lakhs)</b>
<b>ii) Table Showing changes in present value of Defined Benefit obligation:</b>		
Present value of defined benefit obligations as at beginning of the year	1,237.98	1,096.37
Interest cost	83.23	78.06
Change in Gratuity valuation	(213.82)	-
Past service cost	-	-
Current service cost	97.54	173.57
Benefit paid	(97.81)	(54.05)
Actuarial loss on obligations	(341.59)	(55.97)
Present value of defined benefit obligations as at end of the year	<b>765.53</b>	<b>1,237.98</b>
<b>iii) Table showing fair value of plan assets:</b>		
Fair value of plan assets at beginning of the year	421.64	379.98
Expected return on plan assets	31.74	27.58
Contributions	86.99	70.01
Benefits paid	(97.80)	(54.05)
Actuarial loss on plan assets	(5.86)	(1.87)
Fair value of plan assets at end of the year	<b>436.71</b>	<b>421.64</b>
<b>iv) Actuarial (gain)/loss recognised:</b>		
Actuarial loss on obligations	(341.59)	(55.97)
Actuarial loss on plan assets	5.86	1.87
Actuarial loss recognised in the year	<b>(335.73)</b>	<b>(54.10)</b>
<b>v) The amounts to be recognised in the balance sheet and statement of profit and loss:</b>		
Present value of obligations at the end of the year	765.53	1,237.98
Fair value of plan assets at the end of the year	436.71	421.64
Net liability recognised in balance sheet	<b>328.82</b>	<b>816.34</b>
<b>vi) Expenses Recognised in statement of profit and loss:</b>		
Past service cost	-	-
Current service cost	97.54	173.57
Interest cost	83.23	78.06
Expected return on plan assets	(31.74)	(27.58)
Net Actuarial loss recognised in the year	(335.73)	(54.10)
Expenses recognised in statement of profit and loss	<b>(186.70)</b>	<b>169.96</b>
Actual return on plan assets	25.88	25.71



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

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Defined benefit obligations	765.53	1,237.98	1,096.37	995.97	775.46
Plan assets	436.71	421.64	379.98	330.94	277.81
Deficit	(328.82)	(816.34)	(716.39)	(665.03)	(497.65)
Experience adjustments on plan liabilities [(gain)/loss]	(341.59)	(55.97)	(137.64)	(8.58)	140.07
Experience adjustments on plan assets [(gain)/loss]	5.86	1.87	1.92	(12.57)	17.07
Actuarial (gain)/ loss due to change on assumptions	(335.73)	(54.10)	(135.71)	(21.15)	157.14

## 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, 2024	As at March 31, 2023
Life Insurance Company Limited - 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 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 ₹ 512.14 lakhs (March 31, 2023: ₹ 539.52 lakhs)

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28 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
Entity having significant influence	IDFC First Bank Limited
Key Management Personnel (KMP)	Mr. Dirk Brouwer, Director Ms. Karin Anne Maria Kersten, Director Mr. Anjan Dasgupta, Managing Director Ms. Anuradha Gupta, Independent Director Ms. Nirajita Srinivasan, Independent Director Mr. Patric Barla, Independent Director Md. Azim Hossain, Chairperson Mr. Enamul Hoque Director Ms. Vanita Mundra, Company Secretary

B. Nature of transactions

Nature of transaction	Name of Related Party	March 31, 2024	March 31, 2023
		(Amount ₹ in lakhs)	(Amount ₹ in lakhs)
Salary, Bonus and other allowances*	Mr. Anjan Dasgupta	74.98	67.74
Contribution to provident fund	Mr. Anjan Dasgupta	6.51	5.67
Salary, Bonus and other allowances*	Mr. Subhramangsu Chakravarty	-	9.50
Contribution to provident fund	Mr. Subhramangsu Chakravarty	-	0.84
Salary, Bonus and other allowances*	Ms. Vanita Mundra	16.27	14.48
Contribution to provident fund	Ms. Vanita Mundra	1.43	1.23
Reimbursement of Expenses	Pinoy Consultancy Private Limited	0.20	0.84
Reimbursement of Expenses	Pagasa Consultancy Private Limited	8.00	8.30
Director's Sitting Fees	Mr. Patric Barla	2.30	3.55
Director's Sitting Fees	Ms. Nirajita Srinivasan	2.30	3.20
Director's Sitting Fees	Ms. Anuradha Gupta	1.40	1.75
BC Service Fees	IDFC First Bank Limited	570.57	1,426.49

The company has not given any Loans or Advances in the nature of loans to Promoters, Directors, Key Managerial Persons and Other Related Parties either severally or jointly with any other persons which are (a) repayable on demand or (b) without specifying any terms or period of repayment.

Name of Related Party		As on March 2024	As on March 2023
		(Amount ₹ in lakhs)	(Amount ₹ in lakhs)
<b>Receivables:</b>			
IDFC First Bank	BC Fees Receivables	2,134	1,719
<b>Payable</b>			
ASA International NV	Principal Outstanding	826	-
ASA International NV	Interest Outstanding	83	-
Mr. Anjan Dasgupta	Salary Payable	3	-
Ms. Vanita Mundhra	Salary Payable	1	-

29 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	(Amount ₹ in lakhs)	
	March 31, 2024	March 31, 2023
Operating lease expenses recognised during the year [Refer note 19]	₹ 139.45	₹ 263.18

30 Contingent Liabilities

Description	(Amount ₹ in lakhs)	
	March 31, 2024	March 31, 2023
Demands/claims by Tax Authorities not acknowledged as debts and contested by the Company:	₹	₹
Income Tax Authorities*	830.16	830.16
<b>Total</b>	<b>830.16</b>	<b>830.16</b>

1 \*The Company had appealed against demand order of ₹1,293.36 against AY 2011-12 and AY 2012-13 which has been contested and appeal before the ITAT Kolkata Bench. The company has made a provision of ₹463.20 Lakhs on adhoc basis.





**31 Loans under RBI Resolution Framework**

The following table set forth, for the periods indicated, details with respect to loans where resolution plan has been implemented as per RBI Circular on "Resolution Framework for COVID-19 related stress" dated May 05, 2021.

Number of borrowers who accepted restructuring under RF 2.0	Principal Outstanding of Restructured borrowers as on March 31, 2024 (₹ in lakhs)	Principal Outstanding of Restructured borrowers as on March 31, 2023 (₹ in lakhs)	Provision as on March 31, 2024 (₹ in lakhs)
24,132	2,329.96	16,235.02	122.97

32 The company follows a prudent strategy for provisioning and write off of portfolio. There has been no additional provisioning on account of pandemic caused losses.

During the year the company has earned a net profit of ₹ 486.22 Lakhs, as a result the company has been able to maintain the CRAR as prescribed by under RBI NBFC-MFI (Reserve Bank) directions 2016.

The company has been able to generate positive cash flows during the year and discharge all liabilities as and when they fell due.

**33 Additional disclosure required by the Reserve bank of India:**

**A) Information on Net Interest Margin**

Particulars	As at March 31, 2024	As at March 31, 2023
Average interest (a)	NA	NA
Average effective cost of borrowing (b)	NA	NA
Net interest margin (a-b)	NA	NA

\*RBI has withdrawn its direction regarding Interest Margin to be charges subject to Board having adequate policy in this regard. The Board has approved an interest rate of 28.5% on MFI loans to be provided by the company. Currently the company is disbursing loans at 15% under the NSFDC disbursement scheme.

**B) Exposure to Gold Loan**

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

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

Particulars	Remarks
1. Capital to Risk (Weighted) Assets Ratio	Refer Note No. 33 (D)
2. Investments	The Company has no outstanding investments as on March 31, 2024 (March 31, 2022: Nil)
3. Derivatives	
i) Forward Rate Agreement / Interest Rate Swap	
ii) Exchange Traded Interest Rate (IR) Derivatives	Company has ECB loans received in Indian Currency, hence no hedging is required.
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. 33 (Ei)
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. 33 (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. 33 (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. 33 (G)
11. Miscellaneous	
i) Registration obtained from other financial sector regulators	Refer Note No. 33 (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. 33 (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, 2024 as well as March 31, 2023 hence AS 21 is not applicable to the Company.
12. Additional Disclosures	
i) Provisions and Contingencies	Refer Note No. 33 (J)
ii) Draw Down from Reserves	There has been no draw down from reserves during the year ended March 31, 2024 (March 31, 2023: 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. 33 (K)
c) Concentration of Exposure	Refer Note No. 33 (K)
d) Concentration of NPAs	Refer Note No. 33 (K)
e) Sector-wise NPAs	Refer Note No. 33 (L)
f) Movement of NPAs	Refer Note No. 33 (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, 2024.
13. Disclosure of Complaints	Refer Note No. 33 (N)

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

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR (%)	15.88	15.18
CRAR - Tier I Capital (%)	10.59	10.12
CRAR - Tier II Capital (%)	5.29	5.06
Amount of subordinated debt raised as Tier-II capital (INR in lakhs)	10,000	10,000
Amount raised by issue of Perpetual Debt Instruments	-	-



E.i) Securitisation Transactions Entered during the year

Particulars	As at March 31, 2024	As at March 31, 2023
	(Amount ₹ in lakhs)	(Amount ₹ in lakhs)
1 No of SPVs sponsored by the NBFC for securitisation transaction	-	1
Total amount of securitised assets as per books of the SPVs sponsored by the NBFC as on the date of balance sheet	-	356.98
2	-	
Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	
a Off-balance sheet exposures	-	
First loss	-	-
Others	-	-
b On-balance sheet exposures	-	
First loss	-	84.69
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	-	
First loss (to the extent of fixed deposits placed)	-	84.69
Others	-	-
ii Exposure to third party securitisations	-	
First loss	-	-
Others	-	-

E.ii) Details of assignment transactions undertaken:

Particulars	As at March 31, 2024	As at March 31, 2023
	(Amount ₹ in lakhs)	(Amount ₹ in lakhs)
Number of accounts	-	-
Aggregate value (net of provision) of accounts sold	-	-
Aggregate consideration	-	-
Additional consideration realized in respect of accounts transferred in earlier year	-	-
Aggregate gain/loss over net book value	-	-

G) Unsecured Advances

Particulars	As at March 31, 2024	As at March 31, 2023
	(Amount ₹ in lakhs)	(Amount ₹ in lakhs)
Portfolio loans (gross)	3,915.30	17,642.37

H) Registration obtained from 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	As at March 31, 2024	As at March 31, 2023
1 <b>Long term Facilities</b>		
Bank Rating	ICRA BB (Stable)	ICRA BB (+) (Negative)
2 <b>Long term non convertible debentures</b>		
AAV S.A.R.L	ICRA BB (Stable)	ICRA BB (+) (Negative)
Masala Investments S.A.R.L	ICRA BB (Stable)	ICRA BB (+) (Negative)
CDC Group	ICRA BB (Stable)	ICRA BB (+) (Negative)
AAV S.A.R.L-Subdebt	ICRA BB (Stable)	ICRA BB (+) (Negative)
Masala Investments S.A.R.L-Subdebt	ICRA BB (Stable)	ICRA BB (+) (Negative)
3 <b>Short term non convertible debentures</b>		
Dwm Income Funds S C A Sicav Sif - The Trill Impact	ICRA BB (Stable)	ICRA BB (+) (Negative)
Stichting Juridisch Eigenaar Actiam Institutional	ICRA BB (Stable)	ICRA BB (+) (Negative)
3 <b>MFI Grading</b>	IAR MFI 2	IAR MFI 2
4 <b>Code of conduct assessment Grading</b>	IAR MFI 2	IAR MFI 2
5 <b>Securitisation/Assignment:</b>		
Lily 06 2026	Closed	[ICRA] BBB (SO)
PTC Series A1		
The above is based upon the latest rating letters available with the management.		

J) Provisions and Contingencies :

Break up of ' Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	(Amount ₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Provision for standard and non performing assets (refer note 22)	253.49	2,607.44
Provision made towards income tax	-	-
Other provision and Contingencies (with details)		
a) Provision for gratuity	765.53	816.34
b) Provision for leave benefits	-	-
c) Provision for managed portfolio loans	583.07	-
d) Provision for others	-	-

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

Particulars	(Amount ₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Concentration of Advances</b>		
Total Advances to twenty largest borrowers/ customers	9.63	15.10
Percentage of advances to twenty largest borrowers / customers to total advances	0.25%	0.00%
<b>Concentration of Exposures</b>		
Total Exposures to twenty largest borrowers/ customers	9.63	15.10
Percentage of Exposures to twenty largest borrowers/ customers to total Exposure	0.25%	0.00%
<b>Concentration of NPAs</b>		
Total Exposures to top four NPA accounts	2.13	3.66

L) Sector-wise NPAs :

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2024	As at March 31, 2023
i) Agriculture & allied activities	8.76%	26.71%
ii) MSME	10.51%	26.80%
iii) Corporate borrowers	-	-
iv) Services	6.05%	52.95%
v) Unsecured personal loans	-	-
vi) Auto loans	-	-
vii) Other personal loans	-	-

M) Movement of NPA :

Particulars	(Amount ₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
i) Net NPA to Net Advances (%)	3.69%	15.11%
ii) Movement of NPAs (Gross)		
Opening balance	4,880.16	4,800.57
Additions during the year	3,111.37	2,134.05
Reductions during the year (represents loan portfolio written-off)	7,603.07	2,054.47
Closing balance	388.46	4,880.16
iii) Movement of NPAs (Net)		
Opening balance	2,272.73	1,213.77
Additions during the year	-	2,134.06
Reduction during the year	2,137.76	1,075.11
Closing balance	134.97	2,272.73
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
Opening balance	2,607.43	3,586.80
Add: Provision made during the year	4,060.91	-
Less: Write-off (write back) of excess provisions	6,537.53	979.36
Closing balance	253.49	2,607.43



ASA International India Microfinance Limited  
Notes to the Financial Statements as at and for the year ended March 31, 2024

Assets Liability management:

F) Maturity pattern of certain assets and liabilities as on March 31, 2024

	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*	268.42	322.73	310.85	772.54	1,178.27	1,062.49	-	-	3,915.30
Deposits*	851.13	223.56	193.89	472.43	1,269.94	598.20	-	-	3,609.15
Borrowings	971.18	636.80	952.89	1,586.49	913.77	11,103.23	0.75	-	16,165.11

(Amount ₹ in lakhs)

\* The above information is computed by the management basis the repayment, factoring in restructuring related moratorium period and the same is relied upon by the auditors.

Maturity pattern of certain assets and liabilities as on March 31, 2023

	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*	1,209.50	1,454.21	1,400.71	3,481.06	5,309.28	4,787.61	-	-	17,642.37
Deposits	961.68	252.60	219.07	533.80	1,434.89	675.90	-	-	4,077.93
Borrowings	249.51	170.15	390.87	4,231.38	7,112.50	13,374.60	0.75	-	25,529.76

(Amount ₹ in lakhs)

(This space has been left intentionally blank)



N) Customer Complaints :

Particulars	As at March 31, 2024	As at March 31, 2023
No. of complaints pending at the beginning of the year	-	5
No. of complaints received during the year	95	124
No. of complaints redressed during the year	91	129
No. of complaints pending at the end of the year	4	-

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, 2024:

(Amount ₹ in lakhs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Considered as recoverable	Amount Provided for
Cash embezzlement	79	2.75	2.46	-	0.29

Information on instances of fraud for the year ended March 31, 2023:

(Amount ₹ in lakhs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Considered as recoverable	Amount Provided for
Cash embezzlement	115	7.03	6.05	-	0.99

34 The disclosure on the following matters required under schedule III as amended not being relevant or applicable in the case of the company, same are not covered:

- The company has not traded or invested in crypto currency or virtual currency during the financial year.
- No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45of 1988) and rules made thereunder.
- The company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- The company has not entered in to any scheme of arrangement.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The company does not have any relationship with struck off companies.

35 Disclosure of ratios

Particulars	As at March 31, 2024	As at March 31, 2023	Formula	Remarks
a Current Ratio (in times)	Not Applicable	Not Applicable		
b Debt Equity Ratio (in times)	3.94	7.06	Total Debts / Shareholder's fund	Debt equity ratio decrease due to reduction in Borrowing and increase in Equity
c Debt Service Coverage Ratio (in times)	Not Applicable	Not Applicable		
d Return on Equity Ratio	0.12	2.41	Profit after tax / Average Net Worth	Decrease on account of increase in loss for the year due to higher provisioning / write off
e Trade receivable turnover ratio (in times)*	Not Applicable	Not Applicable		
f Trade payable turnover ratio (in times)	0.30%	0.85%	Sundry Creditors/Operating Income	
g Inventory turnover ratio (in times)	Not Applicable	Not Applicable		
h Net capital turnover ratio (in times)	19.20%	9.21%	Net worth-Statutory reserve/Operating Income	
i Net Profit ratio (in %)	5.51%	13.30%	Profit & loss after tax / Total revenue from operations	Net profit ratio decreases due to decrease in PAT
j Return on capital employed (in %)	11.86%	44.29%	Profit & loss after tax / Total shareholder's fund	Return on capital employed decrease due to decrease in average shareholder's equity
k Return on investment (in %)	Not Applicable	Not Applicable		

\* Companies loan portfolio and other operating income receivables are treated as Other Receivables.



P) Disclosure relating to Derivative transactions  
Forward Rate Agreement / Interest Rate Swap

(Amount ₹ in lakhs)

Particulars		Current Year As at 31.03.2024	Previous Year As at 31.03.2023
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	NA	NA
(iii)	Collateral required by the applicable NBFC upon entering into swaps	NA	NA
(iv)	Concentration of credit risk arising from the swaps \$	NA	NA
(v)	The fair value of the swap book @	NA	NA
<p><b>Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.</b></p> <p><b>Derivatives are fully hedged so there is no risk of marked to market and the accounting was also done on the basis of applicable accounting standards.</b></p>			

Exchange Traded Interest Rate (IR) Derivatives

(Amount ₹ in lakhs)

S. No.	Particulars	Amount	
(i)	<b>Notional principal amount of exchange traded IR derivatives undertaken during the</b>		
	a)	NA	NA
	b)	NA	NA
	c)	NA	NA
(ii)	<b>Notional principal amount of exchange traded IR derivatives outstanding as on 31st</b>		
	a)	NA	NA
	b)	NA	NA
	c)	NA	NA
(iii)	<b>Notional principal amount of exchange traded IR derivatives outstanding and not</b>		
	a)	NA	NA
	b)	NA	NA
	c)	NA	NA
(iv)	<b>Mark-to-market value of exchange traded IR derivatives outstanding and not "highly</b>		
	a)	NA	NA
	b)	NA	NA
	c)	NA	NA
<p><b>Derivatives are fully hedged so there is no risk of marked to market and the accounting was also done on the basis of applicable accounting standards.</b></p>			

Quantitative Disclosures

(Amount ₹ in lakhs)

Sl. No.	Particular	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)		
	For hedging	-	-
(ii)	Marked to Market Positions [1]		
	a) Asset (+)	NA	NA
	b) Liability (-)	NA	NA
(iii)	Credit Exposure [2]	NA	NA
(iv)	Unhedged Exposure	NA	NA
<p><b>Derivatives are fully hedged so there is no risk of marked to market and the accounting was also done on the basis of applicable accounting standards.</b></p>			



**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, 2024

Number of significant counter parties	(Amount ₹ in lakhs)	% of total deposits	% of total liabilities
6	16,165.11	NA	67.41%

Funding concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2023

Number of significant counter parties	(Amount ₹ in lakhs)	% of total deposits	% of total liabilities
11	25,529.76	NA	74.35%

ii. Top 20 large deposits (amount in Rs. In lakhs 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. In lakhs and % of total borrowings)**

Top 10 borrowings (amount in Rs. In lakhs and % of total borrowings) for the year ended March 31, 2024

(Amount ₹ in lakhs)	% of total borrowings
16,165.11	100.00%

Top 10 borrowings (amount in Rs. In lakhs and % of total borrowings) for the year ended March 31, 2023

(Amount ₹ in lakhs)	% of total borrowings
25,252.23	98.91%

**iv. Funding concentration based on significant instrument / product \***

Funding concentration based on significant instrument / product \* for the year ended March 31, 2024

Name of the instrument/product	(Amount ₹ in lakhs)	% of total liabilities
Term loan from banks	2,500.00	15.47%
Non-Convertible debentures	11,296.78	69.88%
Term loans from financial institutions	1,542.33	9.54%
External commercial borrowings	826.00	5.11%

Funding concentration based on significant instrument / product \* for the year ended March 31, 2023

Name of the instrument/product	(Amount ₹ in lakhs)	% of total liabilities
Term loan from banks	2,500.00	9.79%
Non-Convertible debentures	20,907.50	81.89%
Term loan from Non banking Financial Companies	1,372.26	5.38%
Term loans from financial institutions	750.00	2.94%
External commercial borrowings	-	-

**v. Stock ratios**

Stock ratios for the year ended March 31, 2024

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, 2023

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

**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-NDSIs, 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, 2024.

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ASA International India Microfinance Limited  
CIN No:U65921WB1990PLC231683

Notes to the Financial Statements as at and for the year ended March 31, 2024.

37

**Disclosure as required under Rule 11(e) and Rule 11(f) of the Companies (Audit and Auditors) Rules, 2014**

1. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries).
2. The Company has not received any fund from any party(s) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
3. There is no dividend declared or paid during the year by the Company.

38 The previous year figures have been reclassified/ regrouped/ restated to confirm to current year's classification.

For Shankar Saraf & Associates  
Chartered Accountants  
ICAI Firm Registration No. 325396E

*Subham*

**Subham Tulsian**  
Partner  
Membership No. 313573



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

*Anjan Dasgupta*  
**Anjan Dasgupta**  
Managing Director  
DIN 03314638



*Md Enamul Haque*  
**Md Enamul Haque**  
Director  
DIN 02961971



Place: Kolkata  
Date: 27th June, 2024

*Vanita Mundhra*  
**Vanita Mundhra**  
Company Secretary  
Membership No. A23546





# SHANKAR SARAF & ASSOCIATES

Chartered Accountants

11, Dacres Lane, 1st Floor, Kolkata - 700069  
Ph: +91 33 2262 4441/42, +91 33 4063 7100  
E-mail : shankar@ssaa.co.in

Date: 19th of August, 2024

To,  
The Board of Directors  
ASA International India Microfinance Limited  
Victoria Park, 4th Floor, GN-37/2, Sector Salt Lake City,  
Kolkata-700091, West Bengal

Sir,

**Regarding : Statutory Audit for the financial year 2023-24**  
**Subject : Intimation of UDIN – matter regarding**

Please refer to above captioned subject. We do hereby state that the Statutory Audit of your company had been conducted by us on 27/06/2024. The Unique Document Identification No. (UDIN) in respect of the above audit has been generated which is provided below:-

Document	UDIN Date	UDIN
Statutory Audit	27/06/2024	24313573BKCABD3256

You are requested to intimate the UDIN of Statutory Audit to all shareholders and other persons to whom the audited financial statements are forwarded.

Thanking You,  
Yours Faithfully,

For Shankar Saraf & Associates  
Chartered Accountants  
Firm Registration No. 325896E

*Subham Tuisian*

Subham Tuisian  
Partner

ICAI Membership No. 313573

