

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

No: _____
Addressed to: _____

**INFORMATION MEMORANDUM
MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**

A Public limited company incorporated under the Companies Act, 1956

Date of Incorporation: September 2, 2015

Registered Office: No. 36, II Main Road Kasturba Nagar, Adyar, Chennai, Tamil Nadu 600020, India

Telephone No.: (+91) - 44 46838939

Website: <https://maduramicrofinance.com/>

**Information Memorandum dated December 31, 2020 for issue of Debentures on a
Private placement basis**

Issue of 250 (Two Hundred Fifty) Secured, Unsubordinated, Rated, Listed, Redeemable, Transferable, Non-convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) on a private placement basis (the "Issue").

Background

This Information Memorandum is related to the Debentures (as defined hereinafter) to be issued by Madura Micro Finance Limited (the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on November 28, 2020 and the Borrowing Committee of the Board of Directors of the Issuer on December --, 2020 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated November 28, 2020 in accordance with the provisions of the Companies Act, 2013 and the Memorandum of Association and Articles of Association of the Company, the Company has been authorised to borrow by way of issuance of Non-Convertible Debentures and upon such terms and conditions as the Board may think fit, for amounts up to INR 600,00,00,000/- (Rupees Six Hundred Crores Only). The present issue of NCDs in terms of this Information Memorandum is within the overall powers of the Board.

General Risks

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments and only after reading the information carefully. For taking an investment decision, the investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of Risk Factors at SECTION 3: of this memorandum of private placement for issue of Debentures on a private placement basis ("Information Memorandum" or "Disclosure Document"). This Information Memorandum has not been submitted, cleared or approved by SEBI.



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Issuer's Absolute Responsibility

The Issuer, having made all reasonable inquiries, confirms and represents that the information contained in this Information Memorandum/ Disclosure Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Issuer is solely responsible for the correctness, adequacy and disclosure of all relevant information herein.

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by ICRA Limited. The Rating Agency has, vide its letter dated December 17, 2020 assigned a rating of "[ICRA]A-" in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to **Annexure II** of this Information Memorandum for the letter dated December 17, 2020 from the Rating Agency assigning the credit rating above mentioned and disclosing the rating rationale adopted for the aforesaid rating.

Issue Schedule

Issue/ Bid Opening Date: December 31, 2020
Issue/ Bid Closing Date: December 31, 2020
Pay-in Date: December 31, 2020
Deemed Date of Allotment: December 31, 2020

The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each Business Day from the Issue Opening Date to the Issue Closing Date (both days inclusive).

The Debentures are proposed to be listed in the Wholesale Debt Market segment of BSE within 4 Business Days from the Deemed Date of Allotment.

Registrar & Transfer Agent

Bigshare Services Private Limited
Address: 1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East),
Mumbai 400059, India.
Phone No.: 022 6263 8200

Debenture Trustee


Catalyst Trusteeship Limited
Address: Windsor, 6th Floor, Office No.
604, C.S.T. Road, Kalina, Santacruz (East),
Mumbai - 400098, India
Phone No.: 022 4922 0555



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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Application Form	The form used by the recipient of this Disclosure Document and/or the Private Placement Offer Cum Application Letter, to apply for subscription to the Debentures.
Applicable Law	Shall include any statute, law, by-law, regulation, ordinance, rule, judgment, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by a Governmental Authority.
Arranger/ Sole Arranger	N.A.
Board/Board of Directors	The Board of Directors of the Issuer.
Business Day	Any day of the week (excluding Sundays and any other day which is a 'public holiday' for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are normally open for business in Chennai and " Business Days " shall be construed accordingly.
CDSL	Central Depository Services (India) Limited.
Client Loan	Each loan made by the Issuer as a lender, and " Client Loans " shall refer to the aggregate of such loans.
Debentures / NCDs	250 (Two Hundred Fifty) secured, rated, unsubordinated listed, redeemable, transferable, non-convertible debentures bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only).
Debenture Holder(s) / Investors	The holders of the Debentures issued by the Issuer and shall include the registered transferees of the Debentures from time to time.
Deemed Date of Allotment	December 31, 2020.
Debenture Trustee	Catalyst Trusteeship Limited.
Debenture Trustee Agreement	Agreement executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust Deed	Shall mean the trust deed executed/to be executed by and between the Debenture Trustee and the Company which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Demat	Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.
Disclosure Document / Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis.
DP - ID	Depository Participant Identification Number.



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Due Date	Any date on which the holders of the Debentures are entitled to any payments, whether on maturity or earlier, on exercise of the option to redeem the Debentures prior to the scheduled Maturity Date or acceleration.
EFT	Electronic Fund Transfer.
Financial Year/ FY	Twelve months period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year.
GAAP	Generally Accepted Accounting Principles prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Issuer.
Governmental Authority	Any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under Applicable Law.
Issue	Private placement of the Debentures in terms of the Private Placement Offer Cum Application Letter issued by the Issuer and/ or this Disclosure Document.
Issue/ Bid Closing Date	December 31, 2020
Issue/ Bid Opening Date	December 31, 2020
Issuer/ Company	Madura Micro Finance Limited
Majority Debenture Holder(s)	Debenture Holder(s) whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to more than 50% (Fifty per cent) of the value of the nominal amount of the Debentures for the time being outstanding.
Maturity Date	June 30, 2022, being 18 months from the Deemed Date of Allotment, on which the final payment of the principal of the Debentures becomes due and payable.
N.A./ NA	Not Applicable.
NBFC	Non-banking financial company
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
Private Placement Offer Cum Application Letter	Shall mean the private placement offer cum application letter prepared and issued to the eligible investors by the Company in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
RBI	Reserve Bank of India.
Rating Agency	ICRA Limited, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time.
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 7 (Seven) calendar days prior to any Due Date.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Bigshare Services Private Limited.
ROC	Registrar of Companies.
Rs. / INR	Indian Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).



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SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time.
SEBI Defaults (Procedure) Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities" issued by SEBI.
SEBI REF Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"" issued by SEBI.
TDS	Tax Deducted at Source.
The Companies Act/ the Act	The Companies Act, 2013 or where applicable, the provisions of the Companies Act, 1956, still in force.
Terms & Conditions	Shall mean the terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 5.21.
WDM	Wholesale Debt Market.
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such in accordance with Regulation 2(n) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008.



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SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS**2.1 ISSUER'S DISCLAIMER**

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures is being made strictly on a private placement basis. The Debentures shall be unlisted at the time of the issuance and shall be listed within 20 days from deemed date of allotment on the WDM segment of the BSE. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum/ Disclosure Document to be filed or submitted to the SEBI for its review and/or approval.

This Information Memorandum has been prepared in conformity with PAS-4 prescribed under section 42 and rule (14) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 the SEBI Debt Listing Regulations as amended from time to time and the applicable RBI circulars governing private placements of debentures by NBFCs. This Information Memorandum has been prepared solely to provide general information about the Issuer to the eligible investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any eligible investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and the recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such potential investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in the Private Placement Offer Cum Application Letter or this Information Memorandum or in any material made available by the Issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum and/or the Private Placement Offer Cum Application Letter are adequate and in conformity with PAS-4 prescribed under section 42 and rule(14) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI Debt Listing Regulations. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

This Information Memorandum, the Private Placement Offer Cum Application Letter and the contents hereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and/or the Private Placement Offer Cum Application Letter are



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intended to be used only by those potential investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any person other than those to whom Application Forms along with this Information Memorandum and the Private Placement Offer Cum Application Letter being issued have been sent. Any application by a person to whom the Information Memorandum and/or the Private Placement Offer Cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum and/or the Private Placement Offer Cum Application Letter shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Information Memorandum and/or the Private Placement Offer Cum Application Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Information Memorandum) without retaining any copies hereof. If any recipient of this Information Memorandum and/or the Private Placement Offer Cum Application Letter decides not to participate in the Issue, that recipient must promptly return this Information Memorandum and/or the Private Placement Offer Cum Application Letter and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Information Memorandum and/or the Private Placement Offer Cum Application Letter to reflect subsequent events after the date of Information Memorandum and/or the Private Placement Offer Cum Application Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum and/or the Private Placement Offer Cum Application Letter nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum and/or the Private Placement Offer Cum Application Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum and/or the Private Placement Offer Cum Application Letter in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. The Information Memorandum is made available to potential investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Information Memorandum shall be filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.



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2.3 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.

2.4 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the clause titled "Eligible Investors" of this Information Memorandum, who shall be/have been identified upfront by the Issuer. This Information Memorandum and/or the Private Placement Offer Cum Application Letter does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at Chennai. This Information Memorandum and/or the Private Placement Offer Cum Application Letter does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.5 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.6 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the investor with its depository participant. The Issuer will make the Allotment to investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.



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Table indicating references of disclosure requirements under Form PAS-4

Sr. No.	Particulars	Page No.
1.	GENERAL INFORMATION	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office;	23
b.	Date of incorporation of the Company;	23
c.	Business carried on by the Company and its subsidiaries with the details of branches or units, if any;	23
d.	Brief particulars of the Management of the company;	26
e.	Names, addresses, DIN and occupations of the directors;	25
f.	Management's perception of risk factors;	17
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of – (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon.	36
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	23
j.	Any default in annual filing of the Company under the Companies Act, 2013 or rules made thereunder	Not applicable
2.	PARTICULARS OF THE OFFER	
a.	Financial position of the Company for the last 3 financial years	25
b.	Date of passing of board resolution;	44
c.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	44



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Sr. No.	Particulars	Page No.
d. c.	Kinds of securities offered (i.e. whether share or debenture) and class of security;	Not-applicable
e. d.	Price at which the security is being offered including the premium, if any, along with justification of the price;	Not-applicable
f. e.	Name and address of the valuer who performed valuation of the security offered and the basis on which the price has been arrived at along with the report of the registered valuer;	Not-applicable
g.	Relevant date with reference to which the price has been arrived at.	Not-applicable
h.	Class or classes of persons to whom the allotment is proposed to be made.	Not-applicable
i.	Intention of promoters, directors or key managerial personnel to subscribe to offer.	Not-applicable
j.	The proposed time within which the allotment shall be completed.	52
k.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them.	Not-applicable
l.	The change in control, if any, in the company that would occur consequent to the private placement.	Not-applicable
m.	The number of persons to whom allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms of number of securities as well as price.	Not-applicable
n.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not-applicable
o.	Amount which the company intends to raise by way of securities;	45
p.	Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment;	48
q.	Proposed time schedule for which the Offer Letter is valid;	Not-applicable



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Sr. No.	Particulars	Page No.
r.	Purposes and objects of the offer;	45
s.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	Not-applicable
t.	Principle terms of assets charged as security, if applicable;	46
u.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Issuer and its future operations.	Not-applicable
3.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.	Not-applicable
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Not-applicable
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the Offer Letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	Not-applicable
c.	Remuneration of Directors (during the current year and last three financial years).	29
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of the Offer Letter including with regard to loans made or, guarantees given or securities provided.	Not-applicable
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of the Offer Letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	Not-applicable
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any	Not-applicable



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Sr. No.	Particulars	Page No.
	previous company law in the last three years immediately preceding the year of circulation of the Offer Letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the Offer Letter and if so, section-wise details thereof for the company and all of its subsidiaries.	
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	Not-applicable
4.	FINANCIAL POSITION OF THE COMPANY	29
a.	The capital structure of the company in the following manner in a tabular form-	29
(i)(a)	the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	29
(b)	size of the present offer;	Not-applicable
(c)	Paid-up capital;	28
(A)	after the offer;	Not-applicable
(B)	after conversion of convertible instruments (if applicable);	Not-applicable
(d)	share premium account (before and after the offer);	Not-applicable
(ii)	the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration. Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the Offer Letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;	29



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Sr. No.	Particulars	Page No.
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of Offer Letter;	68
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid);	Not-applicable
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of Offer Letter;	68
e.	Audited cash flow statement for the three years immediately preceding the date of circulation of this Offer Letter;	75 & 76
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Not-applicable
	PART -B (To be filled by the Applicant) i) Name ii) Father's name iii) Complete address including flat/ house number, street locality, PIN Code iv) Phone number, if any v) Email Id v) PAN number vi) Bank account details	76
5.	A DECLARATION BY THE DIRECTORS THAT- (a) the company has complied with the provisions of the Companies Act and the rules made thereunder; (b) the compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and (c) the monies received under the offer shall be used only for the purposes and objects indicated in the Offer Letter.	64



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Sr. No.	Particulars	Page No.
	I am authorised by the Board of Directors of the Company vide resolution number [●] [●] to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association . It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.	



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SECTION 3: RISK FACTORS

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential investors should carefully consider all the risk factors in this Information Memorandum and/or the Private Placement Offer Cum Application Letter for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but do not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this Information Memorandum and/or the Private Placement Offer Cum Application Letter and reach their own views prior to making any investment decision.

3.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

3.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

3.3 CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the Rating Agency may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on revaluation of their investment or may need to make provisions towards sub-standard/ non-performing investment as per their usual norms.

3.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF NCDS.

All securities where a fixed rate of interest is offered, such as this Issue are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

3.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.



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3.6 ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

3.7 MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

3.8 LEGALITY OF PURCHASE

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

3.9 POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

3.10 RISKS RELATED TO THE BUSINESS OF THE ISSUER

- A. *If the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.*

The Client Loans are secured against hypothecation of stock, receivables and other current assets and the clients of these loans are of the high-risk category. There is uncertainty on the client's ability to fulfil its loan obligations. Such non-performing or low credit quality loans can negatively impact our results of operations.

As on 30th September, 2020, the gross NPA was Rs.23.07 crores on a gross portfolio of Rs. 1901.78 crores.

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of NPAs in its total loan portfolio. The amount of the Issuer's reported non-performing loans may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control. Failure to manage NPAs or effect recoveries will result in operations being adversely affected.

The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount



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of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer's financial condition and results of operations.

B. *The Issuer's business operates through a large number of rural and semi urban branches and is exposed to operational risks including fraud*

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

To mitigate the above risk, the Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

C. *Loans due within two years account for almost all of the Issuer's interest income, and a significant reduction in short term loans may result in a corresponding decrease in its interest income*

A majority of the loans the Issuer issues are due within approximately two years of disbursement. The relatively short-term nature of the Issuer's loans means that the Issuer's long-term interest income stream is less certain than if a portion of its loans were for a longer term. In addition, the Issuer's customers may not obtain new loans from the Issuer upon maturity of their existing loans, particularly if competition increases. The potential instability of the Issuer's interest income could materially and adversely affect the Issuer's results of operations and financial position.

The loans given by the issuer are at fixed interest rate, and the tenor of the underlying asset has increased from one year to two year which has provided stability to the portfolio and interest income and has also smoothened operating expense.

D. *The Issuer is exposed to certain political, regulatory and concentration of risks*

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.



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E. *Large scale attrition, especially at the Senior Management level, can make it difficult for the Issuer to manage its business.*

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the microfinance and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

F. *The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees*

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

G. *The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position*

The Issuer maintains insurance coverage of the type and in the amounts that it believes are commensurate with its operations and other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations.

H. *Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.*

NBFCs in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC pursuant to Section 45-IA of the RBI Act, 1934. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. Additionally, RBI has issued detailed directions on prudential norms *inter alia* prescribing



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guidelines on income recognition, asset classification and provisioning requirements applicable to NBFCs, exposure norms, disclosures in the balance sheet, requirement of capital adequacy, restrictions on investments in land and building and unquoted shares besides others. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled, and it shall not be able to carry on such activities. If the Issuer fails to comply with any directions issued applicable on NBFCs and fails to maintain the status of NBFC it may attract penal provisions under the RBI Act, 1934 for non-compliance. The penal action can also result in RBI cancelling the certificate of registration issued to the NBFC.



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SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the FY ended 31st March, 2020 are set out in **Annexure IV** hereto.



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SECTION 5: REGULATORY DISCLOSURES

The Information Memorandum is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required as per *Schedule I* of the SEBI Debt Listing Regulations.

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted to BSE:

- A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- B. Copy of last 3 (three) years audited Annual Reports;
- C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- D. Certified true copy of the Resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on November 28, 2020 authorizing the issue/offer of Debentures by the Company;
- E. Certified true copy of the resolution passed by the Borrowing Committee of the Board of Directors in its meeting held on December, 2020 authorizing the borrowing and list of Authorized Signatories;
- F. Certified true copy of the Resolution passed by the Company at the Annual General Meeting held on September 28, 2018 authorising the Company to borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR 30,000,000,000/- (Rupees Three Thousand Crores Only);
- G. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed, within 4 (Four) working days of execution of the same; and
- H. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

5.2 Documents Submitted to Debenture Trustee

The following documents have been/shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the allotment of the Debentures:

- A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- B. Copy of last 3 (three) years audited annual reports;
- C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- D. Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any.
- E. An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (D) above to the Debenture Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred and Eighty) calendar days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' and other existing debenture-holders within 2 (two) working days of their specific request.



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5.3 Name and Address of Registered Office of the Issuer

Name:	Madura Micro Finance Limited
Registered Office of Issuer:	No. 36, II Main Road Kasturba Nagar, Adyar, Chennai, Tamil Nadu 600020, India
Corporate Office of Issuer:	No. 634, Karumuttu Centre, 6th Floor, Anna Salai, Nandanam, Chennai – 600035
Compliance Officer of Issuer:	Mr. V Balakrishnan
CFO of Issuer:	Mr. V Balakrishnan
Registration Number:	N – 07-00754
Corporate Identification Number:	U65929TN2005PLC057390
Phone No.:	(+91) - 44 4683 8939
Fax No:	-
Contact Person:	Mr. V Balakrishnan, Chief Financial Officer
Email:	balki@mmfl.in, secretarial@mmfl.in
Website of Issuer:	https://maduramicrofinance.com
Name and address of auditors of the Issuer:	PKF Sridhar & Santhanam LLP KRD GEE GEE Crystal, 7th Floor, R.K. Salai, Chennai 600004
Name and address of trustee to the Issue:	Catalyst Trusteeship Limited Address: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400098 India
Name and address of registrar to the Issue:	Bigshare Services Private Limited Mr. Nitin Bohra, Vice President – Business Development E-2/3, Ansa Industrial Estate Saki Vihar Road Saki Naka Andheri (East) Mumbai 400 072
Name and address of credit rating agency of the Issue	ICRA Limited Address: 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110 001

5.4 A brief summary of business / activities of the Issuer and its line of business**A. Overview**

Madura Micro finance was founded in 2006. The lending model has its origins at the former Bank of Madura where beginning in 1995, the late Dr. K.M. Thiagarajan, as Chairman and CEO, experimented with a new model of SHG training and lending as a means to create a sustainable profit based model of rural lending. The goal was to develop a system that could bring infusions of low-interest capital into rural areas on a scale that would be untenable for non-profit organizations. We carry forward these goals and legacy in our mission.



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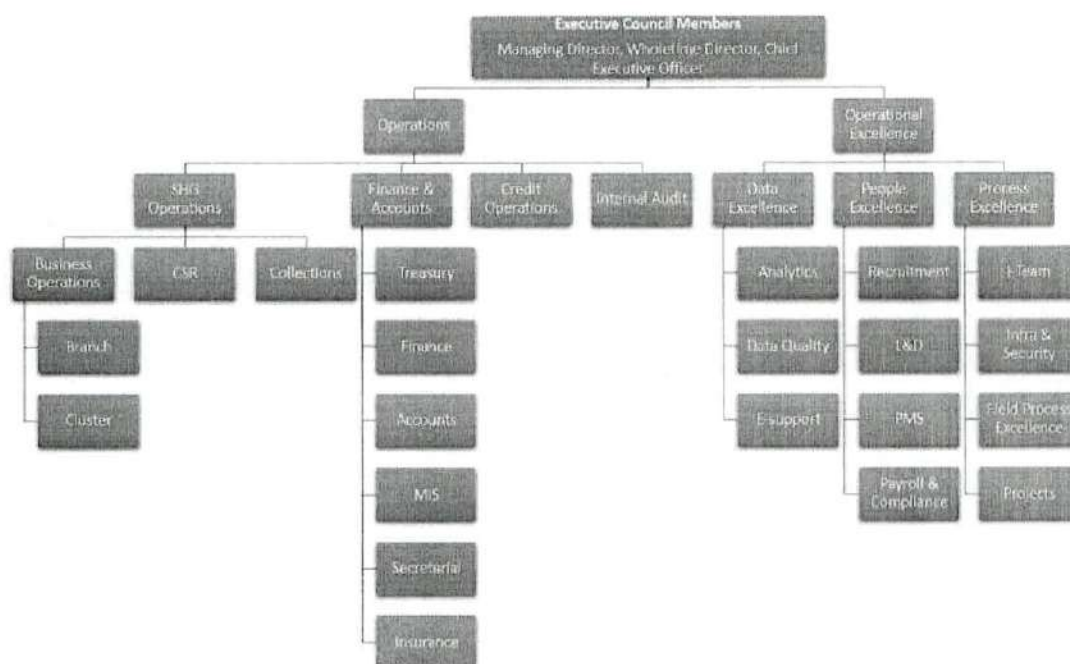
Business Segments

The Group loan product begins with an Entry Level Loan (ELL), which progresses to an Activity Term Loan (ATL) of higher amount once credit history is established. Our individual loans are primarily targeted at retailers with small shops.

Industry Overview

Over the years, micro finance institutions (MFIs) have been providing small-scale loans and financial services to individuals primarily in rural areas that have traditionally been excluded from the formal financial system due to multiple constraints, including geographical presence, unavailability of financial history, etc. MFIs currently operate across 601 districts of 36 states and union territories in India. Total 169 microfinance entities have reached out to 5.64 crore borrowers, by-far the largest in any country across the world. This group comprises NBFC-MFIs, NBFCs, Banks, SFBs, and other non-profit entities. As of 31st December 2019, NBFC-MFIs accounted for 31% of microfinance lending. The overall size of the microfinance sector, including the self-help groups (SHGs) bank linkage programme, in terms of Gross Loan Portfolio (GLP) is Rs 3.1 lakh crore as on 31st December, 2019. Over the last few years Indian microfinance institutions that are organized as NBFC-MFIs and operating in remote rural areas of India have emerged as effective financial intermediaries offering an alternative to the inaccessible formal financial institutions. Most of NBFC-MFIs received funding and growth capital from banks, have demonstrated commendable scale, sustainability and impact.

Many NBFC-MFIs have received a good quantum of capital till Q3 of FY2020 in the form of both debt and equity. Almost all NBFC-MFIs (less than INR 1000 crores of assets under management) have been consistent in their growth, maintaining excellent portfolio quality till Q3 FY2020.

B. Corporate Structure/Organization Structure

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C. Brief profile of the Board of Directors of the Issuer

Board Of Directors		
Name	Designation	Experience
Tara Thiagarajan	Managing Director	Tara brings with her the keen mind of a scientist, with specialization in neuroscience and complex system. She has an interest in the application of cutting-edge science towards evolved human economic systems. At Madura, Dr Thiagarajan is focused on creating structures with the organization for intelligent capital delivery into the informal economy. This includes building a data excellence framework and a research driven analytical platform to expand product opportunities, manage risk and enhance cost efficiency. She has a B.A. in Mathematics from Brandeis University, an MBA from the Kellogg School of Management at Northwestern University and a Ph.D. in Neuroscience from Stanford University. She has also been a postdoctoral scientist at the Center for Critical Brain Dynamics at the NIH and was a visiting Scientist at the National Center for Biological Sciences in Bangalore. She is a frequent Op-ed contributor to various publications including The Economic Times, Business Line and Entrepreneur magazine. Her publications can be found at www.ofmindandmoney.com .
N.C. Sarabeswaran	Independent Director	N.C. Sarabeswaran is a senior partner with the well-established audit firm Jagannath & Sarabeswaran in Chennai and currently serves on the board of GMR Energy Limited and Road Sector Companies of the GMR group where he is also Chairman of the Audit Committee. He has previously held board positions in a number of banks including the Vysya Bank and the Tamil Nadu Mercantile Bank, both as an RBI nominee and in an independent capacity. Sarabeswaran is the past President of Indo- Australian Chamber of Commerce, a bi-national Chamber headquartered in Chennai. He is also the primary Trustee of Veda Pati Nidhi Trust, a 25 year old Trust supporting more than two hundred old, indigent Pandits and runs two other family Trusts catering to needs of the underprivileged. This financial acumen is the value he adds to the Madura team.
Udaya Kumar Hebbar	Non-Executive Director	Udaya holds a bachelor's degree in commerce from the University of Mysore and a master's degree in commerce from Karnatak University, Dharwad. He is a certificated associate from the Indian Institute of Bankers and holds a diploma from Vanderbilt University. He has served as the Head, Commercial and Banking Operations at Barclays Bank PLC, Mumbai for three years. He also served at Corporation Bank for a period of over 10 years. He was also associated with ICICI Bank for over 11 years.
Diwakar B R	Non-Executive Director	Diwakar holds a Masters' degree in Commerce from Osmania University. He is a Junior Associate of Indian Institute of Banking and Finance and has also completed the Licentiate level examination from the Insurance Institute of India. He has more than 25 years of experience in the financial services sector. Prior to joining our Company in October 2011, he worked with Small Industries Development Bank of India, ICICI Bank Limited and at ACCION International. His prior work experience also includes a five-year stint with Life Insurance Corporation of India and around three years with IFMR Capital Finance Private Limited.
Mohan Eddy	Whole-time Director	Mohan is the enterprise architect with extensive experience in creating flourishing enterprises from the ground level up, across verticals from manufacturing to technology. The Enterprise Technology consulting practice that he recently built recently scaled to \$200 MM in revenues and is now part of Tech Mahindra. This is the legacy he brings to Madura. He employs this in-depth insight into leading Madura's transformation into a next generation intelligent enterprise. His expertise lies in engineering and enabling high performance teams that can join the organization in its quest to achieve excellence. Mohan's satisfaction comes from empowering and enabling human potential with training, technology and systems, and in



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Board Of Directors		
Name	Designation	Experience
		expanding opportunity for large numbers of people. Mohan is also a gadget and technology buff and keeps us all on our toes with the latest and greatest. He holds a B.E in Mechanical Engineering from the College of Engineering in Guindy and a Post Graduate Diploma in Management from IIM Calcutta.
George Joseph	Independent Director	George holds a bachelor's degree in commerce from the University of Kerala. He is a certificated associate of the Indian Institute of Bankers. He has also completed a banking diploma from the Institute of Bankers, London and is an associate of the same. He retired as Chairman and Managing Director of Syndicate Bank. He was associated with Canara Bank for a period of over 36 years and resigned as General Manager in 2006. He serves as a director on the boards of Wonderla Holidays Limited, Muthoot Asset Management Private Limited and CreditAccess Grameen Limited.
Manoj Kumar	Independent Director	Manoj Kumar has been an entrepreneur, investor, as well as a corporate leader with over three decades of experience in banking and financial technologies space. He has advised and invested in several fintech businesses and early state software start-ups in India and played leadership roles in the areas of Corporate Strategy, M&A, Product Management and R&D. He is also a senior advisor to Tata Trusts to promote innovation and entrepreneurship in India.
Paolo Bricchetti	Non-Executive Director	Paolo has completed a course on international business at City of London Polytechnic. He is also the Founder, Chief Executive Officer and sole Executive Director of CAA since March, 2017. He was the Chief Executive Officer of CTM Altromercato Soc. Coop for a period of nine years. He serves as a director on the boards of CAA, PT Konsultasi Mikro Ventura, PT Bina Artha Ventura, CreditAccess Philippines Financing Company Inc., Holfinbi Limited and CAA Vietnam Trading Company Limited.

D. Brief profile of the Senior Management of the Issuer

Name	Designation	Experience
M. Narayanan	Chief Executive Officer	Narayanan has led operations at Madura since inception and is focused on ensuring productive branch operations coupled with cost-efficient fund flow. Narayanan comes with 25 years of experience in the banking industry where he has held key positions as Head of Treasury at Bank of Madura and Head of Treasury at the GMR Group, Bangalore. His earlier career led him through a variety of significant roles at Bank of Madura including Head of Mumbai – Main, the largest branch of the bank, and AGM of Cash Management Services, Merchant Banking and Corporate Banking. He was also an active member of various committees including Strategic Planning, Investment, Forex and ALCO. Following the merger of Bank of Madura with ICICI Bank he took on the role of VP of Corporate Banking. He has also worked briefly at Union Bank of California and at ING Vysya Bank. He is a Certified Associate of Indian Institute of Bankers (CAIIB).
V. Balakrishnan	Chief Financial Officer	Balakrishnan has more than 2 decades of extensive experience across various sectors including Financial Services. Prior to Madura, he was Senior Vice President at OPC Asset Solutions where he managed the Southern market for the company in providing solutions for several blue chip clients. At Veda Corp Advisors, he handled varied investment banking assignments. As CFO and Company Secretary for Ma Foi Management Consultants for over 7 years, he was a key member of the management team during a phase of rapid growth in the company. Balakrishnan is a Chartered Accountant, Company Secretary and a Grad CWA.



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Name	Designation	Experience
Rajeev Sundaresan	Advisor – Business Transformation	<p>Rajeev drives business transformation at Madura and is responsible for aligning the vision of the Company with the business processes and technology roadmap.</p> <p>In a career spanning more than three decades, Rajeev consulted and worked with companies globally in North America, Europe, Middle East and Australia. His experience spreads across industry verticals like Banking, Financial Services, Manufacturing, Consumer Product Goods, Automotive and Energy. Prior to Madura, Rajeev led a business unit of a leading IT major with full P&L responsibility.</p> <p>Rajeev is a Chartered Accountant and has passed the CISA exam from the USA.</p>
D Ravi Kumar	Sr. Vice President, Group Lending	<p>Ravi Kumar heads the SHG lending operations at Madura where he spearheads branch operations and expansion. His expertise is in strategic planning as well as execution of sales and marketing plans. He comes with over two decades of experience in sales & marketing, business development and channel management in the financial services industry. He has worked previously with Chola Mandalam DBS Finance in the Vehicle Finance business and later at Equitas Finance where he handled multiple roles in Micro Finance, Vehicle Finance and LAP. Most recently he was the Regional Business head – South of Tata Motors Finance Solutions.</p> <p>Ravi Kumar is a B.Sc. graduate from Regional College of Education – Mysore and has an MBA (Marketing & Finance) from University of Madras.</p>
Rajiv R G	Vice President, Process Excellence	<p>Rajiv spearheads the development, implementation and management of processes at Madura to ensure cutting-edge automation to drive speed, productivity, risk mitigation and flexible product introduction. Rajiv comes with over two decades of experience in Supply Chain, Operations, IT Strategy & Digital Transformation at various multinational companies including DXC, CSC, Cognizant, Ramco and L&T where he has handled large global engagements and enterprise technology projects. He has also authored many concept papers which have been published and awarded in global forums.</p> <p>He has an MBA in Marketing and a BE in Mechanical Engineering.</p>
Rajeshwari Ragav	Assistant Vice President, Data Excellence	<p>Rajeshwari is focused on building Madura's data and research frameworks to ensure an efficient and accurate data supply chain for rapid decision making at all levels of the organization. She comes with over seventeen years of experience in customer insights and analytics across several industries including Financial Services, Consumer Goods and Services, Auto, Apparel, and Retail. Her domain experience spans customer segmentation and market sizing, new product development and market testing, brand monitoring, and customer data integration. She has worked previously with several organizations including The Nielsen Company, TNS, IMRB and Titan Industries.</p> <p>She holds an MBA in Mass Communication and Marketing and B.A. in Economics.</p>
Rajeena Thomas	Assistant Vice President, People Excellence	<p>Rajeena manages Madura's people operations with a strong focus on building recruitment pipelines, employee engagement and development of the field staff capacity for high performance. Prior to Madura, she spent over twelve years in human resources in at L&T Finance and Thermax where she developed expertise in partnering with business units to deliver on the people agenda of the organization. Her experience spans talent management, performance and career management, organizational structure, workforce planning and running HR operations.</p> <p>She has an MBA in Human Resources Management from Pune University.</p>



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Name	Designation	Experience
Mr. Samuel Mathews	AVP – Finance & Accounts	Samuel manages all financial reporting at Madura as well as spearheads its ERP transformation and streamlining of finance and accounting processes. He is a Chartered Accountant with core finance and accounts experience across various segments of the financial services sector, including share and commodity broking, life insurance and gold loan financing at Geojit group, HDFC Life and Muthoot Mini group. He has a Masters in Business Finance from the Institute of Chartered Accountants of India

E. Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis.

Rs. Crores

Parameters	Audited	Audited	Audited	Audited
	30-Sep-20	31-Mar-20	31-Mar-19	31-Mar-18
Net worth	419.35	401.59	321.97	236.44
Total Debt	1,649.62	1,710.63	1,724.57	1,002.93
Non current maturities of long term Borrowings	508.74	625.65	772.67	491.91
short term borrowings	972.84	1,027.86	888.84	479.75
Current maturities of long term Borrowings	168.04	57.12	63.05	31.27
Net Fixed Assets	7.38	9.1	5.82	4
Non-Current Assets	538.04	769.16	598.72	411.5
Cash and Cash equivalents	193.41	137.15	194.6	89.74
Current investments	50.78	45.36	10.34	0.32
Current Assets	1,560.40	1,379.38	1,473.24	851.63
Current liabilities	1,171.80	1,117.91	9,732.03	529.29
Assets Under Management	2,008.90	2,109.58	1,956.90	1,181.81
Off balance sheet assets	98.69	257.43	235.46	80.98
Interest Income	210.97	454.95	368.86	213.04
Interest Expense	93.11	195.39	149.76	89.4
Provisioning for loan portfolio	82.04	42.33	30.07	22.73
PAT	17.80	79.84	85.52	39.83
Gross NPA (%)	1.21%	1.61%	0.91%	0.52%
Net NPA (%)	-3.24%	0.59%	0.36%	-0.48%
Tier I Capital Adequacy Ratio (%)	20.96%	19.53%	16.63%	21.00%
Tier II Capital Adequacy Ratio (%)	4.04%	3.48%	2.82%	4.70%

Gross Debt: Equity Ratio of the Company

Before the issue of debt securities	4.08
After the issue of debt securities	4.12

F. Project cost and means of financing, in case of funding new projects: N.A.



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G. Remuneration of Directors.

Director	FY 20-21 (Q1)	FY 19-20	FY 18-19
Tara Thiagarajan	-	-	-
F S Mohan Eddy	-	-	-
George Joseph	3,95,000.00	-	-
Paolo Brichetti	2,45,000.00	-	-
N.C. Sarabeswaran	3,50,000.00	9,75,000.00	1200000.00
Ram Diwakar Boddupalli	2,60,000.00	-	-
Manoj Kumar	3,15,000.00	-	-
Udaya Kumar Hebbar	2,60,000.00	-	-
Sandeep Marian Francis	-	-	-
Rajasekar Ramaraj	-	9,50,000.00	850000.00
Ashok Mirza	-	5,25,000.00	800000.00
Puneet Agrawal	-	-	-
Siva Kameswari	-	9,50,000.00	1200000.00
Kavitha Vijay	-	9,75,000.00	350000.00

5.5 A Brief history of Issuer since its incorporation giving details of its following activities

A. Details of share capital as on last quarter end (being September 30, 2020):	
Share Capital	Rs.
Authorised Share Capital	
1,00,00,000 Equity Shares of Rs. 10 each	10,00,00,000
TOTAL	10,00,00,000
Issued, Subscribed and Fully Paid- up	
71,94,761 Equity shares of Rs. 10 each	7,19,47,610
TOTAL	7,19,47,610

B. Changes in its capital structure as on last quarter end (being September 30, 2020), for the last five years:		
Date of change (AGM/ EGM)	Rs.	Particulars of change in authorized share capital
NIL	NA	NA



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C. Equity Share Capital History of the Company as on last quarter end i.e. September 30, 2020, for the last five years:

Date of Allotment	Name of Investor	No of Equity Shares	Face Value (in Rs)	Issue Price (Rs.)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative Paid Up Capital		
							No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs in Crore)
15.6.2017	A.V.Thomas & Co. Ltd	3,04,433	10	492.72	15,00,00,228	Private Placement	3,04,433	0.30	14.70
15.6.2017	Midland Rubber & Produce Co. Limited	1,92,807	10	492.72	9,49,99,865	Private Placement	1,92,807	0.19	9.30
30.9.2016	A.V.Thomas & Co. Ltd	8,55,002	10	350.88	30,00,00,090	Private Placement	8,55,002	0.85	29.15
30.9.2016	Midland Rubber & Produce Co. Limited	2,85,002	10	350.88	10,00,00,090	Private Placement	2,85,002	0.28	9.71
15.6.2017	A.V.Thomas & Co. Ltd	3,04,433	10	492.72	15,00,00,228	Private Placement	3,04,433	0.30	14.70
15.6.2017	Midland Rubber & Produce Co. Limited	1,92,807	10	492.72	9,49,99,865	Private Placement	1,92,807	0.19	9.30

The Company has not issued any Equity Shares during the Financial Year 2019-20 as well as during the Half Year ended September 2020.

Notes, if any: N.A.

D. Details of any Acquisition or Amalgamation in the last 1 (one) year:

Pursuant to the execution of Share Purchase Agreements dated November 27, 2019 by the Promoters, KMP, Major Shareholders and others, 76.08% of the paid-up Capital of the Company have been acquired by M/s CreditAccess Grameen Limited (CAGL), Bangalore, a Non-Banking Financial Company. Consequently, effective March 18, 2020, your Company has become a Subsidiary of CAGL.

The Company have approved a Scheme of Amalgamation of the Company with M/s CreditAccess Grameen Limited (CAGL), Transferee Company, effective March 2, 2020 under Section 230 to 232 of the Companies Act, 2013, subject to obtaining the necessary approvals from the Shareholders, Reserve Bank of India, Securities Exchange Board of India, National Company Law Tribunal, Lending Institutions and others.

E. Details of any Reorganization or Reconstruction in the last 1 (one) year:

There has been no reorganization or reconstruction in the last 1 (one) year.

5.6 Details of the shareholding of the Company as on last quarter end (i.e. September 30, 2020)**A. Shareholding pattern of the Company as on last quarter end (i.e. September 30, 2020):**

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Total Shareholding as % of total no of equity shares	Number of shares held in Demat Form
1	Dr. Tara Thiagarajan	Equity	8,99,345	12.50	8,99,345
2	Mr. M Narayanan	Equity	3,97,683	5.53	3,97,683
3	M/s. CreditAccess Grameen Limited	Equity	54,73,975	76.08	54,73,975
4	Mr.Mohan Eddy	Equity	1,95,494	2.72	1,95,494



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5	Public (Including Employees)	Equity	1,71,871	2.39	1,71,871
6	Madura Employees Welfare Trust	Equity	56,393	0.78	56,393

Notes: Shares pledged or encumbered by the promoters (if any): None

B. List of top 10 holders of equity shares of the Company as on last quarter end (i.e. September 30, 2020):

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form
1	Dr.Tara Thiagarajan	Equity	8,99,345	12.50	8,99,345
2	Mr. M Narayanan	Equity	3,97,683	5.53	3,97,683
3	M/s. CreditAccess Grameen Limited	Equity	54,73,975	76.08	54,73,975
4	Mr.Mohan Eddy	Equity	1,95,494	2.72	1,95,494
5	Public (Including Employees)	Equity	1,71,871	2.39	1,71,871
6	Madura Employees Welfare Trust	Equity	56,393	0.78	56,393

5.7 Following details regarding the directors of the Company:**A. Details of current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors:

S. No.	Name of the Directors	Designation	Date of Birth/Age	Address	DIN	PAN	Director of the company since	Details of other directorship
1	Tara Thiagarajan	Managing Director	2.12.1971	10,Bishop Garden,Greenways Road,Chennai 600 028	02057039	ACSPT7566Q	1.9.2007	(i) RSA Finance & Investment Private Limited (ii) Scimergent Analytics & Education Private Limited (iii) Madura Micro Education Private Limited (iv) Scisphere Analytics India Private Limited
2	George Joseph	Independent Director	26.4.1949	Melazhakath Arakkulam Idukki Kerala 685591	00253754	AETPJ6685F	18.3.2020	i) Wonderla Holidays Limited ii) CreditAccess Grameen Limited iii) Muthoot Asset Management Private Limited
3	Paolo Brichetti	Non-Executive Director	29.1.1964	Nieuwezijds Voorburgwal 254 A, 1012 RS IN Amsterdam Netherlands 1012	01908040	ATDPB2727P	18.3.2020	i) MV Microfin Private Limited ii) CreditAccess Grameen Limited iii) Spark Alternative Asset Advisors India Private Limited
4	Mr.N.C.Sarabeswaran	Independent Director	7.5.1944	No 27,Papanasam Sivan Salai, Palace Road, Chennai 600004	00167868	AFJPS1577A	16.3.2006	(i) R. Subbaraman & Co (P) Limited (ii) GMR Infrastructure Limited (iii) GMR Hyderabad International Airport Limited (iv) Delhi International Airport Private Limited (v) GMR Airports Limited



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5.	Udaya Kumar Hebbar	Non-Executive Director	1.6.1960	#1001/C-2 South City Apartment, Bannerghatta Road, Arekere Mico layout, Bangalore Karnataka 560076	072352 26	AABPN893 1G	18.3.2020	i) CreditAccess Grameen Limited ii) Alpha Micro Finance Consultants Private Limited
6	Mr.F S Mohan eddy	Whole Time Director	18.2.1950	10/1 Ritherdon Road, Vepery, Chennai 600007	016331 83	AHFBPM034 1L	19.12.2013	(i) Neelamalai Agro Industries Limited (ii) Scimergent Analytics & Education Private Limited (iii) Madura Micro Education Private Limited (iv) Scisphre Analytics India Private Limited
7	Diwakar B R	Non-Executive Director	19.8.1970	G-1004 Mantri Tranquil Apartment Kanakapura Road, Gubbalala, Bangalore South, Karnataka 560061	027756 40	ABZPD3373 R	18.3.2020	i) MV Microfin Private Limited ii) CreditAccess Grameen Limited
8	Manoj Kumar	Independent Director	25.12.1964	NO. 180, Adarsh Palm Retreat 1st Phase, Outer Ring Road, Devarabisa nahalli Bangalore 560103	029246 75	AEQPK0163 C	18.3.2020	i) CreditAccess Grameen Limited ii) Centre For Cellular and Molecular Platforms iii) Malgharia Advisors Private Limited iv) Foundation For Innovation and Social Entrepreneurship v) Confluence For Health Action and Transformation Foundation vi) Kanpur Flowercycling Private Limited vii) Foundation For Innovation & Research in Science & Technology viii) Sustain Plus Energy Foundation ix) VVR Capital Advisors Private Limited x) UOFT India Foundation

Names of the current directors of the Issuer who are appearing in the RBI defaulter list and/or ECGC default list, if any: None

B. Details of change in directors since last three years:

Name	Designation	DIN	Date of Appointment	Date of Resignation	Remarks
Siva Kameswari Vissa	Independent Director	02336249	28/07/2016	18/03/2020	NIL
Ajit Thomas	Director	00018691	12/10/2016	18/03/2020	NIL
R. Ramaraj	Director	00090279	02/09/2005	18/03/2020	NIL
Kavitha Vijay	Independent Director	01047261	03/11/2018	18/03/2020	NIL



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Ashok Mirza	Director	00541094	02/09/2005	18/03/2020	NIL
Sandeep Farias	Director	00036043	24/09/2008	20/11/2019	NIL
George Joseph	Independent Director	00253754	18/03/2020	NA	NIL
Udaya Kumar Hebbar	Director	07235226	18/03/2020	NA	NIL
Paolo Brichetti	Director	01908040	18/03/2020	NA	NIL
Diwakar B R	Director	02775640	18/03/2020	NA	NIL
Manoj Kumar	Independent Director	02924675	18/03/2020	NA	NIL

5.8 Following details regarding the auditors of the Company:**A. Details of the auditor of the Company:**

Name	Address	Auditor since
PKF Sridhar & Santhanam LLP	KRD GEE GEE Crystal, 7th Floor, R.K. Salai, Chennai 600004	28 th Sep 2017

B. Details of change in auditors since last three years:

Name	Address	Date of Appointment/Resignation	Auditor of the Company since (in case of resignation)	Remarks
N.A.	N.A.	N.A.	N.A.	N.A.

5.9 Details of borrowings of the Company, as on latest quarter end i.e. 30th Sep 2020:**A. Details of Secured Loan Facilities as on 30th Sep 2020**

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date/Schedule	Security	
					Primary (book debt hypothecation)	% of cash collateral
Axis Bank	Banks	43.00	23.25	Quarterly	110.00%	5%
Bajaj Capital Finance	NBFC	25.00	15.62	Monthly	110.00%	Nil
Bandhan Bank Ltd.	Banks	110.00	63.90	Monthly	105.00%	Nil
Bandhan Bank Ltd.	Banks	120.00	63.43	Quarterly	105.00%	Nil
Bank of Baroda	Banks	50.00	45.45	Monthly	111.00%	Nil
BNP Paribas Bank	Banks	50.00	25.00	Quarterly	100.00%	5%
Catholic Syrian Bank	Banks	35.00	41.51	Monthly	110.00%	Nil



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City Union Bank	Banks	5.00	2.72	Monthly	110.00%	Nil
City Union Bank	Banks	3.00	0.68	Monthly	125.00%	Nil
Development Credit Bank	Banks	20.00	9.99	Monthly	105.00%	5%
Dhanalakshmi Bank	Banks	55.00	24.19	Monthly	110.00%	Nil
Equitas Small Finance Bank	Banks	68.00	45.41	Monthly	110.00%	Nil
Federal Bank	Banks	75.00	48.89	Monthly	110.00%	Nil
Hero Fin Corp	NBFC	45.00	22.61	Monthly	110.00%	Nil
Hinduja Leyland Finance Ltd.	NBFC	20.00	3.79	Monthly	110.00%	Nil
IDFC	Banks	40.00	40.00	Monthly	110.00%	Nil
IDFC	Banks	90.00	36.25	Monthly	100.00%	3%
Indian Bank	Banks	30.00	10.93	Monthly	110.00%	5%
Kotak Mahindra Bank	Banks	25.00	14.52	Monthly	110.00%	Nil
Kotak Mahindra Bank	Banks	40.00	3.38	Monthly	105.00%	5%
Lakshmi Vilas Bank	Banks	24.00	18.55	Monthly	110.00%	5%
Mahindra and Mahindra Finance Ltd.	NBFC	40.00	1.93	Monthly	110.00%	Nil
Mudra	Financial Institutions	50.00	30.35	Monthly	100.00%	5%
Mudra	Financial Institutions	40.00	14.59	Monthly	100.00%	10%
NABARD	Financial Institutions	80.00	13.20	Half Yearly	117.50%	Nil
NABARD	Financial Institutions	100.00	23.00	Half Yearly	118.00%	Nil
NABARD	Financial Institutions	60.00	24.00	Half Yearly	118.33%	Nil
NABARD	Financial Institutions	60.00	15.25	Half Yearly	120.00%	Nil
NABARD	Financial Institutions	100.00	100.00	Half Yearly	118.00%	10%
NABARD	Financial Institutions	50.00	38.75	Quarterly	118.00%	Nil
NABKISAN	NBFC	25.00	16.44	Quarterly	110.00%	Nil
Nabsamruddhi Finance Ltd.	NBFC	12.00	6.10	Quarterly	110.00%	5%
RBL Bank	Banks	45.00	11.59	Monthly	110.00%	5%



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SIDBI	Financial Institutions	100.00	60.00	Monthly	100.00%	5%
SIDBI	Financial Institutions	40.00	10.52	Monthly	100.00%	10%
SIDBI	Financial Institutions	75.00	52.50	Monthly	110.00%	Nil
South Indian Bank	Banks	10.00	2.81	Quarterly	111.00%	Nil
Standard Chartered Bank	Banks	160.00	100.00	Bullet	110.00%	Nil
State Bank of India	Banks	50.00	48.13	Monthly	110.00%	Nil
State Bank of India	Banks	50.00	71.02	Monthly	120.00%	Nil
Sundaram Finance	NBFC	30.00	7.49	Monthly	115.00%	Nil
Sundaram Finance	NBFC	25.00	23.23	Monthly	118.00%	Nil
Suroyday Bank	Banks	20.00	20.00	Monthly	110.00%	Nil
Tata Capital	NBFC	13.50	11.06	Monthly	110.00%	Nil
Union Bank of India	Banks	40.00	32.24	Monthly	110.00%	5%
Woori Bank	Banks	28.00	12.83	Monthly	110.00%	Nil

B. Details of Unsecured Loan Facilities as on 30th September, 2020:

Lender's Name	Type of Facility	Amount sanctioned	Principal Amount O/S	Repayment Date/Schedule
Maanaveeya	Subordinated Liabilities-Term Loan	25.00	25.00	Bullet
Northern Arc	NBFC	50.00	50.00	Monthly

C. Details of non-convertible debentures as on last quarter end i.e. 30th Sep 2020:

Debenture Series	Tenor/Period of Maturity (in Months)	Coupon	Amount (in Cr)	Date of allotment	Redemption Date/Schedule	Credit Rating	Secured/Unsecured	Security
1140MMFL20	36	11.40%	33.00	05-Dec-2017	05-Dec-2020	[CAR E BBB+]	Secured	Book Debts / Immoveable Property
NCD_AAV SABL-USD	42	11.00%	18.00	02-Nov-2019	13-May-2023	[CAR E BBB+]	Secured	Book Debts / Immoveable Property



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Debenture Series	Tenor/ Period of Maturit y (in Months)	Coupon	Amount (in Cr)	Date of allotment	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
114MMFL20	28	11.40%	25.00	30-Aug-2018	31-Dec-2020	[CAR E BBB+]	Secured	Book Debts / Immovea ble Property
1050MMFL22	18	10.50%	50.00	17-Aug-2020	17-Feb-2022		Secured	Book Debts / Immovea ble Property
1300MMFL21	18	13.00%	15.00	13-Aug-2020	13-Aug-2021		UnSecured	Book Debts / Immovea ble Property
1425MMFL24	84	14.25%	50.00	30-Mar-2017	29-Mar-2024	[CAR E BBB+]	Unsecured	Book Debts / Immovea ble Property
NCD_Masala Investments Sarl	42	11.00%	18.00	02-Nov-2019	13-May-2023	[CAR E BBB+]	Secured	Book Debts / Immovea ble Property

D. List of Top 10 Debenture Holder(s) as on last quarter end i.e. 30th Sep 2020:

Debenture Series	Tenor/ Period of Maturit y (in Months)	Coupon	Amount (in Cr)	Date of allotment	Redemptio n on Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
NCD_AAV SARL 2	36	11.40%	33.00	05-Dec-2017	05-Dec-2020	[CARE BBB+]	Secured	Book Debts / Immovea ble Property
NCD_AAV SARL-USD	42	11.00%	18.00	02-Nov-2019	13-May-2023	[CARE BBB+]	Secured	Book Debts / Immovea ble Property
NCD_FIMPACT Fund	28	11.40%	25.00	30-Aug-2018	31-Dec-2020	[CARE BBB+]	Secured	Book Debts / Immovea ble Property
NCD_SBI	18	10.50%	50.00	17-Aug-2020	17-Feb-2022		Secured	Book Debts / Immovea ble Property
NCD_IFMR	84	14.25%	50.00	30-Mar-2017	29-Mar-2024	[CARE BBB+]	Unsecured	Book Debts / Immovea ble Property



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NCD_Masala Investments Sarl	42	11.00%	18.00	02-Nov-2019	13-May-2023	[CARE BBB+]	Secured	Book Debts / Immoveable Property
NCD-Northern Arc	12	13.00%	15.00	13-Aug-2020	13-Aug-21		Unsecured	Book Debts / Immoveable Property

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debentures issues) details should be provided

- E. **The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group-company, etc.) on behalf of whom it has been issued. (if any):**

The Company has given a Corporate Guarantee in favour of National Skill Development Centre to its subsidiary to Madura Micro Education Private Limited for a loan and the loan was settled and got closed on 29th March, 2020.

- F. **Details of Commercial Paper (the total Face Value of Commercial Papers Outstanding as on the latest quarter end i.e. September 30, 2020 to be provided and its breakup in following table)**

The Company has not issued any commercial paper as of September 30, 2020

- G. **Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on September, 2020:**

NIL

- H. **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years:**

The Company has not defaulted in payment of any interest or principal of any kind of term loans, debt securities or any other financial indebtedness, including any corporate guarantee issued by the Company, in the past 5 years.

- I. **Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:**

The Issuer does not have any outstanding borrowings/debt securities issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.

5.10 Details of Promoters of the Company:

- A. **Details of Promoter Holding in Company as on latest quarter end, i.e. September 30, 2020:**

Sr No	Name of the shareholders	Total No of Equity shares	No .of shares in Demat form	Total shareholding as % of total no of equity	No of shares Pledged	% of shares pledged with respect to
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				shares		shares owned
1	Dr.Tara Thiagarajan	8,99,345	8,99,345	12.50	NIL	NIL
2.	CreditAccess Grameen Limited	54,73,975	54,73,975	76.08	NIL	NIL
3.	Mr. M. Narayanan	3,97,683	3,97,683	5.53	NIL	NIL

5.11 Abridged version of the Audited Consolidated and Standalone Financial Information (like Profit and Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.

Attribute	FY2020	FY2019	FY2018	FY2017
Capital				
Equity Share Capital	7,19,47,610	7,19,47,610	7,19,47,610	6,69,75,210
Securities Premium Account	83,65,46,586	83,65,46,586	83,65,46,586	59,65,18,893
Reserves & Surplus (Excl. Revaluation Reserve)	3,10,74,53,491	2,30,15,89,599	1,49,62,76,641	1,09,80,04,611
Net worth	4,01,59,47,687	3,21,00,83,795	2,40,47,70,837	1,76,14,98,714
Tangible Net Worth	4,01,59,47,687	3,21,00,83,795	2,40,47,70,837	1,76,14,98,714
Tier 2 Instruments				
Subordinated Debt (Residual Maturity > 3 Years)	74,89,62,906	65,00,00,000	50,00,00,000	50,00,00,000
Tier II Capital (Eligible Instruments)	74,89,63,906	65,00,00,000	50,00,00,000	50,00,00,000
Liabilities				
Other Secured - Long Term Borrowings	16,35,71,99,869	6,94,69,73,279	4,29,80,33,673	2,93,40,68,141
Other Secured - Short Term Borrowings	1,27,625	5,63,20,124	1,88,09,751	51,814
Other Unsecured - Short Term Borrowings	0	0	0	1,11,47,921
Current Maturities of Long-Term Debt (Incl. In Other Current Liabilities)	0	8,17,05,24,673	4,41,15,95,212	3,97,46,63,005
Other Borrowings	16,35,73,27,494	15,17,38,18,076	8,72,84,38,636	6,91,99,30,881
Long Term NPA Provisions	0	0	15,86,82,499	10,20,95,412
Short Term NPA Provisions	0	17,66,11,116	0	0
Provision For Standard Assets (Including Excess Provisions)	48,79,27,424	18,05,09,004	0	0
Loan Loss Provisions	48,79,27,424	35,71,20,120	15,86,82,499	10,20,95,412
Other Long Term Liabilities	1,73,11,423	5,85,736	5,85,736	5,85,736
Sundry Creditors	28,80,85,916	40,02,575	0	0



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Interest Accrued But Not Due	0	10,03,72,868	0	0
Provision For Gratuity And Other Staff Benefits	4,23,32,148	8,04,58,764	0	0
Provision For Taxation (Net)	0	3,11,30,396	0	0
Provision For Contingent Losses & Servicing Costs On Secd Pool	0	1,17,32,401	0	0
Other Current Liabilities	1,54,40,280	28,87,98,446	31,45,96,802	15,37,73,022
Other Provisions	0	2,30,33,465	7,24,03,329	4,60,21,237
Current Liabilities	34,58,58,344	53,95,28,915	38,70,00,131	19,97,94,259
Assets				
Net Tangible Assets (Own; Excl. Revaluation Reserve)	7,49,65,330	4,74,14,722	3,40,19,868	2,09,40,792
Net Intangible Assets (Own)	2,49,63,975	97,14,539	25,03,269	2,75,472
Net Fixed Assets (Own)	9,99,29,305	5,71,29,261	3,65,23,137	2,12,16,264
Deferred Tax Asset	12,23,71,496	10,11,58,774	3,90,40,135	3,22,90,683
Gross Loan Portfolio / Net Soh	20,73,51,47,502	19,57,10,14,652	11,84,22,30,000	8,22,61,66,421
Less: Off-balance Sheet Loans & Soh	98,14,36,000	1,91,02,21,281	68,05,14,403	2,60,56,683
Loan Portfolio (Net Of Off Balance Sheet Items)	19,75,37,11,502	17,66,07,93,371	11,16,17,15,597	8,20,01,09,738
Net Loan Portfolio	19,75,37,11,502	17,66,07,93,371	11,16,17,15,597	8,20,01,09,738
Investments In Subsidiaries	0	1,49,00,000	1,49,00,000	0
Un-quoted Shares - Other Company	0	20,00,000	20,00,000	20,00,000
Liquid Investments (G-sec, Mutual Funds Etc)	45,35,57,324	10,00,19,461	0	5,00,00,000
Total Investments (Gross)	45,35,57,324	11,69,19,461	1,69,00,000	5,20,00,000
Total Investments (Net)	45,35,57,324	11,69,19,461	1,69,00,000	5,20,00,000
Cash And Bank - Others	80,20,49,969	23,52,57,085	61,70,31,766	79,62,28,609
Fixed Deposits (Collateral)	0	1,16,00,00,000	0	0
Fixed Deposits Pledged As Collateral For Off-balance Sheet Assets	0	13,26,74,783	3,99,10,398	0



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FDs Pledged As Collateral Against Loans With Banks	56,94,42,115	39,68,03,687	23,52,15,014	30,68,22,024
Cash And Bank Balances	1,37,14,92,084	1,92,47,35,555	89,21,57,178	1,10,30,50,633
Other Loans And Advances	12,03,50,000	6,29,88,129	0	0
Staff Loans	71,57,720	0	0	0
Other Assets	4,47,65,847	0	3,31,41,791	7,52,37,684
Loans To Related Parties	0	74,12,091	0	0
Other Assets (Total)	17,22,73,567	7,04,00,220	3,31,41,791	7,52,37,684
Total Assets	21,97,33,35,278	19,93,11,36,642	12,17,94,77,838	9,48,39,05,002
Over All				
Total Liabilities & Net Worth	21,97,33,35,278	19,93,11,36,642	12,17,94,77,839	9,48,39,05,002
Assets-liabilities	0	0	1	0

The relevant information is furnished in **Annexure IV** of the Information Memorandum.

5.12 Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors' qualifications, if any:

[Note: Financial information submitted for furnishing/ publishing half yearly or annual results shall be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009, as amended.]

Attribute	H1-FY2021	FY2020	FY2019	FY2018	FY2017
Capital					
Equity Share Capital	7,19,47,610	7,19,47,610	7,19,47,610	7,19,47,610	6,69,75,210
Securities Premium Account	83,65,46,586	83,65,46,586	83,65,46,586	83,65,46,586	59,65,18,893
Reserves & Surplus (Excl. Revaluation Reserve)	3,28,50,28,000	3,10,74,53,491	2,30,15,89,599	1,49,62,76,641	1,09,80,04,611
Net worth	4,19,35,23,000	4,01,59,47,687	3,21,00,83,795	2,40,47,70,837	1,76,14,98,714
Tangible Net Worth	4,19,35,23,000	4,01,59,47,687	3,21,00,83,795	2,40,47,70,837	1,76,14,98,714
Tier 2 Instruments					
Subordinated Debt (Residual Maturity > 3 Years)	78,58,40,000	74,89,62,906	65,00,00,000	50,00,00,000	50,00,00,000



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Tier II Capital (Eligible Instruments)	78,58,40,000	74,89,63,906	65,00,00,000	50,00,00,000	50,00,00,000
Liabilities					
Other Secured - Long Term Borrowings	15,20,39,82,000	16,35,71,99,869	6,94,69,73,279	4,29,80,33,673	2,93,40,68,141
Other Secured - Short Term Borrowings	50,99,000	1,27,625	5,63,20,124	1,88,09,751	51,814
Other Unsecured - Short Term Borrowings	50,12,82,000	-	-	-	1,11,47,921
Current Maturities Of Long Term Debt (Incl. In Other Current Liabilities)		-	8,17,05,24,673	4,41,15,95,212	3,97,46,63,005
Other Borrowings	15,71,03,63,000	16,35,73,27,494	15,17,38,18,076	8,72,84,38,636	6,91,99,30,881
Long Term NPA Provisions	-	-	-	15,86,82,499	10,20,95,412
Short Term NPA Provisions	-	-	17,66,11,116	-	-
Provision For Standard Assets (Including Excess Provisions)	84,32,22,000	48,79,27,424	18,05,09,004	-	-
Loan Loss Provisions	84,32,22,000	48,79,27,424	35,71,20,120	15,86,82,499	10,20,95,412
Other Long Term Liabilities	1,37,14,000	1,73,11,423	5,85,736	5,85,736	5,85,736
Sundry Creditors	21,17,52,000	28,80,85,916	40,02,575	-	-
Interest Accrued But Not Due	-	-	10,03,72,868	-	-
Provision For Gratuity And Other	4,64,89,000	4,23,32,148	8,04,58,764	-	-



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Staff Benefits					
Provision For Taxation (Net)	-	-	3,11,30,396	-	-
Provision For Contingent Losses & Servicing Costs On Secd Pool	-	-	1,17,32,401	-	-
Other Current Liabilities	2,26,70,000	1,54,40,280	28,87,98,446	31,45,96,802	15,37,73,022
Other Provisions		-	2,30,33,465	7,24,03,329	4,60,21,237
Current Liabilities	28,09,11,000	34,58,58,344	53,95,28,915	38,70,00,131	19,97,94,259
Assets					
Net Tangible Assets (Own; Excl. Revaluation Reserve)	6,15,77,000	7,49,65,330	4,74,14,722	3,40,19,868	2,09,40,792
Net Intangible Assets (Own)	1,86,45,000	2,49,63,975	97,14,539	25,03,269	2,75,472
Net Fixed Assets (Own)	8,02,22,000	9,99,29,305	5,71,29,261	3,65,23,137	2,12,16,264
Deferred Tax Asset	13,87,20,000	12,23,71,496	10,11,58,774	3,90,40,135	3,22,90,683
Gross Loan Portfolio / Net Soh	20,02,75,50,787	20,73,51,47,502	19,57,10,14,652	11,84,22,30,000	8,22,61,66,421
Less: Off-balance Sheet Loans & Soh	98,68,90,787	98,14,36,000	1,91,02,21,281	68,05,14,403	2,60,56,683
Loan Portfolio (Net Of Off Balance Sheet Items)	19,04,06,60,000	19,75,37,11,502	17,66,07,93,371	11,16,17,15,597	8,20,01,09,738
Net Loan Portfolio	19,04,06,60,000	19,75,37,11,502	17,66,07,93,371	11,16,17,15,597	8,20,01,09,738
Investments In Subsidiaries	-	-	1,49,00,000	1,49,00,000	-



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Un-quoted Shares - Other Company	-	-	20,00,000	20,00,000	20,00,000
Liquid Investments (G-sec, Mutual Funds Etc)	50,78,19,000	45,35,57,324	10,00,19,461	-	5,00,00,000
Total Investments (Gross)	50,78,19,000	45,35,57,324	11,69,19,461	1,69,00,000	5,20,00,000
Total Investments (Net)	50,78,19,000	45,35,57,324	11,69,19,461	1,69,00,000	5,20,00,000
Cash And Bank - Others	1,28,79,10,000	80,20,49,969	23,52,57,085	61,70,31,766	79,62,28,609
Fixed Deposits (Collateral)	-	-	1,16,00,00,000	-	-
Fixed Deposits Pledged As Collateral For Off-balance Sheet Assets	-	-	13,26,74,783	3,99,10,398	-
FDs Pledged As Collateral Against Loans With Banks	64,61,41,000	56,94,42,115	39,68,03,687	23,52,15,014	30,68,22,024
Cash And Bank Balances	1,93,40,51,000	1,37,14,92,084	1,92,47,35,555	89,21,57,178	1,10,30,50,633
Other Loans And Advances	11,44,08,000	12,03,50,000	6,29,88,129	-	-
Staff Loans	50,01,000	71,57,720	-	-	-
Other Assets	66,92,000	4,47,65,847	-	3,31,41,791	7,52,37,684
Loans To Related Parties	-	-	74,12,091	-	-
Other Assets (Total)	12,61,01,000	17,22,73,567	7,04,00,220	3,31,41,791	7,52,37,684
Total Assets	21,82,75,73,000	21,97,33,35,278	19,93,11,36,642	12,17,94,77,838	9,48,39,05,002
Over All					



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Total Liabilities & Net Worth	21,82,75,73,000	21,97,33,35,278	19,93,11,36,642	12,17,94,77,839	9,48,39,05,002
Assets-liabilities	-	-	-	1	-

5.13 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event, etc.) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

The Issuer hereby declares that there has been no material event, development or change at the time of the Issue from the position as on the date of the last audited financial statements of the Issuer, which may affect the Issue or the investor's decision to invest/continue to invest in the debt securities of the Issuer.

5.14 Names of the Debentures Trustees and Consents thereof

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Information Memorandum and in all the subsequent periodical communications sent to the Debenture Holder(s). The consent letter from Debenture Trustee is provided in **Annexure III** of this Information Memorandum.

5.15 Rating Rationale(s) adopted (not older than one year on the date of opening of the Issue)/ credit rating letter issued (not older than one month on the date of opening of the Issue).

The Rating Agency has assigned ratings of ICRA A- (pronounced as ICRA A minus) to the Debentures. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

Please refer to Annexures II for the credit rating assigned by the Rating Agency and the detailed rating rationale respectively.

Please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time including on the basis of new information.

5.16 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

The Debentures are proposed to be guaranteed by the Guarantor by way of the GOI Guarantee. The GOI Guarantee will be issued in accordance with Rule 280 of the General Financial Rules



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as published by the Ministry of Finance (Department of Expenditure), Government of India from time to time (hereinafter referred to as "GFR") within the timelines that are agreed between the Guarantor and the Debenture Holders, in accordance with the terms of GOI Guidelines and other Applicable Law.

The GOI Guarantee may be invoked by the Debenture Holders upon occurrence of the any event for invocation set out under the GOI Guidelines (including the inability of the Issuer to repay/pay any part of the Outstanding Amounts in respect of the Debentures) in accordance with the procedure set out in the GOI Guidelines.

Subject to the terms of the GOI Guidelines, the GOI Guarantee is a continuing guarantee and may be reviewed on an annual basis in accordance with Rule 281 of the GFR.

Any claims under the GOI Guarantee and/or other reporting requirements in respect of the GOI Guarantee will be done in accordance with the GOI Guidelines.

5.17 Names of all the recognized stock exchanges where the debt securities are proposed to be listed:

The Debentures shall be unlisted at the time of issuance and are proposed to be listed on Wholesale Debt Market segment of BSE within 20 Business Days from the Deemed Date of Allotment. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

5.18 Other details:

A. Debenture Redemption Reserve Creation:

As per Section 71 of the Act, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, at present under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, Non-Banking Financial Companies are exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not presently intend to create any reserve funds for the redemption of the Debentures.

The issuer shall create a recovery expense fund as detailed in SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 October 22, 2020 and inform the Debenture Trustee about the same.

B. Issue / instrument specific regulations:

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the notified rules thereunder, the SEBI Debt Listing Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable RBI guidelines.

C. Application process:




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The application process for the Issue is as provided in SECTION 8: of this Information Memorandum.

5.19 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The contracts and documents referred to hereunder are material to the Issue, and may be inspected at the registered office of the Company between 10.00 am to 4.00 pm on working days.

Sr. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Resolution dated December 2020 passed by the Borrowing Committee of the Board of Directors authorizing issue of Debentures offered under terms of this Disclosure Document.
3	Resolution dated November 28, 2020 passed by the shareholders of the Company authorizing the issue of non-convertible debentures by the Company.
4	Resolution dated September 28, 2018 passed by the shareholders of the Company authorizing the borrowing by the Company.
5	Copies of Annual Reports of the Company for the last three financial years.
6	Letter from the Rating Agency assigning the credit rating for the Issue.
7	Letter from the Debenture Trustee giving its consent to act as Debenture Trustee.
8	Letter from Registrar and Transfer Agent.
9	Certified true copy of the Certificate of Incorporation of the Company.
10	Certified true copy of the Tripartite Agreement between the Company, the Registrar & Transfer Agent and NSDL.
11	Copy of application made/ to be made (if and when applicable) to BSE for grant of in-principle approval for listing of Debentures.
12	Debenture Trustee Agreement dated December, 2020 entered by Madura Micro Finance Limited and Catalyst Trusteeship Limited.
13	Debenture Trust Deed dated December 2020 executed by Madura Micro Finance Limited in favor of Catalyst Trusteeship Limited.
14.	Deed of Hypothecation dated December 2020 executed by Madura Micro Finance Limited in favor of Catalyst Trusteeship Limited.

5.20 Utilization of the Issue Proceeds

The proceeds of the Issuance will be utilized for the following purposes:

- For liquidity mismatch arising due to moratorium extended by the company
- General corporate purposes
- For the ordinary course of business of the Issuer

Issue proceeds will not be used for acquisition of land or for investing in Capital Markets or for the following purposes which are not eligible for bank finance:

1. Bills discounted / rediscounted by the Issuer - except for rediscounting of bills discounted by NBFCs arising from sale of -

(a) commercial vehicles (including light commercial vehicles), and

(b) two wheeler and three wheeler vehicles, subject to the following conditions:

- the bills should have been drawn by the manufacturer on dealers only;
- the bills should represent genuine sale transactions as may be ascertained from the chassis / engine number; and
- before rediscounting the bills, banks should satisfy themselves about the bona fides and track record of NBFCs which have discounted the bills.



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2. Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures.
3. Unsecured loans / inter-corporate deposits by the Issuer to / in any company.
4. All types of loans and advances by the Issuer to their subsidiaries, group companies / entities.
5. Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market.

The proceeds of this Issue shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/other regulatory guidelines

5.21 Issue Details

Issuer	10.11 MMFL 2022
Base Issue Size	Rs.25 crores (Rupees Twenty Five Crore Only)
Option to retain oversubscription	NIL
Type of Instrument	Rated, Listed, Secured, Redeemable, Taxable, Non-Convertible, Debentures
Nature of Instrument/Series	Secured
Issuance Mode	In Demat mode only
Trading Mode	In Demat mode only
Objects of the Issue	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> • For liquidity mismatch arising due to moratorium extended by the company • General corporate purposes • For the ordinary course of business of the Issuer <p>Issue proceeds will not be used for acquisition of land or for investing in Capital Markets or for the following purposes which are not eligible for bank finance:</p> <ol style="list-style-type: none"> 1. Bills discounted / rediscounted by the Issuer - except for rediscounting of bills discounted by NBFCs arising from sale of - <ol style="list-style-type: none"> (a) commercial vehicles (including light commercial vehicles), and (b) two wheeler and three wheeler vehicles, subject to the following conditions: <ul style="list-style-type: none"> • the bills should have been drawn by the manufacturer on dealers only; • the bills should represent genuine sale transactions as may be ascertained from the chassis / engine number; and • before rediscounting the bills, banks should satisfy themselves about the bona fides and track record of NBFCs which have discounted the bills. 2. Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures. 3. Unsecured loans / inter-corporate deposits by the Issuer to / in any company. 4. All types of loans and advances by the Issuer to their subsidiaries, group companies / entities. 5. Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market.



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	<p>The proceeds of this Issue shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/other regulatory guidelines</p>
Utilization of Issue Proceeds	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> • For liquidity mismatch arising due to moratorium extended by the company • General corporate purposes • For the ordinary course of business of the Issuer <p>Issue proceeds will not be used for acquisition of land or for investing in Capital Markets or for the following purposes which are not eligible for bank finance:</p> <ol style="list-style-type: none"> 1. Bills discounted / rediscounted by the Issuer - except for rediscounting of bills discounted by NBFCs arising from sale of - <ol style="list-style-type: none"> (a) commercial vehicles (including light commercial vehicles), and (b) two-wheeler and three wheeler vehicles, subject to the following conditions: <ul style="list-style-type: none"> • the bills should have been drawn by the manufacturer on dealers only; • the bills should represent genuine sale transactions as may be ascertained from the chassis / engine number; and • before rediscounting the bills, banks should satisfy themselves about the bona fides and track record of NBFCs which have discounted the bills. 2. Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures. 3. Unsecured loans / inter-corporate deposits by the Issuer to / in any company. 4. All types of loans and advances by the Issuer to their subsidiaries, group companies / entities. 5. Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market. <p>The proceeds of this Issue shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/other regulatory guidelines</p>
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the	<p>The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables") created pursuant to the deed of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Issuer undertakes:</p> <ul style="list-style-type: none"> • to maintain the value of security at all times equal to 1.10 times or 110% of the aggregate amount of principal outstanding of the NCDs ("Security Cover"). • to replace any slippage in loan receivables specifically charged to Debenture Trustee with standard receivables. Asset coverage ratio will be maintained at 1.10 times at all times during the currency of the NCDs.



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Trust Deed and disclosed in the Offer Document/ Information Memorandum.	<ul style="list-style-type: none"> to create the security over the Hypothecated Assets as contemplated above by executing a duly stamped deed of hypothecation ("Deed of Hypothecation") to provide a list on a monthly basis, of specific loan receivables/identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Monthly Hypothecated Asset Report"). to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10 times or 110% (One Hundred Ten Percent) of the aggregate amount of principal outstanding of the NCDs <p>Eligibility Criteria for the Hypothecated Receivables:</p> <ul style="list-style-type: none"> the receivables are existing at the time of selection and have not been terminated or pre-paid; the receivables have not been restructured or rescheduled all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India; It is clarified that the assets would be 'current' on inclusion and replacement of receivables (to be carried out within 30 calendar days) would be upon becoming NPA (i.e. on crossing 90DPD); Each client loans must satisfy the Issuer's credit and underwriting policies, including credit referencing agency checks where commonly used; Each client loan must be directly originated by the Issuer and not loans purchased from a third party; <p>All loans hypothecated under the deed of hypothecation comply with RBI norms and guidelines</p> <p>Collateral:</p> <ol style="list-style-type: none"> First charge – Hypothecation of other free assets(receivables) owned by the company (present and future). The Company to provide exclusive charge on (specific pool of) receivables for this purpose. In case of NPA of any of the receivables in this pool of other free assets, company will replace those receivables with fresh list of receivables. Second charge on assets charged as security to other lenders (present and future), as available
Seniority	Senior
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Nil
Arranger to the issue	Bank of Baroda for Rs. 25 crores
Mode of Issue	Private Placement



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Listing	Proposed to be listed on the Wholesale Debt Market Segment (WDM) of BSE
Trustees	Catalyst Trusteeship Limited
Credit Rating	[ICRA]A- by ICRA Limited
Credit Enhancement	Nil
Face Value	Rs. 10 Lakhs per Bond
Premium on issue	Nil
Discount on issue	Nil
Issue Price	At par, Rs. 10 Lakhs per Bond
Premium on redemption	Nil
Discount on redemption	Nil
Minimum Application	10 Bonds and in multiples of 1 Bond thereafter
Tenor	18 months from deemed date of allotment
Put Option	None
Put Option Price	Not Applicable
Put Option Date	Not Applicable
Put Notification Time	Not Applicable
Call Option	None
Call Option Price	Not Applicable
Call Option Date	Not Applicable
Call Notification Time	Not Applicable
Coupon Rate	10.11% p.a.
Redemption/ Maturity Amount	At Par
Redemption Date	June 30, 2022
Step Up Coupon Rate	None (please refer rating covenant)
Step Down Coupon Rate	None (please refer rating covenant)
Rating Covenant	<p>In the event the Credit Rating of the Issuer is downgraded, the Coupon shall be increased by 0.25% for every notch of rating downgrade. The step-up coupon is applicable from the date of such downgrade until such event is cured, on the outstanding principal amount and accrued interest, if any, of the Debentures.</p> <p>For the purpose of this clause, if the Issuer is rated by more than one rating agency, then the lowest of the ratings shall be considered.</p> <p>In the event the Credit Rating of the Issuer is upgraded, the Coupon shall be decreased by 0.25% for every notch of rating upgrade, provided the coupon rate cannot go below the initial coupon rate at any time</p> <p>For the purpose of this clause, if the Issuer is rated by more than one rating agency, then the lowest of the ratings shall be considered.</p> <p>In the event of a downgrade in the credit rating of Debentures issued under this facility to BBB- or lower by any rating agency, the Debenture holders would reserve the right to recall the outstanding</p>



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	principal amount on the NCDs (i.e. redemption at par) along with other monies/accrued interest due in respect thereof. Such outstanding amount will be payable within a period of 90 days from the date of such notice of exercise of the right by the Debenture holders	
Coupon Payment Frequency	Quarterly and on Maturity	
Coupon Payment Dates	1st Coupon Date	March 31, 2021
	2 nd Coupon Date	June 30, 2021
	3 rd Coupon Date	September 30, 2021
	4 th Coupon Date	December 31, 2021
	5 th Coupon Date	March 31, 2022
	6 th and Final Coupon Date	June 30, 2022
Coupon Type	Fixed	
Coupon Reset	None	
Day Count Basis	Actual/Actual	
Issue Timing		
1. Issue Opening Date	December 31, 2020	
2. Issue Closing Date	December 31, 2020	
3. Pay-in Date	December 31, 2020	
4. Deemed Date of Allotment	December 31, 2020	
Default Interest Rate	2% (Two percent) over and above the Coupon Rate per annum, for the defaulting period, in the event the Issuer fails to make any payments of Interest and/or principal redemption to the Debenture Holders on their respective due dates.	
Settlement Mode	Payment of interest and repayment of principal shall be made by way of cheque(s)/ credit through RTGS/ Electronic Fund Transfer or any other electronic mode offered by the Banks	
Depositories	NSDL	
Registrar	Bigshare Services Private Limited	
Valuer	Not Applicable	
Business Day Convention	<p>'Business Day' shall be a day on which commercial banks are open for business in the city of Mumbai, Maharashtra and when the money market is functioning in Mumbai. If the date of payment of interest/redemption of principal does not fall on a Business Day, the payment of interest/principal shall be made in accordance with SEBI Circular CIR/IMD/DF-1/122/2016 dated November 11, 2016.</p> <p>If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.</p>	



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	<p>coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.</p> <p>If the redemption date of the Bonds falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the debentures until but excluding the date of such payment.</p>
Record Date	The Record Date shall be 15 Calendar days prior to each coupon payment date / redemption date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	<ol style="list-style-type: none"> 1. Security Creation: If the Company fails to execute the Debenture Trust Deed within three months of the issue closure, the Company shall pay penal interest at the rate of 2.00% p.a. over the Coupon Rate till these conditions are complied with or refund the subscription (ie. redemption at par) along with other monies/accrued interest due in respect thereof, at the option of the Bondholders; 2. Default in Payment: In case of default in payment of interest and/ or principal redemption on the due dates, the Company shall pay additional interest at the rate of 2.00% p.a. over the Coupon Rate for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid. 3. Delay in Listing: The Company shall make listing application to BSE within 4 days from the closure of Issue of the Bonds and obtain listing permission within 4 days from the closure of Issue of Bonds. 4. In case of delay in listing of securities issued on privately placement basis beyond the timelines specified in para 2 above, the issuer shall; <ol style="list-style-type: none"> a. pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing) b. be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchanges. The interest rates mentioned in above covenants shall be independent of each other. <p>In case any of the "Covenants" is breached and continues breached for a period of 30 days from such breach coming to notice, the Primary Bondholder would reserve the right to recall the outstanding principal amount on the NCDs (ie. redemption at par) along with other monies/accrued interest due in respect thereof.</p>
Investors who are eligible to apply	<ol style="list-style-type: none"> a) Banks and Financial Institutions b) FIIs



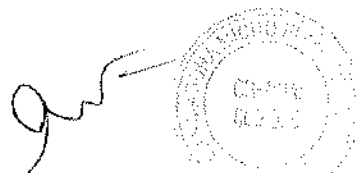
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	<p>h) Partnership Firms</p> <p>i) Any other investor authorized to invest in these debentures</p> <p>Applications can only be made by the applicants / Institutions to whom this offer is addressed.</p>
Transaction Documents	<p>The Issuer shall execute the documents including but not limited to the following, as required, in connection with the Issue as per latest SEBI guidelines / Companies Act, 2013 (as applicable) for issuance of NCDs through Private Placement:</p> <ol style="list-style-type: none"> Letter appointing Catalyst Trusteeship Limited as Trustees to the Debenture Holders; Debenture Trusteeship Agreement; Debenture Trust Deed; Deed of Hypothecation; Information Memorandum; Board Resolution authorizing this Issuance; Applicable Shareholder Resolutions under the Companies Act, 2013; Rating Agreement with the aforesaid Rating Agency(ies) with respect to this Issuance; and Tripartite Agreements with the Depository(ies) and Registrar & Transfer Agent.
Issuer's Undertaking	<p>The Issuer undertakes that it has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; Letter appointing Bigshare Services Private Limited as Registrar;
Conditions precedent to subscription of Bonds	<p>The Issuer represents and warrants to the Investor or its successors or assigns, prior to and upon the execution of the Transaction Documents/Agreement and at the time of issuance of the Debentures and at all time during the currency of the Transaction Documents, that:</p> <ol style="list-style-type: none"> The Issuer is duly incorporated, validly existing, and in good standing; The Issuer is authorized to enter into the Transaction Documents, and the Transaction Documents are a valid and binding obligation of the Issuer enforceable in accordance with its terms; and the execution and performance of the Transaction Documents by the Issuer is lawful and does not constitute a default, acceleration or termination of any other agreement to which the Issuer is a party or breach of any judgment, decree, order or award. All information provided by the Issuer to the Investor at any time is true, complete, and accurate, The Issuer is the sole owner of all assets shown on the Issuer's financial statements delivered to the Investor save and except as stated in the said financial statements. The Issuer is solvent and capable of paying its obligations as and when they become due. There is no material litigation including winding up

A handwritten signature is written over a circular official stamp. The stamp contains the text 'REGISTRAR OF COMPANIES, INDIA' around the perimeter and '0000000000' in the center.

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	<p>proceedings or governmental proceeding pending against the Issuer and the Issuer is not aware of any such proceeding being threatened, which could impair the Issuer's net worth or ability to perform this Agreement.</p> <p>7. The Issuer maintains and shall maintain accurate business and financial records and prepares and shall prepare its financial statements in accordance with generally accepted accounting principles.</p> <p>8. In case the Issuer is a Company under the Companies Act, 1956 or Companies Act, 2013, as the case may be:-</p> <p>i. All corporate authorizations required for entering into the Transaction Documents and performing the transactions pursuant hereto have been obtained and are in full force and effect, and the Transaction Documents and all transactions pursuant hereto are and will be in accordance with all applicable provisions of law;</p> <p>9. Obligation hereunder are not in conflict with any other obligations of the Issuer</p> <p>10. The execution of Transaction Documents is binding on the Issuer and such executed documents are valid and admissible in evidence in the court of law.</p> <p>11. There is no Material Adverse Change occurred or event of default has occurred or continuing with respect to the Issuer and no such event or circumstance would occur as a result of its executing the Transaction Documents or performance of any obligation there under.</p> <p>12. The Investor or it's successors and assigns shall have an exclusive floating charge on the identified business loan receivables of our Company</p> <p>13. The Issuer shall take appropriate measures and/or authorization to create Security in favour of the Trustees or its successors and assigns and avail the financial indebtedness.</p> <p>14. The Issuer shall have good title to assets, to be provided as security.</p>
Conditions subsequent to subscription of Bonds	<p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Offer Letter:</p> <p>1. Ensuring that the payment made for subscription to the Bonds is received from the bank account of the person/ entity subscribing to the Bonds and keep record of the bank accounts from where payments for subscriptions have been received. In case of subscription to the Bonds to be held by joint holders, application monies is received from the bank account of the person whose name appears first in the Application Form;</p> <p>2. Maintaining a complete record of private placement offers in Form PAS-5;</p> <p>3. Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS-3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, Chennai on the Deemed Date of Allotment along with fee as provided in the Companies (Registration Offices and Fees) Rules, 2014;</p> <p>4. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within two working days from the Deemed Date</p>



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	<p>of Allotment;</p> <p>5. Making listing application and obtaining listing permission within 4 days from the Deemed Date of Allotment of Bonds;</p> <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in the Private Placement Offer Letter.</p>
Covenants	<p>1. Security Creation: If the Company fails to execute the Debenture Trust Deed within three months of the issue closure, the Company shall pay penal interest at the rate of 2.00% p.a. over the Coupon Rate till these conditions are complied with or refund the subscription (ie. redemption at par) along with other monies/accrued interest due in respect thereof, at the option of the Bondholders;</p> <p>2. Default in Payment: In case of default in payment of interest and/or principal redemption on the due dates, the Company shall pay additional interest at the rate of 2.00% p.a. over the Coupon Rate for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid.</p> <p>3. Delay in Listing: The Company shall make listing application to BSE within 4 days from the Deemed Date of Allotment of the Bonds and obtain listing permission within 4 days from the Deemed Date of Allotment of Bonds.</p> <p>4. In case of delay in listing of securities issued on privately placement basis beyond the timelines specified in para 2 above, the issuer shall;</p> <ul style="list-style-type: none"> c. pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing) d. be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchanges. The interest rates mentioned in above covenants shall be independent of each other. <p>In case any of the "Covenants" is breached and continues breached for a period of 30 days from such breach coming to notice, the Primary Bondholder would reserve the right to recall the outstanding principal amount on the NCDs (ie. redemption at par) along with other monies/accrued interest due in respect thereof.</p>
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>Occurrence of any of the following events constitutes an event of default with respect to the Issuer:</p> <ul style="list-style-type: none"> • The Issuer fails to promptly pay any amount now or hereafter owing to the Investors as and when the same shall become due and payable; or • If the Issuer fail to duly observe or perform any obligation under this agreement or under any agreement entered into by it in connection with any loans or other borrowings (including any kind of hybrid borrowing like FCCB,

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	<p>optionally convertible preference shares or bonds) availed of by the Issuer and the lender or investor concerned; or</p> <ul style="list-style-type: none"> • Breach of any of the key covenants, as specified above, which are not remedied within such period of time, if any, as the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) may allow. • Breach of any of the covenants, representations and warranties (including any representation or warranty is held to be untrue, incomplete, incorrect or misleading in material ("material adverse changes") form contained in the Transaction Documents which are not remedied within 15 days from the date of such breach. • the Issuer entering into any material arrangement or composition with his/her/its/their creditors or committing any act of insolvency, or any act the consequence of which may lead to the insolvency or winding up of the Issuer; • execution or distress or other process being enforced or levied upon or against the whole or any part of the Issuer's property whether secured to the Investor or not; • any order being made or a Resolution being passed for the winding up of the Issuer (except for the purpose of amalgamation or reconstruction with the prior approval of the Investor); • a Receiver being appointed in respect of the whole or any part of the property of the Issuer; • the Issuer being adjudicated insolvent or taking advantage of any law for the relief of insolvent debtors; • the Issuer ceasing or threatening to cease to carry on business or giving or threatening to give notice of intention to do so; • Inability to pay debts, proceedings of winding up, or the Issuer's being declared or considered to be a sick company, or a relief undertaking or a protected company or a sick industrial company or a protected industrial company or otherwise, under any law, statute, rule, ordinance etc. which would have the effect of suspending or waiving all or any right against the Issuer or in respect of any contract or agreement concerning the Issuer, • The passing of any order of a court ordering, restraining or otherwise preventing the Issuer from conducting all or any material part of its business; or • The cessation of business by or the dissolution, winding-up, insolvency or liquidation of the Issuer. • Events of default considered appropriate for the transaction of this nature including: <ol style="list-style-type: none"> 1. Breach of any of the covenants, representations and warranties. Cure period for (a) any breach of key covenants to be given at the sole discretion of the Investor, and (b) breach of any other covenants, representation and warranties to be cured within 30 days. 2. Failure to file a Form CHG 9 with the Registrar of Companies in form and substance required to perfect the Security within 90 days from the deemed date of allotment.
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	<ol style="list-style-type: none"> 3. Security provided being invalid security or loss of lien on collateral 4. Unlawfulness or unenforceability of finance or security 5. Repudiation of any Transaction Document 6. Illegality for the Issuer to perform any of its obligations under the Transaction Document 7. The withdrawal, failure of renewal, or failure to obtain any statutory or regulatory approval in any relevant jurisdiction for the Debentures or any Security. 8. Representations or Warranties are found to be untrue or misleading when made or deemed to be made. 9. If any other indebtedness of the Issuer to any other lender is not paid when due and the same is declared as an event of default by that lender. 10. The security cover falls below 1.10 times of the Outstanding principal amount and interest thereon at any time during the currency of the Debentures and if the Issuer fails to reinstate to 1.10 times within 30 working days. <p>On the question whether any of the acts, matters, events or circumstances mentioned in sub-clauses (i) to (xi) and (xiii to xiv) above have happened, the opinion of the Trustee in concurrence with majority debenture holders shall be final and conclusive and be binding on the Issuer.</p> <p>In an Event of Default or breach of the covenants by the Company or any such acts/omissions which may have Material Adverse Effect on the Debentures shall the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of 75% of the Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Clause 6 (<i>Provisions for the meetings of the Debenture Holders</i>).</p> <p>Debenture Trustee shall take all such steps required as stated in this Clause or elsewhere in the Deed or as per applicable laws to enforce security and protect the rights of the Debentures Holders including entering into inter creditor agreement to protect the interest of the Debenture Holders.</p>
Creation of recovery expense fund	<ol style="list-style-type: none"> (a) The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular. (b) The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the




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	<p>enforcement of the Security in accordance with the Transaction Documents.</p> <p>(c) The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents.</p> <p>(d) On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.</p>
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Debenture Trust Deed will be executed only after obtaining the in-principle approval from BSE.
Role and Responsibilities of Trustees	The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.
Risk factors pertaining to the issue	<p>Detailed risk factors are provided under Section 3 of this document.</p> <p>While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.</p> <p>The issuer shall give an undertaking in the Information Memorandum that the assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor."</p>
Approvals	The Issuer agrees to comply with all applicable rules and regulations in respect of the transaction. The Issuer will be responsible for taking



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	all necessary authorization and / or approvals internal, external regulatory, statutory or otherwise
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Mumbai.

In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. ii. Default in Payment.

In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period iii. Delay in Listing: In case of delay in listing of the debt securities beyond Listing Period, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor. The interest rates mentioned in above three cases are the minimum interest rates payable by the Company and are independent of each other.

The issuer undertakes that the assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor.

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities issued through private placement, the following disclosures are required to be made in terms of the Debt Listing Regulations:

- A. **Name of the Bank declaring the entity as a Wilful Defaulter:** The Issuer has not been declared as a wilful defaulter by any bank or financial institution or consortium thereof



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- B. **The year in which the entity is declared as a Wilful Defaulter: NA**
- C. **Outstanding amount when the entity is declared as a Wilful Defaulter: NA**
- D. **Name of the entity declared as a Wilful Defaulter: NA**
- E. **Steps taken, if any, for the removal from the list of wilful defaulters: NA**
- F. **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NA**
- G. **Any other disclosure as specified by SEBI: NA**

SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**"):

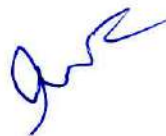
- A. **Debenture Trustee Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");**



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- B. Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("**Debenture Trust Deed**");
- C. Such other documents as agreed between the Issuer and the Debenture Trustee.

The Debenture Trustee Agreement, the Debenture Trust Deed and the Hypothecation Agreement shall be executed on or prior to the Issue Closing Date.



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SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, the Private Placement Offer cum Application Letter, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other Applicable Law. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other Applicable Law. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate corporate action.

The list of beneficiaries as of the Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

8.3 Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intend to enter/have entered into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound



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to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to Applicable Law, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holder(s) the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

8.6 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in the Information Memorandum which in the opinion of the Debenture Trustee is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holder(s) in the manner as provided for in the Debenture Trust Deed.

For the avoidance of doubt, the following matters require the consent of Majority Debenture Holder(s), either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holder(s):

- A. Creating of any additional security; and
- B. Amendment to the terms and conditions of the Debentures or the Transaction Documents.

8.7 Right to accept or reject Applications

The Board of Directors (including a duly authorized committee thereof) reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.8 Notices

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holder(s) through registered post, recognized overnight courier service, hand delivery, e-mail or by facsimile transmission addressed to such Debenture Holder at its/his registered address, e-mail or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by registered post, recognized overnight courier service, hand delivery, email or by facsimile transmission to the Issuer or to such persons at such address/ facsimile number/ e-mail as provided in the Disclosure Document or as may be notified by the Issuer/ Debenture Trustee from time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

Notice(s) shall be deemed to be effective (a) in the case of registered mail, 5 (Five) Business Days after posting via certified or registered mail, return receipt requested; (b) 1 (One) Business Day after delivery



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by recognized overnight courier service, if sent for next Business day delivery (c) in the case of facsimile at the time when dispatched with a report confirming proper transmission; (d) in the case of personal delivery, at the time of delivery or (e) or in case of e-mail at the time of the sending thereof (provided no delivery failure notification is received by the sender within 24 hours of sending such email).

8.9 Issue Procedure

Only 'Eligible Investors' as given hereunder to whom this Information Memorandum is addressed, may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

8.10 Application Procedure

The eligible investors will be invited to subscribe during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive) by way of the Application Form prescribed in the Private Placement Offer Cum Application Letter. The Issuer reserves the right to change the Issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day from the Issue Opening Date to the Issue Closing Date (both dates inclusive).

8.11 Fictitious Application

All fictitious applications will be rejected.

8.12 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

8.13 Payment Instructions

The Application Form should be submitted directly. The entire amount of Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture is payable along with the making of an application.

8.14 Eligible Investors

The following categories of investors who have been specifically approached and have been identified upfront, are eligible to apply in the Issue subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form:

- A. Mutual Funds
- B. Alternative Investment Funds



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- C. Non-banking financial companies
- D. Provident Funds and Pension Funds
- E. Corporates
- F. Banks
- G. Foreign Portfolio Investors (FPIs)
- H. Insurance Companies
- I. Investment holding companies of high net worth individuals
- J. Any other person eligible to invest in the Debentures

All potential investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. Potential investors who are not resident in India shall also ensure compliance with conditions (including in relation to eligibility and mode of payment) as prescribed in the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 as well as the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

8.15 Procedure for Applying for Dematerialised Facility

- A. The applicant must have at least one beneficiary account with any of the DPs of NSDL/CDSL prior to making the application.
- B. The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Dematerialised Form".
- C. Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- D. For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- E. Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue or the Issuer, as applicable.
- F. If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- G. For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- H. The redemption amount or other benefits would be paid to those Debenture Holder(s) whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.



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8.16 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

8.17 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

8.18 Application under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the investor and the tax exemption certificate/document of the investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

8.19 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of

- A. SEBI registration certificate
- B. Resolution authorizing investment and containing operating instructions
- C. Specimen signature of authorized signatories

8.20 Documents to be provided by Investors

Investors need to submit the following documents, as applicable

- A. Memorandum and Articles of Association or other constitutional documents
- B. Resolution authorising investment
- C. Power of Attorney to custodian
- D. Specimen signatures of the authorised signatories
- E. Registration certificate issued by RBI, SEBI or IRDAI, as applicable to the investor.
- F. Self-attested copy of PAN card
- G. Application Form (including EFT/RTGS details)

8.21 Applications to be accompanied with Bank Account Details



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Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through EFT/RTGS.

8.22 Succession

In the event of winding-up of the holder of the Debenture(s), the Issuer will recognize the liquidator or such other legal representative of the Debenture Holder(s) as having title to the Debenture(s).

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on production of sufficient documentary proof and/or an indemnity.

8.23 Mode of Payment

All payments must be made through NEFT/RTGS as set out in the Application Form.

8.24 Effect of Holidays

If the due date for payment of Coupon falls on a day that is not a Business Day, then the due date in respect of such payment shall be on the immediately succeeding Business Day; however, the dates of the future Coupon payments would be as per the schedule originally stipulated in **Annexure V**. In other words, the subsequent Coupon schedule would not be disturbed merely because the payment date in respect of one particular Coupon payment has been postponed because of it having fallen on non-Business Day.

If the date for performance of any event or the Maturity Date/ Redemption Date falls on a day that is not a Business Day, then the due date in respect of the performance of such event or the Maturity Date/ Redemption Date shall be paid on the immediately preceding Business Day.

8.25 Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agents of the Issuer at least 15 (Fifteen) calendar days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

If any payments under this issuance is subject to any tax deduction other than such amounts as are required as per current regulations existing as on the date of the Debenture Trust Deed, including if the Company shall be required legally to make any payment for tax from the interest/coupon payable under the Issue, ("**Tax Deduction**"), the Company shall make such Tax Deduction, and shall simultaneously pay to the Debenture Holder(s) such additional amounts as may be necessary in order that the net amounts received by the Debenture Holder(s) after the Tax Deduction shall equal the respective amounts which would have been receivable by the Debenture Holder(s) in the absence of such Tax Deduction.

8.26 Letters of Allotment

The letter of allotment, indicating allotment of the Debentures, shall be dispatched to the Investor within 2 (Two) Business Days from the Deemed Date of Allotment. The aforesaid letter of allotment shall be



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replaced with the actual credit of Debentures, in dematerialised form, within 2 (Two) Business Days from the Deemed Date of Allotment or within such timelines as permissible under Applicable Law.

8.27 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is December 31, 2020 by which date the investors would be intimated of allotment.

8.28 Record Date

The Record Date shall be 15 Calendar days prior to each coupon payment date / redemption date.

8.29 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within seven days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Issuer shall repay the moneys to the extent of such excess, if any.

8.30 Interest on Application Money

Please refer Section 5.21 of this Information Memorandum.

8.31 PAN Number

Every applicant should mention its Permanent Account Number ("PAN") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

8.32 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the register of debenture holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Disclaimer: Please note that only those persons to whom this Information Memorandum has been specifically addressed are eligible to apply in the Issue. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to



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invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.



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SECTION 9: DECLARATION

The Issuer hereby declares that all relevant provisions of the SEBI Debt Listing Regulations and other Applicable Laws, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the SEBI Debt Listing Regulations or other Applicable Law.

The Issuer further certifies that all statements contained in this Information Memorandum are true and correct. The Issuer also confirms that this Information Memorandum does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading.

A DECLARATION BY THE DIRECTORS THAT-

- (a) the company has complied with the provisions of the Companies Act and the rules made thereunder;
- (b) the compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and
- (c) the monies received under the offer shall be used only for the purposes and objects indicated in the Offer Letter.

For Madura Micro Finance Limited


Authorised Signatory
Name: V Balakrishnan
Title: Chief Financial Officer
Date: December 31, 2020



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ANNEXURE I: TERM SHEET

AS PER SECTION 5.21 ISSUE DETAILS



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE II: RATING LETTER & RATING RATIONALE



ICRA

ICRA Limited

CONFIDENTIAL

Ref. No.: RTG/Chen/075/20-21

December 17, 2020

Mr. M. Narayanan
Chief Executive Officer
Madura Micro Finance Limited
No.634, Karumuttu Centre,
6th Floor, Anna Salai,
Nandanam,
Chennai-600035

Dear Sir,

Re: ICRA Credit Rating for the Rs. 87.50 crore Non-Convertible Debenture (NCD) Programme of Madura Micro Finance Limited

Please refer to the Rating Agreement dated December 15, 2020 and RRF No. CHN/2020-21/098 dated December 15, 2020 executed between ICRA Limited ("ICRA") and your company for carrying out the rating of the aforesaid NCD Programme. The Rating Committee of ICRA, after due consideration, has assigned a [ICRA]A- (pronounced as ICRA A minus) rating to the captioned NCD Borrowing Programme. The rating is under watch with positive implications. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

In any of your publicity material or other document wherever you are using the above assigned rating, it should be stated as [ICRA]A-; under rating watch with positive implications. We would request if you can sign attached acknowledgement and send it to us latest by December 21, 2020 as acceptance on the assigned rating. In case you do not communicate your acceptance of the assigned credit rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated by us as non-accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (SEBI) vide SEBI circular dated June 30, 2017.

Any intimation by you about the above rating to any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

Karumuttu Centre, 5th Floor
634, Anna Salai, Nandanam
Chennai 600035

Tel. : +91.44.45964300
CIN : L74999DL1991PLC042749

Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.124.2866928

Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

RATING • RESEARCH • INFORMATION



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ICRA

ICRA Limited

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

As mentioned above and in accordance with the aforesaid circular you are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,
For ICRA Limited

SRINIVASAN
RANGASWAMY

Digitally signed by
SRINIVASAN RANGASWAMY
Date: 2020.12.17 11:13:17
+05'30'

(R Srinivasan)
Vice President
r.srinivasan@icraindia.com



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ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

CATALYST
Believe in yourself... Trust us!



CL/MUM/20-21/DEB/881

December 29, 2020

Madura Micro Finance Limited
No.36, II Main Road,
Kasturiba Nagar,
Adyar, Chennai – 600 020

Kind Attn: Mr. Narayan Muthiah

Dear Sir,

Consent to act as Trustee for Secured, Rated, listed, Redeemable Non-Convertible Debentures aggregating upto Rs 25 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the Secured, Rated, listed, Redeemable Non-Convertible Debentures aggregating upto Rs. 25 Crores to be issued by your Company. In this connection, we are agreeable to act as Trustee on the terms and conditions as mutually agreed between the Trustee and the Company.

The Company and the Trustee shall enter into relevant trustee agreements and other necessary documents for the aforesaid issue of NCDs and term loans and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with Bombay Stock Exchange(BSE)/ National Stock Exchange(NSE), the RBI Circular No. RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013 and any other applicable statutes, regulations and provisions as amended from time to time.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Yours faithfully,

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED

Authorized Signatory

We accept the above terms.

For Madura Micro Finance Limited

Authorized Signatory




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ANNEXURE IV: LAST AUDITED FINANCIAL STATEMENTS

Madura Micro Finance Ltd CIN: U65201TN2003PLC087380 Special Purpose Standalone Balance Sheet as at 30th September 2020					₹ in lakhs	
Sr. No.	Particulars	Notes	As at September 30, 2020	As at March 31, 2020		
ASSETS						
(A)	Financial assets					
(a)	Cash and cash equivalents	4	12,878.10	8,020.50		
(b)	Bank balances other than cash and cash equivalents	5	6,461.41	5,694.42		
(c)	Receivables					
(i)	Trade receivables		-	-		
(ii)	Other receivables		-	-		
(d)	Loans	6	1,75,839.69	1,83,197.45		
-	Loan portfolio (excluding securitised assets)		6,034.69	8,460.40		
-	Securitised assets	7	5,078.19	4,535.57		
(e)	Investments	8 (A)	1,051.70	1,260.93		
(f)	Other financial assets					
(B)	Non-financial assets					
(a)	Current tax assets (net)	27(B)	66.92	447.06		
(b)	Deferred tax assets (net)	27(B)	1,307.20	1,223.71		
(c)	Property, plant and equipment	9	815.77	749.65		
(d)	Right to use assets	9	122.01	180.04		
(e)	Intangible assets	9	64.44	89.00		
(f)	Other non-financial assets	9 (B)	142.39	15.05		
Total assets			2,09,643.51	2,14,854.08		
LIABILITIES AND EQUITY						
(1)	Financial liabilities					
(a)	Payables					
(i)	Trade payables					
(A)	Total outstanding dues of micro enterprises and small enterprises		-	-		
(B)	Total outstanding dues of creditors other than micro enterprises and small enterprises		1,586.00	2,235.40		
(ii)	Other payables					
(A)	Total outstanding dues of micro enterprises and small enterprises		-	-		
(B)	Total outstanding dues of creditors other than micro enterprises and small enterprises		530.82	845.48		
(B)	Borrowings					
-	Debt securities	10	16,240.38	13,728.92		
-	Borrowings (other than debt securities)	11	1,38,152.29	1,41,784.28		
-	Subordinated liabilities	12	7,658.40	7,429.03		
-	Financial liability towards securitisation	13	4,710.06	8,079.08		
(C)	Other financial liabilities	14(A)	137.14	173.11		
(2)	Non-financial liabilities					
(a)	Current tax liabilities (net)	27(B)	-	-		
(b)	Provisions	15	464.89	423.32		
(c)	Other non-financial liabilities	14(B)	226.70	164.60		
(3)	Equity					
(a)	Equity share capital	16	719.48	719.48		
(b)	Other equity	17	41,215.75	38,440.00		
Total liabilities and equity			2,09,643.51	2,14,854.08		

Significant Accounting Policies

The accompanying notes 1 to 45 form an integral part of financial statements

As per our report of  For PwC India, a Special Purpose Vehicle
Chartered Accountants
Firm Registration Number: 100

Significant Accounting Policies

The accompanying notes 1 to 45 form an integral part of financial statements

As per our report of

For P.F. Sridhar

Chartered Accountant

Firm Registration No. 15700018

S. Narasimhan

Partner

(Membership No. : 200047)

Chennai

30 October 2020

For and on behalf of the Board of Directors of
Madura Micro Finance Limited

Tara Thiruganjan

Managing Director

S. Mohan Eddy

Whole-time Director

Venkateswaran Balakrishnan

Chief Financial Officer

M. Narayanan

Chief Executive Officer



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Madura Micro Finance Ltd		₹ in lakhs		
CIN: U65201TN2005PLC057399		Special Purpose Standalone Statement of profit and loss for the Half year ended 30th September 2020		
Sr. No.	Particulars	Notes	For the half year ended 30 September 2020	For the year ended 31 March 2020
I	Revenue from operations	18		
(a)	Interest income		19,843.14	41,406.10
	- Interest on loans		878.80	2,799.25
	- Income on securitisation		30.81	736.34
	- Income from portfolio purchased under assignment		243.29	501.23
	- Interest on deposits with banks and financial institutions		0.50	25.75
(b)	Fees and commission	19	-	15.72
(c)	Dividend income		184.09	250.74
(d)	Net gain on fair value changes	20	143.18	287.16
(e)	Bad debt recovery	21	-	1,038.38
(f)	Others		21,434.51	47,113.67
	Total revenue from operations (I)			
II	Other income	22	21.45	439.02
III	Total income (I+II)		21,455.96	47,545.86
IV	Expenses	23		
(a)	Finance costs		9,004.28	18,542.88
	- On borrowings		308.21	696.17
	- On financial liability towards securitisation		4,110.75	5,075.63
(b)	Impairment of financial instruments	24	4,802.85	8,709.31
(c)	Employee benefits expenses	25	218.45	480.25
(d)	Depreciation, amortisation and impairment	26	1,400.22	4,620.12
(e)	Other expenses		19,245.14	39,971.87
	Total expenses (IV)			
V	Profit before tax (III-IV)		2,402.87	10,557.72
VI	Tax expense	27(A)		
(1)	Current tax		763.50	3,060.50
(2)	Deferred tax		-102.20	-152.76
(3)	Tax of earlier period		-	-173.88
	Total tax expense (VI)		661.30	2,673.85
VII	Profit / (Loss) for the year (V+VI)		1,775.87	7,883.87
VIII	Other comprehensive income			
(a)	(1) Items that will not be reclassified to profit or loss			
	- Remeasurement (losses) and gains on defined benefit obligations (net)		-5.11	-20.53
	Subtotal (a)		1.28	7.18
(b)	(2) Items that will be reclassified to profit or loss		-3.82	-31.35
	(1) Items that will be reclassified to profit or loss		-	-
	- Net changes in fair value of items measured at fair value through other comprehensive income		-	-
	(2) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (b)		-	-
	Other comprehensive income (VIII = a+b)		-3.62	-31.35
IX	Total comprehensive income (VII+VIII) (comprising profit / (loss) and other comprehensive income for the year)		1,773.75	7,852.52
X	Earnings per equity share (face value of ₹10.00 each)			
	Basis (EPS)*		24.73	110.87
	Output (DPS)*		24.73	110.87
	* The EPS and DPS for the half year ended September 30, 2020 and September 30, 2019 are not audited.			

Significant Accounting Policies

The accompanying notes form an integral part of financial statements

As per the report of the auditor

For Madura Micro Finance Limited

Chartered Accountants

Firm Registration No: 205047

S. Ramasubramanian

Partner

Membership No: 205047

Chennai

30 October 2020

For and on behalf of the Board of Directors of

Madura Micro Finance Limited

V. Thiruganesh

Managing Director

V. Thiruganesh

Managing Director

V. Thiruganesh

Managing Director

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V. Thiruganesh

Managing Director

S. Mohan Sathy

Whole-Time Director

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Whole-Time Director

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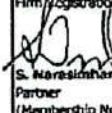
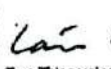
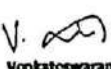


Whole-Time Director

S. Mohan Sathy

Whole-Time Director



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Madura Micro Finance Ltd CIN:- U65929TN2005PLC057390 Special Purpose Statement of standalone cash flows for the Half year ended September 30, 2020			₹ In Lakhs
Financing activities			
Debt securities (repaid) / issued (net)	2,476.83	-1,559.63	
Borrowings other than debt securities (repaid) / issued (net)	-6,708.41	3,673.74	
Subordinated liabilities (repaid) / issued (net)	-	2,600.00	
Financial liability towards securitisation (net)	-3,356.83	-5,698.91	
Net Cash flows from financing activities (C)	-6,588.61	-554.80	
Net increase / (decrease) in cash and cash equivalents (A+B+C)	4,808.89	-5,378.68	
Cash and cash equivalents as at the beginning of the year	8,019.22	13,395.90	
Cash and cash equivalents as at the end of the year	12,828.11	8,019.22	
Reconciliation of cash and cash equivalents as per cash flow statement			
Cash and cash equivalents consists of			
Cash and cash equivalents as at the end of the year (Refer note 4)	12,879.10	8,020.50	
Cash credit (refer note 11)	-50.99	-1.28	
Total	12,828.11	8,019.22	
The accompanying notes 1 to 45 form an integral part of financial statements.			
As per our report of even date. For PKP Sridhar & Sankaranarayanan LLP Chartered Accountants Firm Registration No: 00019905 / S200018  S. Marudharam Partner (Membership No : 2060477)			
For and on behalf of the Board of Directors of Madura Micro Finance Limited  Tara Thiagarajan Managing Director  V. Venkateswaran Chief Financial Officer			
 P. S. Mohan Eddy Whole-time Director  M. Karayyan Chief Executive Officer			
Chennai 30 October 2020			



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PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Report on Special Purpose Standalone Financial Statements

To

The Board of Directors of Madura Micro Finance Limited

Opinion

We have audited the accompanying Special purpose Standalone INDAS financial statements of Madura Micro Finance Limited ("The Company") for the half year ended 30th Sep 2020, comprising of Standalone Balance sheet as at 30th Sep 2020, Standalone Statement of Profit and Loss for the half year ended 30th Sep 2020, Standalone Statement of changes in equity and accompanying Standalone notes ("The Statement").

This Statement has been audited solely at the request of Credit Access Grameen Limited ("Holding Company") for submission to regulatory authorities to enable merger with them.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 'Statement' gives 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 30th Sep 2020, and its profits & changes in equity for the half year ended 30th Sep 2020

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 'Statement' and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note no. 41 to the special purpose Standalone financial statements about the uncertainties prevailing on the balance sheet date on the recoverability of the company's loans and advances on account of the COVID-19 impact. The estimates and assumptions made by management in determining the impairment provision required for these loans are subject to matters that are outside the control of the Company and hence the actual results may vary from these estimates.

Our opinion is not modified in respect of this matter.



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PKF SRIDHAR & SANTHANAM LLP • KRDI Gee Gee Crystal • No.91-92 7th Floor • Dr.Radhakrishnan Salai • Mylapore • Chennai • 600004
REGISTRATION NO. WITH ICAI IS 0039905/5200018

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Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements for the financial half year ended 30th Sep 2020. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS financial statements.

Key Audit Matter	How the matter was addressed
<p>Provision for expected credit losses (ECL) on loans</p> <p>As required by Ind AS 109, for providing for impairment of its loan portfolio, the Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.</p> <p>Significant judgement has been applied by management for staging of the financial assets (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); grouping of the loan portfolio under homogenous pools in order to determine probability of default on a collective basis; determining effect of less frequent past events on future probability of default.</p> <p>The Company has considered the age of the receivables, current and anticipated future economic conditions of the customers in the sector/geography in which they operate to estimate the probability of default in the future.</p> <p>The Company has also exercised its judgement in determination of management overlay at various asset stages considering the possible effects of the current uncertain economic environment arising out of the COVID 19 Pandemic.</p> <p>We identified provision for expected credit losses on loans as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses. Refer</p>	<p>Our audit procedures related to the provision for ECL on loans included the following, among others:</p> <p>Assessed Company's Accounting policy on staging of loans, past due status, basis of assessing historical loss experience are in line with Ind AS 109.</p> <p>We tested the design and operating effectiveness of controls over the</p> <p>(1) development of the methodology for ECL, including consideration of the current and estimated future economic conditions</p> <p>(2) completeness and accuracy of information used by the Company for grouping and staging of loan portfolio into various categories and default buckets for determining the Probability of Default (PD) and LGD rates.</p> <p>(3) Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic).</p> <p>(4) Arithmetical accuracy on computation of ECL.</p> <p>In addition to above:</p> <p>We performed an overall assessment of the ECL provision levels at each stage including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment; Obtained an understanding of the basis and methodology adopted by management to determine the probability of defaults for various stages/ homogeneous segments and performed test checks; Assessed the data used in the computation of expected credit loss.</p>




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Note No 6A, 6B, 34.17, 41 to the audited standalone financial statements.	Assessed disclosures included in the Standalone Ind AS financial statements in respect of expected credit losses including the specific disclosures made with regard to the management's evaluation of the uncertainties arising from COVID-19 and its impact on ECL estimation.
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Responsibility of the Management and Those charged with Governance for the Standalone financial Statements

This statement which is the responsibility of the Company's management of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, and other accounting principles generally accepted in India, including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

Our responsibility is to issue a report on the Statement based on our audit.

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the 'Statement' is 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 Standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 'Statement', 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 but not for the purpose of reporting on internal financial controls with reference to financial statements.
- 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 auditors' report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit




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evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the 'Statement' represent the underlying transactions and events in a manner that achieves fair presentation.

Other Matters

These financial statements are not intended to and do not comply with the disclosure requirements of Reserve Bank of India.

Our opinion is not modified in respect of the above matters.

Restriction on use

This report is intended solely for the information and use of the Boards of Directors of the Holding Company to be submitted to 'Credit access limited' (CAGL), the holding company of the Group for submission to regulatory authorities to enable merger of the Group with Credit AccessGrameen Limited ("ultimate holding company"). Company may also use this report as required by regulators for the purpose of scheme of arrangement for the said merger. Our obligation in respect of this report are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditor of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the service that are the subject of this report, will extend any duty of care we may have in our capacity as auditor of the Holding Company.

Accordingly, our report should not be distributed or otherwise made available to any other person or used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn. No. 003990S/5200018



S Narasimhan

Partner

Membership No. 206047

Place: Chennai

Date: 30-DEC-2020

UDIN: 202064074AAADJ2322



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Madura Micro Finance Ltd CIN:- U65929TK2005PLC057390 Special Purpose Consolidated Balance Sheet as at 30th September 2020					₹ in lakhs
Sr. No.	Particulars	Notes	As at September 30, 2020	As at March 31, 2020	
	ASSETS				
(1)	Financial assets				
(a)	Cash and cash equivalents	4	12,860.06	8,024.09	
(b)	Bank balances other than cash and cash equivalents	5	6,461.41	5,664.43	
(c)	Receivables				
(i)	Trade receivables		-	-	
(ii)	Other receivables		-	-	
(d)	Loans	6			
	- Loan portfolio (excluding securitised assets)		1,75,930.69	1,83,197.48	
	- Securitised assets		8,034.69	9,460.40	
(e)	Investments	7	5,078.19	4,535.57	
(f)	Other financial assets	8 (A)	1,051.80	1,260.27	
(2)	Non-financial assets				
(a)	Current tax assets (net)	27(B)	71.27	152.00	
(b)	Deferred tax assets (net)	27(B)	1,387.20	1,223.71	
(c)	Property, plant and equipment	9	615.89	749.81	
(d)	Right to use assets	9	125.77	168.27	
(e)	Intangible assets	9	64.44	69.00	
(f)	Other non-financial assets	8 (B)	142.39	15.05	
	Total assets		2,09,852.80	2,14,868.08	
	LIABILITIES AND EQUITY				
(1)	Financial liabilities				
(a)	Payables				
(i)	Trade payables				
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-	
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,587.94	2,232.08	
(ii)	Other payables				
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-	
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		532.10	648.35	
(b)	Borrowings				
	- Debt securities	10	16,240.38	13,729.92	
	- Borrowings (other than debt securities)	11	1,36,152.30	1,41,754.27	
	- Subordinated liabilities	12	7,858.40	7,489.63	
	- Financial liability towards securitisation	13	4,710.96	8,079.08	
(c)	Other financial liabilities	14(A)	141.78	179.47	
(2)	Non-financial liabilities				
(a)	Current tax liabilities (net)	27(B)	-	-	
(b)	Provisions	15	470.52	428.93	
(c)	Other non-financial liabilities	14(B)	226.96	155.63	
(3)	Equity				
(a)	Equity share capital	16	719.48	719.48	
(b)	Other equity	17	41,212.00	39,441.24	
	Total liabilities and equity		2,09,852.80	2,14,868.08	

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Significant Accounting Policies
The accompanying notes 1 to 46 form an integral part of financial statements

As per our report of even date
For P. S. Sridhar & Associates LLP
Chartered Accountants
Firm Registration No. 3069905 / 5200018
Firm Sign. No.: 27905 / 5200018
S. Karasimhan
Partner
(Membership No : 205045)

Tara Thiagarajan
Managing Director

V. Sathish Kumar
Chief Financial Officer

For and on behalf of the Board of Directors
of Madura Micro Finance Limited

F. S. Mohan Edy
Whole-time Director

M. Narayanan
Chief Executive Officer

Chennai
30 October 2020

Significant Accounting Policies

The accompanying notes 1 to 46 form an integral part of financial statements

As per our report of even date

For PPF Sridhar & Senthil Kumar LLP

Chartered Accountants & SANTHALAM

Firm Registration No. 19905/S200016

Firm Regn. No. 19905/S200016

S. Karasimhan

Partner

(Membership No : 20604)

CHENNAI

Chennai

30 October 2020

Tara Thiagarajan
Managing DirectorV. Senthil Kumar
Chief Financial OfficerFor and on behalf of the Board of Directors
of Madura Micro Finance LimitedF. S. Mohan Eddy
Whole-time DirectorM. Narayanan
Chief Executive Officer

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Madura Micro Finance Ltd CIN:- U68220TN2005PLC057390 Special Purpose Consolidated Statement of profit and loss for the half year ended September 30, 2020			₹ In lakhs	
Sr. No.	Particulars	Notes	For the half year ended 30 September 2020	For the year ended 31 March 2020
I	Revenue from operations			
(a)	Interest income	18		
	- Interest on loans		18,843.14	41,498.10
	- Income on securitisation		878.60	2,756.25
	- Income from portfolio purchased under assignment		33.81	736.34
	- Interest on deposits with banks and financial institutions		243.39	501.22
(b)	Fees and commission	19	0.50	25.76
(c)	Sale of Service		-	40.51
(d)	Dividend income		-	15.72
(e)	Net gain on fair value changes	20	184.09	250.74
(f)	Bad debt recovery		143.18	287.17
(g)	Others	21	-	1,036.38
	Total revenue from operations (I)		21,424.61	47,151.18
II	Other Income	22	21.40	439.19
(II)	Total Income (II+I)		21,446.01	47,590.37
IV	Expenses			
(a)	Finance costs	23		
	- On borrowings		9,004.47	18,553.33
	- On financial liability towards securitisation		305.91	996.17
(b)	Impairment of financial instruments	24	4,098.75	5,714.18
(c)	Employee benefits expenses	25	4,018.34	8,740.78
(d)	Depreciation, amortisation and impairment	8	221.06	511.40
(e)	Other expenses	26	1,402.66	4,433.52
	Total expense (IV)		18,850.19	36,949.36
V	Profit before tax (II-IV)		2,595.82	10,641.01
VI	Tax expense	27(A)		
	(1) Current tax		783.60	3,000.60
	(2) Tax of earlier period		-	-173.69
	(3) Deferred tax		-162.20	-152.76
	Total tax expense (VI)		621.40	2,673.85
VII	Profit / (loss) for the year (V-VI)		1,974.42	7,967.16
VIII	Other comprehensive income			
(a)	(1) Items that will not be reclassified to profit or loss			
	- Remeasurement (losses) and gains on defined benefit obligations (net)		-5.03	-26.83
	(2) Income tax relating to items that will not be reclassified to profit or loss		1.80	7.10
	Subtotal (a)		-3.23	-19.73
(b)	(1) Items that will be reclassified to profit or loss			
	- Net change in fair value of loans measured at fair value through other comprehensive income		-	-
	(2) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (b)		-	-
	Other comprehensive income (VIII = a+b)		-3.23	-19.73
IX	Total comprehensive income (VII+VIII)		1,971.19	7,947.43
X	Earnings per equity share (Face value of ₹10.00 each)			
	Basic		24.68	110.74
	Diluted		24.68	110.74
	* The EPS and DPS for the half year ended September 30, 2020 is not annualized.			
Significant Accounting Policies			3	
The accompanying notes 1 to 46 form an integral part of financial statements				
As per our report of even date				
For Mr. Sriharsh & Partners				
Chartered Accountants				
Firm Registration No: 031905 / S2000				
Firm Regd. No. CA/1925/S200016				
S. Narasimhan				
Partner				
(Membership No : 206042)				
Chennai				
30 October 2020				
Tara Thiruganjan			For and on behalf of the Board of Directors of Madura Micro Finance Limited	
Managing Director			V. S. Mohan Eddy	
V. S. Narayanan			Whole-time Director	
Chief Financial Officer			M. Narayanan	
			Chief Executive Officer	


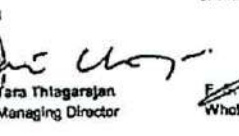
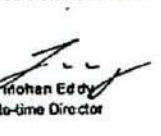
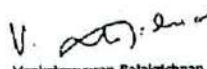



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Madura Micro Finance Ltd CIN:- U85929TN2005PLC057390 Statement of Consolidated cash flows for the half year ended 30 September 2020			₹ in lakhs
Particulars	For the half year ended September 30, 2020	For the year ended March 31, 2020	
Cash flow from operating activities:			
Profit before tax	2,395.82	10,641.01	
Adjustments to reconcile profit before tax to net cash flows:			
Interest income on loans	-19,876.95	-42,234.44	
Income on securitisation	-976.50	-2,759.25	
Depreciation and amortisations	221.06	511.40	
Interest expense on borrowings	9,004.47	18,553.33	
Interest expenses on financial liability towards securitisation	306.91	996.17	
Impairment on financial instruments	3,894.91	847.43	
Net gain on financial instruments at fair value through profit or loss	-184.09	-1,287.12	
Dividend Income	-	-15.72	
	-7,610.19	-25,388.20	
Operational cash flows from interest:			
Interest received on loans	18,183.12	42,329.48	
Interest received on loans securitised	1,001.06	2,719.90	
Interest paid on borrowings	-8,540.17	-18,491.69	
Interest on financial liability towards securitisation	-318.21	-1,004.74	
Working capital changes:			
Increase / decrease in derivative financial instruments	-	-7.21	
(Increase) / decrease in loans	5,504.64	-13,567.45	
Increase/decrease in securitised assets	2,953.17	5,190.88	
(Increase) / decrease in bank balance other than cash and cash equivalents	-766.99	-193.96	
Increase in other financial assets	208.44	-467.61	
(Increase) / decrease in other non-financial assets	-127.34	5.74	
Increase in trade and other payables	-760.30	1,281.58	
Increase / (decrease) in other financial liabilities	-37.71	59.20	
Increase / (decrease) in provisions	36.56	93.14	
(Decrease) / Increase in other non-financial liabilities	71.32	22.35	
	7,081.79	-7,583.34	
Income tax paid	-402.76	-3,490.70	
Net cash flows used in operating activities (A)	11,790.46	-265.28	
Investing activities			
Purchase of property, plant and equipment	-22.08	-780.77	
Purchase of intangible assets	-	-39.03	
Purchase of investments at fair value through profit and loss	-74,500.00	-1,42,225.00	
Sale of investments at fair value through profit and loss	74,141.48	1,38,989.71	
Net cash flows (used in) / from investing activities (B)	-380.60	-4,055.09	



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Madura Micro Finance Ltd CIN:- U65929TN2005PLC057390 Statement of Consolidated cash flows for the half year ended 30 September 2020			₹ in lakhs
Financing activities			
Debt securities (repaid) / issued (net)	2,476.63	-1,559.03	
Borrowings other than debt securities (repaid) / issued (net)	-5,723.40	3,690.20	
Subordinated liabilities (repaid) / issued (net)	-	2,500.00	
Financial liability towards securitisation (net)	-3,356.63	-5,698.90	
Net Cash flows from financing activities (C)	-6,603.60	-1,068.33	
Net increase / (decrease) in cash and cash equivalents (A+B+C)	4,806.26	-5,391.70	
Cash and cash equivalents as at the beginning of the year	8,022.81	13,414.51	
Cash and cash equivalents as at the end of the year	12,829.07	8,022.81	
Reconciliation of cash and cash equivalents as per cash flow statement			
Cash and cash equivalents consists of			
Cash and cash equivalents as at the end of the year (Refer note	12,829.07	8,024.09	
Cash credit (refer note 11)	-50.99	-1.28	
Total	12,829.07	8,022.81	
The accompanying notes 1 to 46 form an integral part of financial statements			
For MCF Sridhar & Santhanam LLP Chartered Accountants Firm Registration No: 0039905-Y-5200018  S. Narasimhan Partner (Membership No : 2060)		For and on behalf of the Board of Directors of Madura Micro Finance Limited  Tara Thilagarsan Managing Director  E. Krishnan Eddy Whole-time Director	
Chennai 30 October 2020		 Venkateswaran Balakrishnan Chief Financial Officer  M. Narayanan Chief Executive Officer	




(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Report on Special Purpose Consolidated Financial Statements

To

The Board of Directors of Madura Micro Finance Limited

Opinion

We have audited the accompanying Special purpose consolidated INDAS financial statements of Madura Micro Finance Limited ("the Holding Company") and its subsidiary (together called as 'Group') for the half year ended 30th Sep 2020, comprising of Consolidated Balance sheet as at 30th Sep 2020, Consolidated Statement of Profit and Loss for the half year ended 30th Sep 2020, Consolidated Statement of changes in equity and accompanying consolidated notes ("The Statement"). This Statement has been audited solely at the request of the Holding Company for submission to regulatory authorities to enable merger of the Group with Credit Access Grameen Limited ("ultimate holding company").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 'Statement' gives a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the 'Group' as at 30th Sep 2020, and its profits & changes in equity for the half year ended 30th Sep 2020

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 'Statement' and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note no. 42 to the special purpose Consolidated financial statements about the uncertainties prevailing on the balance sheet date on the recoverability of the holding company's loans and advances on account of the COVID-19 impact. The estimates and assumptions made by management in determining the impairment provision required for these loans are subject to matters that are outside the control of the Company and hence the actual results may vary from these estimates.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements for the financial half year ended 30th Sep 2020.

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REGISTRATION NO. WITH ICAI IS 003690S/S200018



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These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS financial statements.

Key Audit Matter	How the matter was addressed
<p>Provision for expected credit losses (ECL) on loans</p> <p>As required by Ind AS 109, for providing for impairment of its loan portfolio, the Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.</p> <p>Significant judgement has been applied by management for staging of the financial assets (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); grouping of the loan portfolio under homogenous pools in order to determine probability of default on a collective basis; determining effect of less frequent past events on future probability of default.</p> <p>The Company has considered the age of the receivables, current and anticipated future economic conditions of the customers in the sector/geography in which they operate to estimate the probability of default in the future.</p> <p>The Company has also exercised its judgement in determination of management overlay at various asset stages considering the possible effects of the current uncertain economic environment arising out of the COVID 19 Pandemic.</p> <p>We identified provision for expected credit losses on loans as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses. Refer Note No 6A, 6B, 34.17, 42 to the audited financial statements.</p>	<p>Our audit procedures related to the provision for ECL on loans included the following, among others:</p> <p>Assessed Company's Accounting policy on staging of loans, past due status, basis of assessing historical loss experience are in line with Ind AS 109.</p> <p>We tested the design and operating effectiveness of controls over the</p> <p>(1) development of the methodology for ECL, including consideration of the current and estimated future economic conditions</p> <p>(2) completeness and accuracy of information used by the Company for grouping and staging of loan portfolio into various categories and default buckets for determining the Probability of Default (PD) and LGD rates.</p> <p>(3) Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic).</p> <p>(4) Arithmetical accuracy on computation of ECL.</p> <p>In addition to above:</p> <p>We performed an overall assessment of the ECL provision levels at each stage including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment; Obtained an understanding of the basis and methodology adopted by management to determine the probability of defaults for various stages/homogeneous segments and performed test checks; Assessed the data used in the computation of expected credit loss.</p>




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	Assessed disclosures included in the Consolidated Ind AS financial statements in respect of expected credit losses including the specific disclosures made with regard to the management's evaluation of the uncertainties arising from COVID-19 and its impact on ECL estimation.
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Responsibility of the Management and Those charged with Governance for the Consolidated financial Statements

This statement which is the responsibility of the Holding Company's management of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, and other accounting principles generally accepted in India, including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

Our responsibility is to issue a report on the Statement based on our audit.

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the 'Statement' is 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 'Statement', 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 but not for the purpose of reporting on internal financial controls with reference to financial statements.
- 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




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in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the 'Statement' represent the underlying transactions and events in a manner that achieves fair presentation.

Other Matters

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs. 9.28 lakhs and net assets of Rs. -231.86 lakhs as at 30th Sep 2020, total revenues of Rs. Nil and net cash outflows amounting to Rs. 2.63 lakhs for the half year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditor. These financial statements are not intended to and do not comply with the disclosure requirements of Reserve Bank of India.

Our opinion is not modified in respect of the above matters.

Restriction on use

This report is intended solely for the information and use of the Boards of Directors of the Holding Company to be submitted to 'Credit access limited' (CAGL), the holding company of the Group for submission to regulatory authorities to enable merger of the Group with Credit AccessGrameen Limited ("ultimate holding company"). Company may also use this report as required by regulators for the purpose of scheme of arrangement for the said merger. Our obligation in respect of this report are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditor of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the service that are the subject of this report, will extend any duty of care we may have in our capacity as auditor of the Holding Company.

Accordingly, our report should not be distributed or otherwise made available to any other person or used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn. No. 0039905/S200018

S Narasimhan
Partner
Membership No. 206047
Place: Chennai
Date: 30 Oct 2020

UDIN: 20206047AAAA DUS430

[Handwritten signature]



Madura Micro Finance Ltd
CIN: U65929TN2005PLC057390
Balance Sheet as at March 31, 2020

₹ in lakhs

Sr. No.	Particulars	Notes	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
ASSETS					
(1)	Financial assets				
(a)	Cash and cash equivalents	4	8,020.50	13,959.10	6,170.32
(b)	Bank balance other than cash and cash equivalents	5	5,694.42	5,500.46	2,803.83
(c)	Derivative Financial Instruments		-	-	-
(d)	Receivables				
(i)	Trade receivables		-	-	-
(ii)	Other receivables		-	-	-
(e)	Loans	6			
	- Loan portfolio (excluding securitised assets)		183,197.45	169,432.20	107,958.35
	- Securitised assets		9,460.40	14,715.86	8,017.12
(f)	Investments	7	4,535.57	1,033.61	32.34
(g)	Other financial assets	8 (A)	1,260.03	791.79	175.18
(2)	Non-financial assets				
(a)	Current tax assets (net)	27(B)	447.68	-	-
(b)	Deferred tax assets (net)	27(B)	1,223.71	1,063.77	720.88
(c)	Property, plant and equipment	9	749.65	474.15	340.20
(d)	Right to use assets	9	160.64	107.44	59.48
(e)	Intangible assets	9	89.00	97.15	25.03
(f)	Other non-financial assets	8 (B)	15.05	20.78	10.68
	Total assets		214,854.08	207,196.51	126,313.41
LIABILITIES AND EQUITY					
(1)	Financial liabilities				
(a)	Derivative Financial Instruments		-	7.21	193.35
(b)	Payables				
(i)	Trade payables				
(i)	Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises		2,235.40	954.41	67.74
(ii)	Other payables				
(i)	Total outstanding dues of micro enterprises and small enterprises		645.46	642.30	1,449.70
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(c)	Borrowings				
	- Debt securities	10	13,729.92	15,321.60	15,375.63
	- Borrowings (other than debt securities)	11	141,764.28	138,348.40	72,344.39
	- Subordinated liabilities	12	7,489.63	5,000.00	5,000.00
	- Financial liability towards securitisation	13	8,079.08	13,786.56	7,572.61
(d)	Other financial liabilities	14(A)	173.11	291.14	261.57
(2)	Non-financial liabilities				
(a)	Current tax liabilities (net)	27(B)	-	215.86	57.84
(b)	Provisions	15	423.32	300.72	227.33
(c)	Other non-financial liabilities	14(B)	154.40	131.25	119.16
(3)	Equity				
(a)	Equity share capital	16	719.48	719.48	719.48
(b)	Other equity	17	39,440.00	31,477.48	22,924.61
	Total liabilities and equity		214,854.08	207,196.51	126,313.41

Significant Accounting Policies

The accompanying notes 1 to 16 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No: 0039909 / S2018

S. Rajeshwari
Partner
(Membership No : 024105)

Chennai
18 May 2020

V. Venkateswaran Balakrishnan
Chief Financial Officer

Tara Thagaran
Managing Director

M. Narayanan
Chief Executive Officer

F. S. Mohan Reddy
Whole-time Director

Santhi Parthasarathy
Company Secretary



Madura Micro Finance Ltd
CIN: U65929TN2005PLC057390
Statement of profit and loss for the year ended March 31, 2020

Sr. No.	Particulars	Notes	For the year ended	
			31-Mar-20	31-Mar-19
I	Revenue from operations			
(a)	Interest Income	18		
	- Interest on loans		41,498.10	34,851.56
	- Income on securitisation		2,759.25	1,875.18
	- Income from portfolio purchased under assignment		738.34	72.59
	- Interest on deposits with banks and financial institutions		501.23	286.61
(b)	Fees and commission	19	25.75	26.50
(c)	Dividend Income		15.72	0.30
(d)	Net gain on fair value changes	20	250.74	328.59
(e)	Bad debt recovery		287.16	210.27
(f)	Others	21	1,036.38	634.68
	Total revenue from operations (I)		47,110.67	38,086.26
II	Other Income	22	439.02	522.90
III	Total Income (I+II)		47,549.69	38,609.16
IV	Expenses			
(a)	Finance costs	23		
	- On borrowings		18,542.99	14,411.35
	- On financial liability towards securitisation		996.17	565.52
(b)	Impairment of financial instruments	24	5,675.63	3,482.64
(c)	Employee benefits expenses	25	6,709.31	4,601.71
(d)	Depreciation, amortisation and impairment	9	499.25	335.61
(e)	Other expenses	26	4,468.62	2,999.17
	Total expenses (IV)		36,891.97	26,396.00
V	Profit before tax (III-IV)		10,657.72	12,213.16
VI	Tax expense	27(A)		
(1)	Current tax			
	i. Current year		3,000.50	3,932.72
	ii. Pertaining to earlier years		-173.89	71.35
(2)	Deferred tax		-152.76	-343.15
	Total tax expense (VI)		2,673.85	3,060.92
VII	Profit / (loss) for the year (V-VI)		7,983.87	8,552.24
VIII	Other comprehensive income			
(a)	(1) Items that will not be reclassified to profit or loss			
	- Remeasurement (losses) and gains on defined benefit obligations (net)		-28.53	0.89
	(2) Income tax relating to items that will not be reclassified to profit or loss		7.18	-0.26
	Subtotal (a)		-21.35	0.63
(b)	(1) Items that will be reclassified to profit or loss			
	- Net change in fair value of loans measured at fair value through other comprehensive income		-	-
	(2) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (b)		-	-
	Other comprehensive income (VIII = a+b)		-21.35	0.63
IX	Total comprehensive income (VII+VIII) (comprising profit / (loss) and other comprehensive income for the year)		7,962.52	8,552.87
X	Earnings per equity share (face value of ₹10.00 each)			
	Basic		110.97	118.90
	Diluted		110.97	118.90

The accompanying notes 1 to 45 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No: 0039905 / 2000182

Chennai

18 May 2020

S. Rajeshwari

Partner

(Membership No : 024105)



Tara Thiagarajan
Managing Director

F. S. Mohan Eddy
Whole-time Director

Venkateswaran Balakrishnan M. Narayanan

Chief Financial Officer

Chief Executive Officer

Sanjay Panicker

Company Secretary



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Madura Micro Finance Ltd CIN:- U65929TN2005PLC057390 Statement of cash flows for the year ended March 31, 2020			₹ in lakhs
Particulars	For the year ended		
	March 31, 2020	March 31, 2019	
Cash flow from operating activities:			
Profit before tax	10,557.72	12,213.16	
Adjustments to reconcile profit before tax to net cash flows:			
Interest income on loans	(42,234.44)	(34,724.15)	
Income on securitisation	(2,759.25)	(1,875.18)	
Depreciation and amortisations	499.25	335.61	
Interest expense on borrowings	18,542.99	14,411.35	
Interest expenses on financial liability towards securitisation	996.17	565.52	
Impairment on financial instruments	847.42	2,149.23	
Net gain on financial instruments at fair value through profit or loss	(1,287.12)	(863.25)	
Dividend income	(15.72)	(0.30)	
	(25,410.70)	(20,101.17)	
Operational cash flows from interest:			
Interest received on loans	42,329.48	35,067.49	
Interest received on loans securitised	2,719.90	1,903.43	
Interest paid on borrowings	(18,481.35)	(14,415.16)	
Interest on financial liability towards securitisation	(1,004.74)	(561.85)	
Working capital changes:			
Increase / decrease in derivative financial instruments	(7.21)	(185.14)	
(Increase) / decrease in loans	(13,567.42)	(63,115.57)	
Increase/decrease in securitised assets	5,190.60	(6,943.17)	
(Increase) / decrease in bank balance other than cash and cash equivalents	(193.95)	(2,696.63)	
Increase in other financial assets	(468.24)	(816.61)	
(Increase) / decrease in other non-financial assets	5.73	(10.10)	
Increase in trade and other payables	1,284.15	79.27	
Increase / (decrease) in other financial liabilities	(118.03)	29.57	
Increase / (decrease) in provisions	94.07	74.28	
(Decrease) / increase in other non-financial liabilities	23.15	12.09	
	(7,756.86)	(73,373.01)	
Income tax paid	(3,490.23)	(3,845.95)	
Net cash flows used in operating activities (A)	(436.78)	(63,113.17)	
Investing activities			
Purchase of property, plant and equipment	(780.78)	(499.30)	
Purchase of intangible assets	(39.04)	(93.34)	
Purchase of investments at fair value through profit and loss	(142,225.00)	(174,750.00)	
Sale of investments at fair value through profit and loss	138,989.72	174,077.41	
Net cash flows (used in) / from investing activities (B)	(4,055.10)	(1,262.23)	



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Madura Micro Finance Ltd CIN: U66020TN2005PLC057390 Statement of cash flows for the year ended March 31, 2020			₹ in lakhs
Financing activities			
Debt securities (repaid) / Issued (net)	(1,359.63)	(84.57)	
Borrowings other than debt securities (repaid) / Issued (net)	3,873.74	65,663.26	
Subordinated liabilities (repaid) / Issued (net)	2,500.00	-	
Financial liability towards securitisation (net)	(5,698.91)	6,210.38	
Net Cash flows from financing activities (C)	(884.80)	71,789.07	
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(5,378.63)	7,413.68	
Cash and cash equivalents as at the beginning of the year	13,395.90	5,982.22	
Cash and cash equivalents as at the end of the year	8,019.22	13,395.90	
Reconciliation of cash and cash equivalents as per cash flow statement			
Cash and cash equivalents consists of			
Cash and cash equivalents as at the end of the year (Refer note 4)	8,020.59	13,959.10	
Cash credit (refer note 11)	(1.28)	(563.20)	
Total	8,019.22	13,395.90	
The accompanying notes 1 to 18 are an integral part of financial statements			
For PKF Sridhar & Sankaran Chartered Accountants Firm Registration No: 003905 / S2000005			
S. Rajeshwari Partner (Membership No : 024105)	Tara Thiruganjan Managing Director		
	F. S. Mohan Bddy Whole-time Director		
Chennai 18 May 2020	Venkataraman Balakrishnan Chief Financial Officer	M. Narayanan Chief Executive Officer	Santhi Pandey Company Secretary



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Madura Micro Finance Ltd CIN:- U65929TN2005PLC057390 Consolidated Balance Sheet as at March 31, 2020					₹ in lakhs		
Sr. No.	Particulars	Notes	As at March 31, 2020	As at March 31,	As at April 1, 2018.		
ASSETS							
(1)	Financial assets						
(a)	Cash and cash equivalents	4	8,024.09	13,977.71	6,172.41		
(b)	Bank balance other than cash and cash equivalents	5	5,694.43	5,500.47	2,803.82		
(c)	Derivative Financial Instruments		-	-	-		
(d)	Receivables		-	-	-		
(i)	Trade receivables		-	-	-		
(ii)	Other receivables		-	-	-		
(e)	Loans	6	183,197.48	169,432.20	107,958.35		
	- Loan portfolio (excluding securitised assets)		9,460.40	14,715.85	8,017.12		
	- Securitised assets		4,535.57	1,033.81	32.34		
(f)	Investments	7	1,250.27	792.66	176.28		
(g)	Other financial assets	8 (A)	-	-	-		
(2)	Non-financial assets						
(a)	Current tax assets (net)	27(B)	452.00	-	-		
(b)	Deferred tax assets (net)	27(B)	1,223.71	1,063.77	720.88		
(c)	Property, plant and equipment	9	749.81	475.93	344.87		
(d)	Right to use assets	9	166.27	116.82	61.22		
(e)	Intangible assets	9	89.00	103.93	48.59		
(f)	Other non-financial assets	8 (B)	15.05	20.79	14.26		
	Total assets		214,868.08	207,233.94	126,350.12		
LIABILITIES AND EQUITY							
(1)	Financial liabilities						
(a)	Derivative Financial Instruments		-	7.21	193.35		
(b)	Payables						
(i)	Trade payables						
(i)	Total outstanding dues of micro enterprises and small enterprises		-	-	-		
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises		2,232.08	954.41	67.74		
(ii)	Other payables						
(i)	Total outstanding dues of micro enterprises and small enterprises		648.35	644.44	1,454.53		
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-		
(c)	Borrowings						
	- Debt securities	10	13,729.92	15,321.60	15,375.63		
	- Borrowings (other than debt securities)	11	141,764.27	138,531.93	72,546.49		
	- Subordinated liabilities	12	7,489.63	5,000.00	5,000.00		
	- Financial liability towards securitisation	13	8,079.08	13,786.55	7,572.62		
(d)	Other financial liabilities	14(A)	179.47	120.27	61.22		
(2)	Non-financial liabilities						
(a)	Current tax liabilities (net)	27(B)	-	212.08	57.70		
(b)	Provisions	15	428.93	306.95	232.46		
(c)	Other non-financial liabilities	14(B)	155.63	133.28	119.84		
(3)	Equity						
(a)	Equity share capital	16	719.48	719.48	719.48		
(b)	Other equity	17	39,441.24	31,495.73	22,949.06		
	Total liabilities and equity		214,868.08	207,233.94	126,350.12		

Significant Accounting Policies

The accompanying notes 1 to 46 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No: 0039905 / 5200018

S. Rajeshwari
Partner
(Membership No : 024105)Tara Thiruganjan
Managing DirectorF. S. Mohan Eddy
Whole-time DirectorChennai
18 May 2020Venkateswaran Balakrishnan
Chief Financial OfficerM. Narayanan
Chief Executive OfficerSanin Pandey
Company Secretary

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Madura Micro Finance Ltd CIN: U65929TN2005PLC057390 Consolidated Statement of profit and loss for the year ended March 31, 2020				
₹ in lakhs				
Sr. No.	Particulars	Notes	For the year ended	
			31-Mar-20	31-Mar-19
I	Revenue from operations			
(a)	Interest income	18		
	- Interest on loans		41,498.10	34,651.57
	- Income on securitisation		2,759.25	1,875.18
	- Income from portfolio purchased under assignment		736.34	72.59
	- Interest on deposits with banks and financial institutions		501.22	286.61
(b)	Fees and commission	19	25.75	25.50
(c)	Sale of Service		40.61	68.11
(d)	Dividend income		15.72	0.30
(e)	Net gain on fair value changes	20	250.74	328.59
(f)	Bad debt recovery		287.17	210.27
(g)	Others	21	1,038.38	634.66
	Total revenue from operations (I)		47,151.18	38,154.38
II	Other income	22	439.19	522.90
III	Total income (I+II)		47,590.37	38,677.28
IV	Expenses			
(a)	Finance costs	23		
	- On borrowings		18,553.33	14,426.02
	- On financial liability towards securitisation		996.17	565.52
(b)	Impairment of financial instruments	24	5,714.18	3,504.19
(c)	Employee benefits expenses	25	6,740.76	4,638.38
(d)	Depreciation, amortisation and impairment	9	511.40	358.90
(e)	Other expenses	26	4,433.52	2,976.35
	Total expenses (IV)		36,949.36	26,469.36
V	Profit before tax (III-IV)		10,641.01	12,207.92
VI	Tax expense	27		
(1)	Current tax			
	I. Current year		3,000.50	3,932.72
	II. Pertaining to earlier years		-173.89	71.35
(2)	Deferred tax		-152.76	-343.18
	Total tax expense (VI)		2,673.85	3,660.91
VII	Profit / (loss) for the year (V-VI)		7,967.16	8,547.01
VIII	Other comprehensive income			
(a)	(1) Items that will not be reclassified to profit or loss			
	- Remeasurement (losses) and gains on defined benefit obligations (net)		-28.83	-0.08
	(2) Income tax relating to items that will not be reclassified to profit or loss		7.18	-0.26
	Subtotal (a)		-21.65	-0.34
(b)	(1) Items that will be reclassified to profit or loss			
	- Net change in fair value of loans measured at fair value through other comprehensive income		-	-
	(2) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (b)		-	-
	Other comprehensive income (VIII = a+b)		-21.65	-0.34
IX	Total comprehensive income (VII+VIII) (comprising profit / (loss) and other comprehensive income for the year)		7,945.51	8,546.67
X	Earnings per equity share (face value of ₹10.00 each)			
	Basic		110.74	118.79
	Diluted		110.74	118.79
The accompanying notes 1 to 46 form an integral part of financial statements				
As per our report of even date				
For PKP Sridhar & Santhanam LLP Chartered Accountants Firm Registration No:0039905 / S200018				
S. Rajeshwar Partner (Membership No : 024105)				
Tara Thiagarajan Managing Director				
F. S. Mohan Eddy Whole-time Director				
V. Venkateswaran Chief Financial Officer				
M. Narayanan Chief Executive Officer				
Santhi Panicker Company Secretary				
Chennai 18 May 2020				



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Madura Micro Finance Ltd CIN:- U65929TN2005PLC057390 Consolidated statement of cash flows for the year ended March 31, 2020			₹ in lakhs
Particulars	For the year ended		
	March 31, 2020	March 31, 2019	
Cash flow from operating activities:			
Profit before tax	10,641.01	12,207.92	
Adjustments to reconcile profit before tax to net cash flows:			
Interest income on loans	(42,234.44)	(34,724.16)	
Income on securitisation	(2,759.25)	(1,875.18)	
Depreciation and amortisations	511.40	358.90	
Interest expense on borrowings	18,553.33	14,426.02	
Interest expenses on financial liability towards securitisation	996.17	565.52	
Impairment on financial instruments	847.43	2,149.23	
Net gain on financial instruments at fair value through profit or loss	(1,287.12)	(963.25)	
Dividend Income	(15.72)	(0.30)	
	(25,388.20)	(20,063.22)	
Operational cash flows from interest:			
Interest received on loans	42,329.48	35,067.50	
Interest received on loans securitised	2,719.90	1,903.43	
Interest paid on borrowings	(18,491.69)	(14,429.83)	
Interest on financial liability towards securitisation	(1,004.74)	(561.95)	
Working capital changes:			
Increase / decrease in derivative financial instruments	(7.21)	(186.14)	
(Increase) / decrease in loans	(13,567.45)	(63,115.57)	
Increase/decrease in securitised assets	5,190.88	(8,943.16)	
(Increase) / decrease in bank balance other than cash and cash equivalents	(193.96)	(2,696.65)	
Increase in other financial assets	(487.61)	(616.40)	
(Increase) / decrease in other non-financial assets	5.74	(6.53)	
Increase in trade and other payables	1,201.58	76.58	
Increase / (decrease) in other financial liabilities	59.20	59.05	
Increase / (decrease) in provisions	93.14	74.42	
(Decrease) / increase in other non-financial liabilities	22.35	13.44	
	(7,583.34)	(73,340.96)	
Income tax paid	(3,490.70)	(3,849.69)	
Net cash flows used in operating activities (A)	(268.28)	(63,066.80)	
Investing activities			
Purchase of property, plant and equipment	(780.77)	(507.56)	
Purchase of intangible assets	(39.03)	(93.33)	
Purchase of investments at fair value through profit and loss	(142,225.00)	(174,750.00)	
Sale of investments at fair value through profit and loss	138,989.71	174,077.41	
Net cash flows (used in) / from investing activities (B)	(4,055.09)	(1,273.48)	




(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Medura Micro Finance Ltd		
CIN:- U65929TN2005PLC057390		
Consolidated statement of cash flows for the year ended March 31, 2020		
		₹ in lakhs
Financing activities		
Debt securities (repaid) / issued (net)	(1,559.63)	(84.57)
Borrowings other than debt securities (repaid) / issued (net)	3,690.20	65,644.69
Subordinated liabilities (repaid) / issued (net)	2,500.00	-
Financial liability towards securitisation (net)	(5,698.90)	6,210.36
Net Cash flows from financing activities (C)	(1,068.33)	71,770.48
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(5,381.70)	7,430.20
Cash and cash equivalents as at the beginning of the year	13,414.51	5,984.31
Cash and cash equivalents as at the end of the year	8,022.81	13,414.51
Reconciliation of cash and cash equivalents as per cash flow statement		
Cash and cash equivalents consists of		
Cash and cash equivalents as at the end of the year (Refer note 4)	8,024.09	13,977.71
Cash credit (refer note 11)	(1.28)	(563.20)
Total	8,022.81	13,414.51
The accompanying notes 1 to 46 form an integral part of financial statements		
For PKF Sridhar & Santhanam LLP		
Chartered Accountants		
Firm Registration No:0039905 / S200018		
<i>S. Rajeshwari</i>		
S. Rajeshwari		
Partner		
(Membership No : 024105)		
	<i>Tara Thilagarajan</i>	<i>F. S. Mohan Eddy</i>
	Tara Thilagarajan	F. S. Mohan Eddy
	Managing Director	Whole-time Director
	<i>V. Venkateswaran</i>	<i>S. Pallickar</i>
	V. Venkateswaran	S. Pallickar
	Chief Financial Officer	Chief Executive Officer / Company Secretary
Chennai		
18 May 2020		



STANDALONE BALANCE SHEET AS AT 31st MARCH 2019

	Note No.	Rs. As At 31.03.2019	Rs. As At 31.03.2018
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	7,19,47,610	7,19,47,610
(b) Reserves and Surplus	3	3,13,81,36,185	2,33,28,23,227
		3,21,00,83,795	2,40,47,70,837
Non Current Liabilities			
(a) Long Term Borrowings	4	7,59,69,73,279	4,79,80,33,673
(b) Other Long Term Liabilities	5	5,85,736	5,85,736
(c) Long Term Provisions	6	6,68,58,794	7,28,72,849
		7,66,44,17,809	4,87,14,92,258
Current Liabilities			
(a) Short Term Borrowings	7	5,63,20,124	1,88,09,751
(b) Trade Payables	8		
(i) Total outstanding dues of micro and small enterprises			
(ii) Total outstanding dues of creditors other than micro and small enterprises		26,64,62,441	17,52,92,807
(c) Other Current Liabilities	9	8,35,73,08,014	4,55,08,99,207
(d) Short Term Provisions	10	37,65,44,459	15,82,12,979
		9,05,66,35,038	4,90,32,14,744
		<u>19,93,11,36,642</u>	<u>12,17,94,77,839</u>
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	11	4,74,14,722	3,40,19,868
(ii) Intangible Assets	12	97,14,539	25,03,269
(iii) Intangible Assets			
(b) Non-current Investments	13	1,69,00,000	1,69,00,000
(c) Deferred Tax Assets (net)	14	10,11,58,774	3,90,40,135
(d) Long Term Loans and Advances	15	5,36,91,26,654	3,79,06,55,479
(e) Other Non-current assets	16	37,38,85,519	5,91,82,00,208
		13,24,65,770	4,01,55,84,521
Current Assets			
(a) Current Investments	17	10,00,19,461	-
(b) Cash and Bank Balances	18	1,56,35,35,613	77,02,56,963
(c) Short Term Loans and Advances	19	12,29,90,78,808	7,37,10,60,118
(d) Other Current Assets	20	5,02,02,552	2,25,76,237
		14,01,29,36,434	8,16,38,93,318
		<u>19,93,11,36,642</u>	<u>12,17,94,77,839</u>

Significant Accounting Policies

1

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No:0039905 / S200018

S. Rajeshwari

Partner

(Membership No : 024105)

Tara Thiagarajan

Managing Director

M. Narayanan

President & CFO

F. S. Mohan Reddy

Whole-time Director

Sarini Panicker

Company Secretary

Chennai

27 May 2019

V. Sridhar

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

		Rs. For The Year Ended 31.03.2019	Rs. For The Year Ended 31.03.2018
I	Revenue from Operations	21 3,64,26,60,127	2,24,19,71,325
II	Other Income	22 10,30,47,484	8,94,34,708
III	Total Revenue	3,74,57,07,611	2,33,14,06,033
IV	Expenses:		
	Employee Benefits Expenses	23 46,00,81,532	34,46,26,298
	Finance Cost	24 1,46,54,03,880	92,86,94,106
	Depreciation and Amortisation Expenses	11 & 12 2,81,71,217	1,62,78,465
	Other Expenses	25 64,84,49,614	41,68,41,762
	Total Expenses	2,60,21,06,243	1,70,64,40,631
V	Profit before exceptional and extraordinary items and tax	1,14,36,01,368	62,49,65,402
VI	Exceptional Items	-	-
VII	Profit before extraordinary items and tax	1,14,36,01,368	62,49,65,402
VIII	Extraordinary Items	-	-
IX	Profit Before Tax	1,14,36,01,368	62,49,65,402
X	Tax Expense		
	Current Tax	39,32,71,859	23,34,42,824
	Earlier year's tax	71,35,191	-
	Deferred Tax	-6,21,18,640	-67,49,452
XI	Profit or loss for the year ended from continuing operations	80,53,12,958	39,82,72,030
XII	Profit or loss from discontinuing operations	-	-
XIII	Tax expense of discontinuing operations	-	-
XIV	Profit/loss from discontinuing operations	-	-
XV	Profit for the year	80,53,12,958	39,82,72,030
XVI	Earnings per share		
	(1) Basic	37 111.93	56.15
	(2) Diluted	37 111.93	56.15
	(3) Nominal Value of Share	10.00	10.00

Significant Accounting Policies

1

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No:0039905 / S200018

S. Rajeshwari

Partner

(Membership No : 024105)

Tara Thiagarajan

Managing Director

F. S. Mohan Eddy

Whole-time Director

Chennai

27 May 2019

M. Narayanan

President & CFO

Sanin Panicker

Company Secretary

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

	Rs. For The Year Ended 31.3.2019	Rs. For The Year Ended 31.3.2018
Cash flows from Operating Activities		
Profit Before Tax	1,14,36,01,368	62,49,65,402
Add: Depreciation and amortisation	2,81,71,217	1,62,78,465
Provision made for Standard Advances and NPAs	20,11,89,351	5,40,95,924
Provision made for assets derecognised	89,80,671	24,91,163
Net Loss/(Gain) on foreign currency translation	-46,42,219	1,41,37,529
	1,37,73,00,388	71,19,68,483
Less: Net gain on sale of Investments	3,27,30,597	3,68,76,266
Profit on Sale of Fixed Assets	37,288	-
Dividend received from Mutual Funds	29,861	-
Operating profit before changes in operating assets and liabilities	1,34,45,02,642	67,50,92,217
Changes in operating assets and liabilities		
(Increase)/Decrease in advance to Self Help Groups and other loans	-6,50,64,89,865	-2,92,18,95,934
(Increase)/Decrease in other Current Assets and Non Current Assets	-2,98,77,661	26,32,966
(Increase)/Decrease in Term Deposits under Lien	-25,43,53,058	3,16,96,612
Increase/(Decrease) in Current Liabilities and other provisions	14,36,29,847	13,76,20,639
Tax paid net of provisions	-38,45,95,597	-21,83,39,555
Total Cash flow from operating activities	A -5,68,71,83,692	-2,29,31,93,055
Cash flows from Investing Activities		
Purchase of Fixed Assets	-4,88,03,177	-3,15,85,339
Sale of Fixed Assets	63,125	-
Redemption/(Purchase) of Mutual Fund	-10,00,19,461	5,00,00,000
Net gain on sale of Investments	3,27,30,597	3,68,76,266
Dividend received from Mutual Funds	29,861	-
Total cash flow from investing activities	B -11,59,99,055	5,52,90,927
Cash flows from Financing Activities		
Proceeds from issue of Shares (including Share Premium)	-	24,50,00,093
Long Term Borrowings taken	13,34,00,00,000	5,72,00,00,000
Long Term Borrowings repaid	-6,79,61,02,305	-3,91,39,04,825
Short Term Borrowings repaid/taken (net)	3,75,10,373	76,10,016
Total cash from financing activities	C 6,58,14,08,068	2,05,87,05,284
Total cash generated during the year (A + B + C)	77,82,25,321	-17,91,96,844
Cash and Cash Equivalents at the beginning of the year	61,70,31,766	79,62,28,609
Cash and Cash Equivalents at the end of the year	1,39,52,57,085	61,70,31,766
Reconciliation of Cash and Cash Equivalent with Balance Sheet		
Cash and Bank Balances at the end of the year	1,56,36,35,613	77,02,56,963
Less: Bank Balances not considered as Cash and Cash Equivalent (as defined in AS3 Cash Flow statement)	16,83,78,528	15,32,25,197
Net Cash and Cash equivalents (as defined in AS3 Cash Flow Statement) included in Note No. 18	1,39,52,57,085	61,70,31,766

As per our report of even date

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No:0039905 / S200018

S. Rajeshwari

Partner

(Membership No.: 024105)

Chennai

27 May 2019

Tara Thiagarajan

Managing Director

M. Narayanan

President & CFO

F. S. Mohan Eddy

Whole-time Director

Sanin Panicker

Company Secretary

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2019**

	Note No.	Rs. As At 31.03.2019	Rs. As At 31.03.2018
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	7,19,47,610	7,19,47,610
(b) Reserves and Surplus	3	3,12,19,36,370	3,19,38,83,980
			2,29,27,46,576
			2,36,46,94,186
Non Current Liabilities			
(a) Long Term Borrowings	4	7,60,98,69,283	4,81,44,53,423
(b) Other Long Term Liabilities	5	5,85,736	5,85,736
(c) Long Term Provisions	6	4,49,76,170	7,65,54,31,189
			7,33,85,387
			4,88,84,24,546
Current Liabilities			
(a) Short Term Borrowings	7	5,63,20,124	1,88,98,152
(b) Trade Payables	8		
(i) Total outstanding dues of micro and small enterprises			
(ii) Total outstanding dues of creditors other than micro and small enterprises		26,64,73,543	17,53,62,853
(c) Other Current Liabilities	9	8,36,33,63,725	4,55,51,72,362
(d) Short Term Provisions	10	37,65,44,459	9,06,27,01,851
			15,82,12,979
			4,90,76,46,346
		<u>19,91,20,17,020</u>	<u>12,16,07,65,078</u>
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	11	4,75,91,893	3,44,86,281
(ii) Intangible Assets	12	1,03,92,495	48,58,555
(b) Non-current Investments	13	20,00,000	20,00,000
(c) Deferred Tax Assets (net)	14	10,11,58,774	3,90,40,134
(d) Long Term Loans and Advances	15	5,36,17,14,563	3,78,32,43,388
(e) Other Non-current assets	16	37,42,72,215	5,89,71,29,940
			13,29,23,615
			3,99,65,51,973
Current Assets			
(a) Current Investments	17	10,00,19,461	
(b) Cash and Bank Balances	18	1,56,54,97,836	77,05,53,456
(c) Short Term Loans and Advances	19	12,29,90,78,808	7,37,10,60,118
(d) Other Current Assets	20	5,02,90,975	14,01,46,87,080
			2,25,99,531
		<u>19,91,20,17,020</u>	<u>8,16,42,13,105</u>
			<u>12,16,07,65,078</u>

Significant Accounting Policies

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm Registration No: 0039905 / S200018

S. Rajeshwari

Partner

(Membership No : 024105)

Chennai
02 August 2019Tara Thiagarajan
Managing DirectorMr. Narayanan
President & CFOF. S. Mohan Eddy
Whole-time DirectorSanin Panicker
Company Secretary

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019**

		Rs. For The Year Ended 31.03.2019	Rs. For The Year Ended 31.03.2018
I Revenue from Operations	21	3,64,94,71,417	2,24,86,79,725
II Other Income	22	10,30,48,491	8,95,20,095
III Total Revenue		<u>3,75,25,19,908</u>	<u>2,33,81,99,820</u>
IV Expenses:			
Employee Benefits Expenses	23	46,38,15,273	35,20,16,107
Finance Cost	24	1,46,68,36,251	93,01,41,032
Depreciation and Amortisation Expenses	11 & 12	3,01,37,788	1,88,05,613
Other Expenses	25	64,65,64,483	41,89,88,577
Total Expenses		<u>2,60,73,53,795</u>	<u>1,71,99,51,329</u>
V Profit before exceptional and extraordinary items and tax		1,14,51,66,113	61,82,48,491
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax		1,14,51,66,113	61,82,48,491
VIII Extraordinary Items		-	-
IX Profit Before Tax		1,14,51,66,113	61,82,48,491
X Tax Expense			
Current Tax		39,32,71,859	23,34,42,824
Earlier year's tax		71,35,191	-
Deferred Tax		-6,21,18,640	-67,49,452
XI Profit or loss for the year ended from continuing operations		80,68,77,703	39,15,55,119
XII Profit or loss from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/loss from discontinuing operations		-	-
XV Profit for the year		80,68,77,703	39,15,55,119
XVI Earnings per share			
(1) Basic	36	112.15	55.21
(2) Diluted	36	112.15	55.21
(3) Nominal Value of Share		10.00	10.00

Significant Accounting Policies

1

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm Registration No: 0039905 / S200018

S. Rajeshwari

Partner

(Membership No : 024105)

Chennai

02 August 2019

Tara Thilagaran
Managing DirectorM. Narayanan
President & CFOF. S. Mohan Eddy
Whole-time DirectorSanin Panicker
Company Secretary

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

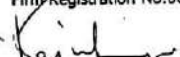
	Rs. For The Year Ended 31.3.2019	Rs. For The Year Ended 31.3.2018
Cash flows from Operating Activities		
Profit Before Tax	1,14,51,66,113	61,82,48,491
Add: Depreciation and amortisation	3,01,37,788	1,88,05,613
Provision made for Standard Advances and NPAs	20,11,89,351	5,40,95,924
Provision made for assets derecognised	89,80,671	24,91,163
Net Loss/(Gain) on foreign currency translation	-46,42,219	1,41,37,529
Interest Expense relating to Micro Education	11,99,389	12,13,323
	1,38,20,31,093	70,89,92,043
Less: Net gain on sale of Investments	3,27,30,597	3,68,76,266
Profit on Sale of Fixed Assets	37,288	-
Dividend received from Mutual Funds	29,861	-
	1,34,92,33,347	67,21,15,777
Operating profit before changes in operating assets and liabilities		
Changes in operating assets and liabilities		
(Increase)/Decrease in advance to Self Help Groups and other loans	-6,50,64,89,865	-2,92,18,95,934
(Increase)/Decrease in other Current Assets and Non Current Assets	-2,98,71,640	26,19,562
(Increase)/Decrease in Term Deposits under Lien	-25,43,53,058	3,16,96,612
Increase/(Decrease) in Current Liabilities and other provisions	14,52,70,385	13,76,75,223
Tax paid net of provisions	-38,45,95,597	-21,82,93,396
Total Cash flow from operating activities	A -5,68,08,06,428	-2,29,60,82,156
Cash flows from Investing Activities		
Purchase of Fixed Assets	-4,88,03,177	-3,17,26,839
Sale of Fixed Assets	63,125	-
Redemption/(Purchase) of Mutual Fund	-10,00,19,461	5,00,00,000
Net gain on sale of Investments	3,27,30,597	3,68,76,266
Dividend received from Mutual Funds	29,861	-
Total cash flow from investing activities	B -11,59,99,055	5,51,49,427
Cash flows from Financing Activities		
Proceeds from issue of Shares (including Share Premium)	-	24,50,00,093
Long Term Borrowings taken	13,34,00,00,000	5,72,00,00,000
Long Term Borrowings repaid	-6,79,96,26,051	-3,91,39,04,825
Short Term Borrowings repaid/taken (net)	3,74,21,972	73,95,416
Interest Expense relating to Micro Education	-11,99,389	-12,13,323
Total cash from financing activities	C 6,57,65,96,532	2,05,72,77,361
Total cash generated during the year (A + B + C)	77,97,91,049	-18,36,55,367
Cash and Cash Equivalents at the beginning of the year	61,73,28,259	80,09,83,626
Cash and Cash Equivalents at the end of the year	1,39,71,19,308	61,73,28,259
Reconciliation of Cash and Cash Equivalent with Balance Sheet		
Cash and Bank Balances at the end of the year	1,56,54,97,836	77,05,53,456
Less: Bank Balances not considered as Cash and Cash Equivalent	16,83,78,528	15,32,25,197
(as defined in AS3 Cash Flow statement)		
Net Cash and Cash equivalents	1,39,71,19,308	61,73,28,259
(as defined in AS3 Cash Flow Statement) Included in Note No. 18		

As per our report of even date

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

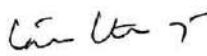
Firm Registration No: 0039905 / S-2010-018




S. Rajeshwari

Partner

(Membership No : 024105)



Tara Thiagarajan
Managing Director

F. S. Mohan Eddy
Whole-time Director

M. Narayanan
President & CFO

Sanin Panicker
Company SecretaryChennai
02 August 2019



MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390

BALANCE SHEET AS AT 31ST MARCH 2018

	Note No.	As at 31.03.2018	As at 31.03.2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	7,19,47,610	6,69,75,210
(b) Reserves and Surplus	3	2,33,28,23,227	1,69,45,23,504
		<u>2,40,47,70,837</u>	<u>1,76,14,98,714</u>
Non Current Liabilities			
(a) Long Term Borrowings	4	4,79,80,33,673	3,43,40,68,141
(b) Other Long Term Liabilities	5	5,85,736	5,85,736
(c) Long Term Provisions	6	7,28,72,849	5,72,75,508
		<u>4,87,14,92,258</u>	<u>3,49,19,29,385</u>
Current Liabilities			
(a) Short Term Borrowings	7	1,88,09,751	1,11,99,735
(b) Trade Payable	8		
(i) Total outstanding dues of Micro and Small Enterprises			
(ii) Total outstanding dues of Creditors other than Micro and Small Enterprises		17,52,92,807	7,05,15,247
(c) Other Current Liabilities	9	4,55,08,99,207	4,08,56,78,742
(d) Short Term Provisions	10	15,82,12,979	7,79,83,179
		<u>4,90,32,14,744</u>	<u>4,24,53,76,903</u>
		<u>12,17,94,77,839</u>	<u>9,49,88,05,002</u>
ASSETS			
Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	3,40,19,868	2,09,40,792
(ii) Intangible Assets	12	25,03,269	2,75,472
(b) Non-current Investments	13	1,69,00,000	1,69,00,000
(c) Deferred Tax Assets (net)	14	3,90,40,135	3,22,90,683
(d) Long Term Loans and Advances	15	3,79,06,55,479	2,41,86,35,380
(e) Other Non-current assets	16	14,26,47,820	18,16,00,261
		<u>4,02,57,66,572</u>	<u>2,67,06,42,588</u>
Current Assets			
(a) Current Investments	17	-	5,00,00,000
(b) Cash and Cash Equivalents	18	63,51,46,374	83,91,96,568
(c) Short Term Loans and Advances	19	7,37,10,60,118	5,82,11,84,283
(d) Other Current Assets	20	14,75,04,775	11,77,81,563
		<u>8,15,37,11,267</u>	<u>6,82,81,62,414</u>
		<u>12,17,94,77,839</u>	<u>9,49,88,05,002</u>

Significant Accounting Policies

1

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No. 00399057 S200018

S. Rajeshwari
(Membership No. 024105)
Partner

Car...
MANAGING DIRECTOR

...
WHOLE TIME DIRECTOR

...
PRESIDENT & CFO

...
COMPANY SECRETARY

Chennai
04 May 2018



MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
I Revenue from Operations	21	2,24,19,71,325	1,75,30,58,379
II Other Income	22	8,94,34,708	4,18,91,034
III Total Revenue		<u>2,33,14,06,033</u>	<u>1,79,49,49,413</u>
IV Expenses:			
Employee Benefits Expenses	23	34,46,26,298	26,20,64,839
Finance Cost	24	92,86,94,106	74,45,73,865
Depreciation	11 & 12	1,62,78,465	2,75,94,157
Other Expenses	25	41,68,41,762	26,55,15,190
Total Expenses		<u>1,70,64,40,631</u>	<u>1,29,97,48,051</u>
V Profit before exceptional and extraordinary items and tax		62,49,65,402	49,52,01,362
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax		<u>62,49,65,402</u>	<u>49,52,01,362</u>
VIII Extraordinary Items		-	-
IX Profit Before Tax		<u>62,49,65,402</u>	<u>49,52,01,362</u>
X Tax Expense			
Current Tax		23,34,42,824	19,85,00,000
Deferred Tax		-67,49,452	-54,25,547
XI Profit or loss for the year ended from continuing operations		39,82,72,030	30,21,26,909
XII Profit or loss from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/loss from discontinuing operations		-	-
XV Profit for the year		<u>39,82,72,030</u>	<u>30,21,26,909</u>
XVI Earnings per share			
(1) Basic	37	56.15	49.29
(2) Diluted	37	56.15	49.29
(3) Nominal Value of Share		10.00	10.00

Significant Accounting Policies

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No: 003990S / S200018

S. Rajeshwari
(Membership No: 024105)
Partner

Chennai
04 May 2018

[Signature]
MANAGING DIRECTOR

[Signature]
PRESIDENT & CFO

[Signature]
WHOLE TIME DIRECTOR

[Signature]
COMPANY SECRETARY



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018**

	Year ended 31-3-2018	Year ended 31-3-2017
Cash flows from Operating Activities		
Profit Before Tax	62,49,65,402	49,52,01,362
Add: Depreciation	1,62,78,465	2,75,94,157
Provision made for Advances and NPAs	5,40,95,924	4,34,95,171
Provision for impairment of Advances to Subsidiary	-	-
Provision for Impairment of Investment in Subsidiary	-	1,49,00,000
Provision made for assets derecognised	24,91,163	-26,96,909
Net Loss on foreign currency translation	1,41,37,529	-
	71,19,68,483	57,84,93,781
Less: Net gain on sale of Investments	3,68,76,266	56,76,403
Dividend received from Mutual Funds	-	89,73,306
Operating profit before changes in operating assets and liabilities	67,50,92,217	56,38,44,072
Changes in operating assets and liabilities		
(Increase)/Decrease in advance to Self Help Groups and other loans	-2,92,18,95,934	-3,00,42,81,114
(Increase)/Decrease in other Current Assets and Non Current Assets	26,32,967	3,50,29,763
(Increase)/Decrease in Term Deposits under Lien	3,16,96,612	3,65,51,746
Increase/(Decrease) in Current Liabilities and other provisions	13,76,20,639	-1,68,41,811
Tax paid net of provisions	-21,83,39,555	-19,77,60,601
Total Cash flow from operating activities	A -2,29,31,93,054	-2,58,34,57,945
Cash flows from Investing Activities		
Purchase of fixed assets	-3,15,85,339	-3,12,67,092
Redemption of mutual fund	5,00,00,000	-1,55,73,135
Net gain on sale of Investments	3,68,76,266	56,76,403
Dividend received from Mutual Funds	-	89,73,306
Total cash flow from Investing activities	B 5,52,90,927	-3,21,90,518
Cash flows from Financing Activities		
Proceeds from Issue of Shares (Including Share Premium)	24,50,00,093	40,00,00,180
Long Term Borrowings Taken	5,72,00,00,000	6,00,00,00,000
Long Term Borrowings Repaid	-3,91,39,04,825	-3,27,47,92,956
Short Term Borrowings Repaid/Taken (net)	76,10,016	9,33,559
Total Cash from Financing activities	C 2,05,87,05,284	3,12,61,40,783
Total cash generated during the year (A + B + C)	-17,91,96,843	51,04,92,320
Cash and Cash Equivalents at the beginning of the Year	79,62,28,609	28,57,36,289
Cash and Cash Equivalents at the end of the year	61,70,31,766	79,62,28,609
Reconciliation of Cash and Cash Equivalent with Balance Sheet		
Cash and Bank Balances at the end of the year	63,51,46,374	83,91,96,568
Less: Bank Balances not considered as Cash and Cash Equivalent as defined in AS3 Cash Flow Statement	1,81,14,608	4,29,67,959
Net Cash and Cash equivalents (as defined in AS3 Cash Flow Statement) Included in Note No.18	61,70,31,766	79,62,28,609

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No: 8039905 / S200018


S. Rajeswari
(Membership No: 024105)
Partner

Chennai
04 May 2018


MANAGING DIRECTOR



PRESIDENT & CFO



WHOLE TIME DIRECTOR


 COMPANY SECRETARY



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018**

	Note No.	As at 31.03.2018	As at 31.03.2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	7,19,47,510	6,09,75,210
(b) Reserves and Surplus	3	2,29,27,46,576	1,66,11,63,764
		<u>2,36,46,94,186</u>	<u>1,72,81,38,974</u>
Non Current Liabilities			
(a) Long Term Borrowings	4	4,81,44,53,423	3,45,42,77,065
(b) Other Long Term Liabilities	5	5,85,736	5,85,736
(c) Long Term Provisions	6	7,33,85,387	5,78,44,776
		<u>4,88,84,24,546</u>	<u>3,51,27,07,577</u>
Current Liabilities			
(a) Short Term Borrowings	7	1,88,98,152	1,15,02,736
(b) Trade Payable	8	-	-
(i) Total outstanding dues of Micro and Small Enterprises		-	-
(ii) Total outstanding dues of Creditors other than Micro and Small Enterprises		17,53,62,853	7,05,91,322
(c) Other Current Liabilities	9	4,55,51,72,362	4,08,60,45,380
(d) Short Term Provisions	10	15,82,12,979	7,79,83,179
		<u>4,90,76,46,346</u>	<u>4,24,61,22,617</u>
		<u>12,16,07,65,078</u>	<u>9,48,69,69,168</u>
ASSETS			
Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	3,44,86,281	2,16,84,181
(ii) Intangible Assets	12	48,58,555	47,39,429
(b) Non-current Investments	13	20,00,000	20,00,000
(c) Deferred Tax Assets (net)	14	3,90,40,134	3,22,90,683
(d) Long Term Loans and Advances	15	3,78,32,43,388	2,41,12,23,289
(e) Other Non-current assets	16	14,31,05,665	18,21,04,265
		<u>4,00,67,34,623</u>	<u>2,65,40,41,847</u>
Current Assets			
(a) Current Investments	17	-	5,00,00,000
(b) Cash and Cash Equivalents	18	63,54,42,867	84,39,51,585
(c) Short Term Loans and Advances	19	7,37,10,60,118	5,82,11,84,283
(d) Other Current Assets	20	14,75,28,070	11,77,91,453
		<u>8,15,40,31,055</u>	<u>6,83,29,27,321</u>
		<u>12,16,07,65,078</u>	<u>9,48,69,69,168</u>

Significant Accounting Policies

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santanam LLP
Chartered Accountants
Firm Registration No: 0039905 / S200018S. Rajeshwari
(Membership No : 024135)
PartnerChennai
23 July 2018

MANAGING DIRECTOR

PRESIDENT & CFO

WHOLE TIME DIRECTOR

COMPANY SECRETARY



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TN2005PLC057390**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018**

	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
I Revenue from Operations	21	2,24,86,79,725	1,76,25,95,229
II Other Income	22	8,95,20,095	4,23,74,171
III Total Revenue		<u>2,33,81,99,820</u>	<u>1,80,49,69,400</u>
IV Expenses:			
Employee Benefits Expenses	23	35,20,16,107	27,12,79,527
Finance Cost	24	93,01,41,032	74,60,28,363
Depreciation	11 & 12	1,88,05,613	3,47,72,525
Other Expenses	25	41,99,88,577	26,81,25,715
Total Expenses		<u>1,71,99,51,329</u>	<u>1,32,02,06,131</u>
V Profit before exceptional and extraordinary items and tax		61,82,48,491	48,47,63,269
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax		<u>61,82,48,491</u>	<u>48,47,63,269</u>
VIII Extraordinary Items		-	-
IX Profit Before Tax		<u>61,82,48,491</u>	<u>48,47,63,269</u>
X Tax Expense			
Current Tax		23,34,42,824	19,85,00,000
Deferred Tax		-67,49,452	-54,25,547
XI Profit or loss for the year ended from continuing operations		39,15,55,119	29,16,88,816
XII Profit or loss from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/loss from discontinuing operations		-	-
XV Profit for the year		<u>39,15,55,119</u>	<u>29,16,88,816</u>
XVI Earnings per share			
(1) Basic	36	55.21	47.59
(2) Diluted	36	55.21	47.59
(3) Nominal Value of Share		10.00	10.00

Significant Accounting Policies

The accompanying notes 1 to 39 form an integral part of financial statements

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No:0039905 / S200018S. Rajeshwari
(Membership No : 024105)
PartnerChennai
23 July 2018

MANAGING DIRECTOR

WHOLE TIME DIRECTOR

PRESIDENT & CFO

COMPANY SECRETARY



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MADURA MICRO FINANCE LIMITED
CIN: U65929TM2005PLC057390**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018**

	Year ended 31-3-2018	Year ended 31-3-2017
Cash flows from Operating Activities		
Profit Before Tax	61,82,48,491	48,47,63,269
Add: Depreciation	1,88,05,613	3,47,72,526
Interest Expense relating to Micro Education	12,13,323	12,15,877
Provision made for Advances and NPAs	5,40,95,924	4,34,95,171
Provision for impairment of Advances to Subsidiary	-	1,49,00,000
Provision for impairment of Investment in Subsidiary	-	-26,96,909
Provision made for assets derecognised	24,91,163	-
Net Loss on foreign currency translation	1,41,37,529	-
	70,89,92,043	57,64,49,934
Less: Net gain on sale of investments	3,68,76,266	56,76,403
Dividend received from Mutual Funds	-	89,73,306
	67,21,15,777	56,18,00,225
Operating profit before changes in operating assets and liabilities		
Changes in operating assets and liabilities		
(Increase)/Decrease in advance to Self Help Groups and other loans	-2,92,18,95,934	-2,99,68,69,023
(Increase)/Decrease in other Current Assets and Non Current Assets	26,19,562	3,60,83,813
(Increase)/Decrease in Term Deposits under Lien	3,16,96,612	3,65,51,746
Increase/(Decrease) in Current Liabilities and other provisions	13,76,75,223	-2,46,81,302
Tax paid net of provisions	-21,82,93,396	-19,77,08,481
Total Cash flow from operating activities	A -2,29,60,82,156	-2,58,48,23,022
Cash flows from Investing Activities		
Purchase of fixed assets	-3,17,26,839	-3,53,65,521
(Increase)/Decrease in Capital work in progress	-	2,58,590
Redemption of mutual fund	5,00,00,000	-1,55,73,135
Net gain on sale of investments	3,68,76,266	56,76,403
Dividend received from Mutual Funds	-	89,73,306
Total cash flow from investing activities	B 5,51,49,427	-3,60,30,357
Cash flows from Financing Activities		
Proceeds from issue of Shares (including Share Premium)	24,50,00,093	40,00,00,180
Long Term Borrowings Taken	5,72,00,00,000	6,00,00,00,000
Long Term Borrowings Repaid	-3,91,39,04,825	-3,27,47,92,956
Short Term Borrowings Repaid/Taken (net)	73,95,416	12,64,164
Interest Expense relating to Micro Education	-12,13,323	-12,15,877
Total Cash from Financing activities	C 2,05,72,77,361	3,12,51,95,511
Total cash generated during the year (A + B + C)	-18,36,55,367	50,13,42,132
Cash and Cash Equivalents at the beginning of the Year	80,09,83,626	29,66,41,494
Cash and Cash Equivalents at the end of the year	61,73,28,259	80,09,83,626
Reconciliation of Cash and Cash Equivalent with Balance Sheet		
Cash and Bank Balances at the end of the year	63,54,42,867	84,39,51,585
Less: Bank Balances not considered as Cash and Cash Equivalent as defined in AS3 Cash Flow statement	1,81,14,508	4,29,67,959
Net Cash and Cash equivalents (as defined in AS3 Cash Flow Statement) included in Note No.18	61,73,28,259	80,09,83,626

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No: 003990S / S200018S. Rajeshwari
(Membership No : 024
PartnerChennai
23 July 2018

MANAGING DIRECTOR

WHOLE TIME DIRECTOR

PRESIDENT & CFO

COMPANY SECRETARY



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE V: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Madura Micro Finance Limited
Face Value (per security)	Rs. 10,00,000/- (Rupees Ten Lakhs only)
Deemed Date of Allotment	December 31, 2020
Redemption Date / Maturity Date	June 30, 2022
Redemption amount	Rs. 10,00,000/- (Rupees Ten Lakhs only) per debenture
Coupon Rate	10.11%. (Ten decimal Eleven Percent) per annum
Frequency of the Coupon Payment with specified dates	Coupon payable Quarterly
Day Count Convention	Actual / Actual

Cash Flow Chart

Cash flow	Date	Amount (in Rs)
1st Coupon date	31-03-2021	62,32,192
2 nd Coupon date	30-06-2021	63,01,438
3 rd Coupon Date	30-09-2021	63,70,685
1st Instalment Date	04-10-2021	6,25,00,000
4 th Coupon Date	31-12-2021	48,47,260
2nd Instalment Date	31-12-2021	6,25,00,000
5 th Coupon Date	31-03-2022	31,16,096
3rd Instalment Date	31-03-2022	6,25,00,000
6 th and Final Coupon Date	30-06-2022	15,75,360
4th Instalment Date	30-06-2022	6,25,00,000

For MADURA MICRO FINANCE LTD.

Authorised Signatory

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE VI: APPLICATION FORM**Madura Micro Finance Limited****CIN: U65929TN2005PLC057390**

A private limited company incorporated under the Companies Act, 1956

Date of Incorporation: September 02, 2005**Registered Office: No. 36, II Main Road Kasturba Nagar, Adyar, Chennai, Tamil Nadu 600020, India****Telephone No.: (+91) - 44 46838939****Website: <https://maduramicrofinance.com/>**

APPLICATION FORMS SERIAL NO.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Issue of 250 (Two Hundred Fifty) Secured, unsubordinated, rated, listed, redeemable, transferable, non-convertible debentures Rs. 10,00,000/- (Rupees Ten Lakhs Only) Each, Aggregating Upto Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only), Fully Paid-up for Cash at par to the face value

DEBENTURE SERIES APPLIED FOR: _____

Number of Debentures: _____ In words _____

Amount Rs. _____ /- in words (Rupees _____ Only)

DETAILS OF PAYMENT:

NEFT/ RTGS

No. _____ Drawn on _____ Bank

Funds transferred to Madura Micro Finance Limited

Dated _____

Total Amount Enclosed

(In Figures) Rs. _____ /- (In words) Indian Rupees _____ Only

APPLICANT'S NAME IN FULL (CAPITALS)**SPECIMEN SIGNATURE**

--	--

APPLICANT'S ADDRESS:

ADDRESS			
STREET			
CITY			
PIN		PHONE	
		FAX	



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT _____

I AM / WE ARE () COMPANY () OTHERS () SPECIFY _____

We have read and understood the terms and conditions of the issue of Debentures and have considered the risk factors in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the register of holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL () CDSL ()
Depository Participant Name	
DP-Id	
Beneficiary Account Number	
Name of the Applicant(s)	

Applicant Bank Account: NEFT/ RTGS (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	
--	--

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Private Placement Offer cum Application Letter is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have, for the purpose of investing in these Debentures, carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures. We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in the Information Memorandum to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and also hold the Issuer and each of such person harmless in respect of any claim by any Transferee.

Applicant's Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____
(Note: Cheque and Drafts are subject to realisation)	

------(TEAR HERE)-----

- ACKNOWLEDGMENT SLIP -

(To be filled in by Applicant) SERIAL NO.					
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Received from _____

Address _____	
Cheque/Draft/UTR # _____	Drawn on _____ for Rs. _____
on account of application of Debenture	

Initial of the Officer of Madura Micro Finance Limited designated to keep the record



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.
3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. Cheque(s)/Demand Draft(s) should be drawn in favour of "**Madura Micro Finance Limited**" and crossed "**A/C Payee Only**". Cheque(s)/Demand Draft(s) may be drawn on any scheduled bank and payable at Chennai. The payment can also be made through RTGS as per the following details:

Beneficiary name	Madura Micro Finance Limited
Beneficiary account no.	67383518790
Beneficiary address	Karumuttu Centre, 6 th Floor, Anna Salai, Nandanam, Chennai - 600035
Beneficiary bank	SBI BANK
Account type	Current Account
IFSC code	SBIN0004804

The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than

- a) for adjustment against allotment of securities; or
 - b) for the repayment of monies where the company is unable to allot securities.
4. Outstation Cheques, Cash, Money Orders, Postal Orders and Stock Invest shall not be accepted.
 5. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
 6. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

