



# Jagaran Microfin Private Limited

To  
The Manager  
Bombay Stock Exchange Ltd  
Floor 25, P.J Towers,  
Dalal Street, Mumbai  
400 001, India

**Declaration or Statement of Impact of Audit Qualifications for the year Ended - March 2023**

**Scrip Code: 959127**

**New ISIN - INE01HK07034**

Dear Sir/Madam

Please find enclosed herewith the Undertaking in pursuance to Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

This is for your kind information and record.

Thanking you,

For Jagaran Microfin Private Limited

Tanusree Ghosh  
Company Secretary and Compliance Officer

info@jagaranmf.com

033 2262 8207

www.jagaranmf.com

Head Office: 38, Hemanta Basu Sarani, 5<sup>th</sup> Floor, Kolkata-700001

GSTN: 19AADCS8083R1ZC | CIN: U74210W B1993PTC057457



Jagaran Microfin Private Limited

**UNDERTAKING IN TERMS OF AUDIT REPORT**

This is to undertake that pursuant to the provisions of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Jagaran Microfin Private Limited (CIN: U74210WB1993PTC057457) having its registered office 5<sup>TH</sup> Floor, 38 Hemanta Basu Sarani, Kolkata – 700001 has submitted the auditors' report for the period ended on March 31, 2023 as reported by M/s Lodha & Co., Statutory Auditors, with unmodified opinion.

For Jagaran Microfin Private Limited

Tanusree Ghosh  
Company Secretary and Compliance Officer

Place: Kolkata

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**INDEPENDENT AUDITORS' REPORT****THE BOARD OF DIRECTORS  
JAGARAN MICROFIN PRIVATE LIMITED****REPORT ON THE AUDIT OF THE FINANCIAL RESULTS****OPINION**

We have audited the accompanying financial results of Jagaran Microfin Private Limited (hereinafter referred to as "the Company") for the year ended March 31, 2023 and the notes thereon (hereinafter referred to as the "Financial Results") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as "Listing Regulations"). The financial results have been initialled by us for the purpose of identification.

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit for the year ended March 31, 2023 and other comprehensive income and other financial information for the year ended on that date.

**BASIS FOR OPINION**

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred to as "SAs") notified under section 143(10) of the Companies Act, 2013 as amended from time to time (hereinafter referred to as "the Act"). Our responsibilities under those SAs are further described in the "Auditors' Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial results.



## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL RESULTS**

These financial results have been prepared based on the financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit for the year ended March 31, 2023 and other comprehensive income and other financial information of the company in accordance with the recognition and measurement principles laid down in Indian Accounting Standard notified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL RESULTS**

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 based on these financial results.

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

- Identify and assess the risks of material misstatement of the financial results, 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 to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing an opinion whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;



- Conclude on the appropriateness of the Board of Directors' 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 financial results 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## **OTHER MATTERS**

These financial results include the results for the quarter ended March 31, being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to December 31 of the relevant financial year, which were subject to limited review by us as required under the Listing Regulations. Our opinion is not modified in respect of this matter.



**FOR LODHA & CO  
CHARTERED ACCOUNTANTS  
FIRM'S REGISTRATION NO.: 301051E**

**BOMAN R PARAKH  
(PARTNER)**

**MEMBERSHIP NO. 053400  
UDIN: 23053400BGSCMQ7168**

**PLACE: Kolkata  
DATE: May 12, 2023**

**Jagaran Microfin Private Limited**  
**CIN: U74210WB1993PTC057457**  
**Regd. Office: 5th Floor, 38, Hemant Basu Sarani, Kolkata - 700001 Tel: 033 2265 0100**  
**Website: www.jagaranmf.com, Email: info@jagaranmf.com**  
**Statement of Audited Financial Results for the Quarter and Year ended March 31, 2023**

(₹ in Lakhs except for EPS data)

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March, 31, 2023	March, 31, 2022
	(Audited Refer Note 10)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Revenue from operations</b>					
Interest income	1,807.82	1,680.11	1,484.99	6,516.49	6,476.72
Dividend income	14.60	10.84	8.67	52.36	28.10
Fees and commssion income	13.86	1.24	-	15.10	-
<b>Total revenue from operations</b>	<b>1,836.28</b>	<b>1,692.19</b>	<b>1,493.66</b>	<b>6,583.95</b>	<b>6,504.82</b>
Other income	288.41	75.55	2,207.75	407.61	2,233.89
<b>Total income</b>	<b>2,124.69</b>	<b>1,767.74</b>	<b>3,701.41</b>	<b>6,991.56</b>	<b>8,738.71</b>
<b>Expenses</b>					
Finance costs	1,080.90	998.95	685.61	3,688.93	3,343.49
Employee benefits expense	415.62	486.30	478.77	1,771.81	1,724.66
Depreciation and amortisation expense	24.06	7.73	2.40	47.16	36.87
Other expenses	385.89	244.99	2,481.64	1,126.90	3,119.69
<b>Total expenses</b>	<b>1,906.47</b>	<b>1,737.97</b>	<b>3,648.42</b>	<b>6,634.80</b>	<b>8,224.71</b>
<b>Profit before tax</b>	<b>218.22</b>	<b>29.77</b>	<b>52.99</b>	<b>356.76</b>	<b>514.00</b>
<b>Tax expense</b>					
(a) Current tax	-	-	(118.14)	-	-
(b) Deferred tax	35.12	(70.06)	168.47	60.95	149.35
<b>Total tax expense</b>	<b>35.12</b>	<b>(70.06)</b>	<b>50.33</b>	<b>60.95</b>	<b>149.35</b>
<b>Profit for the period/ year</b>	<b>183.10</b>	<b>99.83</b>	<b>2.66</b>	<b>295.81</b>	<b>364.65</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
(i) Re-measurements of the defined benefit plans	(8.27)	6.75	(3.46)	(6.76)	2.01
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	2.26	(1.70)	0.89	1.88	(0.51)
<b>Total other comprehensive income for the period/ year, net of tax</b>	<b>(6.01)</b>	<b>5.05</b>	<b>(2.57)</b>	<b>(4.88)</b>	<b>1.50</b>
<b>Total comprehensive income for the period/ year (comprising profit and other comprehensive income for the period/ year)</b>	<b>177.09</b>	<b>104.88</b>	<b>0.09</b>	<b>290.93</b>	<b>366.15</b>
<b>Paid-up equity share capital (Par value of ₹ 10 each)</b>	<b>5,129.62</b>	<b>5,129.62</b>	<b>4,829.62</b>	<b>5,129.62</b>	<b>4,829.62</b>
<b>Other equity</b>					<b>4,541.59</b>
<b>Earnings per equity share (Par value of ₹ 10/- each)</b>					
Basic and diluted earnings per share (₹) (not annualized for the quarterly figures)	0.36	0.19	0.01	0.58	0.76
See accompanying notes to the financial results					
<b>Ratios (Refer Note No. 5)</b>					
Debt equity ratio (No. of Times)	3.16	2.96	3.07	3.16	3.07
Net worth	10,262.14	10,085.05	9,371.21	10,262.14	9,371.21
Total debts to total assets (%)	72.72%	74.04%	74.67%	72.72%	74.67%
Net profit margin (%)	9.97%	5.90%	0.01%	4.49%	5.61%
Operating margin (%)	10.27%	1.68%	1.43%	5.10%	5.88%
Gross non performing assets % ("GNPA")	4.91%	4.77%	4.62%	4.91%	4.62%
Net non performing assets % ("NNPA")	1.60%	1.30%	1.65%	1.60%	1.65%
Provision coverage ratio % ("PCR")	67.35%	79.79%	85.19%	67.35%	85.19%
Bad debts to accounts receivable ratio	0.01	0.01	0.07	0.01	0.08





**Jagaran Microfin Private Limited**

**CIN: U74210WB1993PTC057457**

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**Website: www.jagaranmf.com, Email: info@jagaranmf.com**

**Note No. 1: Statement of Assets and Liabilities as at March 31, 2023**

**(₹ in Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	2,133.33	3,055.61
Bank balances other than cash and cash equivalents	4,566.15	4,300.42
Investment	-	-
Trade receivables	68.57	-
Loans	33,887.69	29,725.02
Other financial assets	2,815.29	289.82
<b>Non-financial assets</b>		
Current tax assets (net)	217.36	155.53
Deferred tax assets (net)	793.46	852.53
Property, plant and equipment	38.51	66.20
Other intangible assets	22.78	25.79
Other non-financial assets	73.19	74.25
<b>TOTAL ASSETS</b>	<b>44,616.33</b>	<b>38,545.17</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial Liabilities</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	7.39	14.71
Debt securities	1,929.31	4,304.74
Borrowings (other than debt securities)	30,015.69	23,992.03
Subordinated liabilities	500.42	500.42
Other financial liabilities	1,725.49	219.09
<b>Non-financial Liabilities</b>		
Provisions	119.11	108.21
Other non-financial liabilities	56.78	34.76
<b>Equity</b>		
Equity share capital	5,129.62	4,829.62
Other equity	5,132.52	4,541.59
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>44,616.33</b>	<b>38,545.17</b>



(₹ in lakhs)

	PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/(loss) before tax	356.76	514.00
	Adjustments for:		
	Depreciation and amortisation expense	47.16	36.87
	Dividend income	(52.36)	(28.10)
	Interest income on deposits	(276.40)	(309.00)
	Sundry assets written off	131.65	2,217.47
	Liabilities no longer required written back	(11.76)	(53.30)
	Provision no longer required written back	(10.44)	(2,154.05)
	<b>Operating profit before working capital changes</b>	<b>184.61</b>	<b>223.89</b>
	<b>Adjustment for changes in operating assets &amp; liabilities</b>		
	<u>Adjustments for (increase)/decrease in operating assets:</u>		
	Loans	(4,273.53)	2,294.93
	Trade Receivables	(68.57)	-
	Other financial assets	(46.46)	1.78
	Other non-financial assets	1.06	(19.89)
	<u>Adjustments for increase/(decrease) in operating liabilities:</u>		
	Trade payables	4.44	(162.67)
	Provisions	(16.88)	(9.14)
	Other financial liabilities	1,503.87	9.70
	Other non-financial liabilities	22.02	(4.45)
	<b>Cash generated from/(used in) operations</b>	<b>(2,689.44)</b>	<b>2,334.15</b>
	Income tax paid	(61.83)	(437.54)
	<b>Net cash generated from operating activities</b>	<b>(2,751.27)</b>	<b>1,896.61</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of property, plant and equipment	(13.93)	(7.11)
	Purchase of investment in mutual fund	(21,437.14)	(12,311.08)
	Sale of investment in mutual fund	21,437.14	12,311.08
	(Investment in)/redemption of deposits with banks & NBFCs (net)	(2,734.08)	1,225.18
	Interest received on deposits	276.41	308.11
	Dividend received	52.36	28.10
	<b>Net cash generated from investing activities</b>	<b>(2,419.24)</b>	<b>1,554.28</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Issue of share capital	600.00	-
	Proceeds from borrowings from banks and NBFCs	26,460.00	19,350.00
	Repayment of borrowings to banks and NBFCs	(22,811.77)	(21,667.55)
	<b>Net cash used in financing activities</b>	<b>4,248.23</b>	<b>(2,317.55)</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(922.28)</b>	<b>1,133.34</b>
	Cash and cash equivalents as at the beginning of the year	3,055.61	1,922.27
	<b>Cash and Cash Equivalents as at the end of year</b>	<b>2,133.33</b>	<b>3,055.61</b>





**Notes**

- 3 The above Statement of Audited Financial Results for the quarter and year ended March 31, 2023 along with notes thereupon including Statement of Assets & Liabilities and Statement of Cash Flows as given in Note 1 & 2 respectively were reviewed by the Audit Committee and thereafter, approved by the Board of Directors and have been taken on record at their meetings held on May 12, 2023. The audit of Financial Results for the year ended March 31, 2023 and limited review of Financial Results for the quarter ended March 31, 2023 is required by Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "SEBI Regulations"), have been carried out by the Statutory Auditors.
- 4 The Company is Non-Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-NSI) registered with the Reserve Bank of India (RBI) classified as Non-Banking Finance Company-Micro Finance Institution (NBFC-MFI). The RBI periodically issues/ amends directions, regulations and/ or guidelines (collectively "Regulatory Frameworks") covering various aspects of the operation of the Company, including those related to accounting for certain type of transactions and provisions etc. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its financial results.
- 5 Information as applicable and required pursuant to Regulation 52(4) of the SEBI Regulations. Formula for computation of ratios are as follows:

Sl. No.	Ratios as required by Regulation 52(4)	Formulaes
i.	Debt equity ratio	(Debt securities + Borrowings (other than debt securities) + Subordinated Debts - Unamortised Issue Expenses)/ (Equity share capital + Other Equity + Deferred Revenue Expenditure)
ii.	Total debts to total assets (%)	(Debt Securities + Borrowings (other than debt securities) + Subordinated debts)/ Total assets
iii.	Net profit margin (%)	Profit after tax/ Revenue from operation
iv.	Operating profit margin (%)	Profit before tax/ Revenue from operation
v.	Gross Non Performing Assets ("GNPA") (%)	Gross Non Performing Assets/ Gross Loans
vi.	Net Non Performing Assets ("NNPA") (%)	(Gross NPA - Impairment loss allowance)/ (Gross loans - Impairment loss allowance)
vii.	Provision coverage ratio (PCR) (%)	Impairment loss allowance on NPA/ Gross NPA
viii.	Bad Debts to Accounts Receivable Ratio	Bad Debts written off/ Loan Balance before writeoff

Other ratios as required by Regulation 52(4) of the SEBI Regulations are not applicable to the Company and hence, the same are not disclosed.

- 6 The Company has redeemed 13.0465% Secured Redeemable Non-Convertible Debentures aggregating to ₹ 2,050.46 lakhs on October 25, 2022.
- 7 The Listed Non-Convertible Debentures (before netting off prepaid finance charges) aggregating to ₹ 1,929.31 lakhs as at March 31, 2023 are secured by way of hypothecation/ charge on the Company's certain book debts and the security cover thereof exceeds one hundred percent of the principal and interest amount of the aforesaid debentures.
- 8 The Company, being a NBFC-MFI operates in a single reportable operating segment i.e. business of Micro Financing activities in India and hence there are no separate reportable segments as per Ind AS 108 'Operating Segments'.
- 9 Other income includes ₹ 174.00 Lakhs from branding and advertisement in the quarter and year ended March 31, 2023.
- 10 The figures for the quarter ended March 31 are the balancing figures between audited figures in respect of the full financial years ended March 31 and the published unaudited year to date figures upto December 31 being the end of the third quarter of the respective financial year, which were subjected to limited review by statutory auditors of the company.
- 11 Comparative figures of the previous periods/ year have been regrouped wherever applicable to make them comparable with those of the current periods' figures.

For and on behalf of the Board of Directors

Place: Kolkata  
Date: May 12, 2023



**Sourav Ghosh**  
**(Managing Director)**  
**DIN: 08154243**