

## Nightingale Finvest Private Limited

Second Floor, Chakradhar Villa, R.G. Baruah Road,  
Opp. All India Radio, Krishna Nagar Chandmari,  
Guwahati-781003, Assam.

Valid from: September 13, 2023

Valid to: September 12, 2024

Grading Type	Amount	Grading Assigned
MFI Grading	Not Applicable	<b>MFI 2</b>

IAR MFI Grading	Definition
MFI 1	<b>Highest</b> capacity of the MFI to manage its operations in a sustainable manner.
MFI 2	<b>High</b> capacity of the MFI to manage its operations in a sustainable manner.
MFI 3	<b>Good</b> capacity of the MFI to manage its operations in a sustainable manner.
MFI 4	<b>Above Average</b> capacity of the MFI to manage its operations in a sustainable manner.
MFI 5	<b>Average</b> capacity of the MFI to manage its operations in a sustainable manner.
MFI 6	<b>Below Average</b> capacity of the MFI to manage its operations in a sustainable manner.
MFI 7	<b>Weak</b> capacity of the MFI to manage its operations in a sustainable manner.
MFI 8	<b>Poor</b> capacity of the MFI to manage its operations in a sustainable manner.

## Table of Content

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<b>Sl.No</b>	<b>Particulars</b>	<b>Page Number</b>
1	General Information	3
2	Brief Profile of the Organization	4
3	Mission & Vision	6
4	Promoters/Director's Details	7-10
5	Transparency	11-13
6	Operational Setup	14-19
7	Sustainability	21
8	Asset Quality (NPA Profile)	22
9	Operational Sustainability	23-24
10	Annexures 1: Past and Projected Financial	25
11	Annexures 2: Organisational Structure	27
12	Annexure 3: Loan Products	28
13	Annexure 4: Asset Profile	28
14	Annexure 5: Diversified Resource Profile	28
15	Annexure 6: Portfolio Details	29-32
16	Appendix	33

## General Information

<b>Name of the MFI</b>	Nightingale Finvest Private Limited	
<b>Registered Office/ Corporate Office</b>	Reg. Office- H.No-85, D.R. Pathak Bhawan, Natun Sarania, Chandmari, Guwahati-781003 Corr. Office- Second Floor, Chakradhar Villa, R.G. Baruah Road, Opp. All India Radio, Krishna Nagar Chandmari, Guwahati-781003, Assam.	
<b>Date of Incorporation</b>	November 13, 1987	
<b>Date of Commencement of Microfinance Business</b>	March 01, 2011	
<b>CIN</b>	U65999AS1987PTC010830	
<b>Legal Status</b>	Non-Banking Finance Company (NBFC-MFI)	
<b>Nature of Business</b>	Joint Liability Group (JLG)	
<b>Geographical Reach as on July 31, 2023</b>	No. of States	4
	No. of Districts	20
	No. of Branches	43
	No. of Active Borrowers	42738
	No. of Total Employees	180
	No. of Field/Credit Officers	103
<b>Managing Director</b>	Mr. Mantu Nath Sarma	

## Brief Profile of the Organization

- Nightingale Finvest Private Limited (here in after referred to as “NFPL”) is an NBFC and RBI issued Certificate of Registration to it as NBFC MFI bearing COR No. B.08.00184. Prior to year 2011, microfinance activities were carried out in the name of Nightingale Charitable Society which was formed on 2nd October 1997 under Societies Registration Act 1860 at Guwahati. Eventually the management of the Nightingale Charitable Society had taken over the management of a Company (NBFC) namely Aninda Investments and Finance Private Ltd which was incorporated on 13.11.1987. Finally, the name of Aninda Investments and Finance Private Ltd has been changed as Nightingale Finvest Private Ltd on 07.12.2012. Micro credit is being provided only to poor and low-income group of the society to generate more income and raising living standard. The Company has been started by a very well experienced and knowledgeable professional with vast experience and complimentary skill set in financing of MSMEs and Microfinance.
- NFPL is a NBFC-MFI engaged in microfinance activities and mainly focus on providing financial and non-financial services to poor inhabitants in that region. The areas where NFPL operates are regions where some of the poorest people in India live and are largely unserved by formal and informal banking facilities. The regions were identified after conducting a market research survey.
- NFPL started its microfinance operations in the year 2011. It’s registered & corporate office was located at H.No-85, D.R. Pathak Bhawan, Natun Sarania, Chandmari, Guwahati-781003. Further the correspondence address was located at Second Floor, Chakradhar Villa, R.G. Baruah Road, Opp. All India Radio, Krishna Nagar Chandmari, Guwahati-781003, Assam
- Nightingale Finvest Private Limited works in JLG model only. The company will strengthen its Board and Senior Management by including more experienced professionals with experience in banking and financial services.
- Currently, the operations of the company are managed by Mr. Mantu Nath Sarma, (Managing Director) & Mr. Rukunuddin Ahmed– (Director) along with other four directors and a team of experienced personnel.
- NFPL is now working with 43 branches spread over 20 districts in four states, Assam, Meghalaya, Arunachal Pradesh and Mizoram, where they are providing services to more than 42738 clients.

- Beside direct lending, the company also entered into a partnership to work as a Business Correspondence (BC) with M/s Industrial Development Bank of India, M/s Avanti Finance Private Limited, M/s Reliance and M/s Northeastern Development Finance Corporation Limited wherein NFPL manages the entire micro finance operation for designated areas on behalf of banks/FI's for a certain fee income.
- As on July 31, 2023, NFPL is managing a total outstanding loan portfolio of Rs.105.35 crore (it includes owned and managed portfolio).

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## Mission & Vision of Nightingale Finvest Private Limited

The **Mission Statement** of Nightingale Finvest Private Limited is “To economically empower the low-income segment, especially women by providing access to need based financial services in a cost effective manner on a sustainable basis.”

The **Vision Statement** of Nightingale Finvest Private Limited is “We see Nightingale as the most trusted Microfinance brand in India, providing access to diverse financial services to one million families by 2025”

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**Promoters/Director's Details:**

Name	Age	Designation In the board	Education Qualification	Brief Profile	Total Years of Experience	Experience in Micro finance
Mantu Nath Sarma	53 Years	Managing Director	M.com	Carrying out micro credit activities from the year 2004 in Nightingale Charitable Society in the capacity of Secretary General. Prior to association with the Society, he had worked in Chartered Accountant firm and acquired knowledge of accounts, audit and inspection of Companies. He is one of the members of Board of Directors of Nightingale Finvest Private Ltd and he is the Chief Executive Officer of the Company. The micro credit activities is being carried out by the Company from the year 2011. He had undergone 18 months training in micro finance imparted by Micro Save, Lucknow. He had also undergone training on micro finance activities as Hyderabad, IIBM, Lucknow. Imparted skill development training on different trades and activities from time to time to the clients of NCS and others sponsored by Govt. of India, Ministry of MSME and conducted by IIE, Guwahati. Having good knowledge on computer, MIS. Management of fund, planning and implementation.	18Years	18 Years
Pratap Chakravarty	58 Years	Wholetime Director	BA	Engaged in micro credit activities as Operation Manager in Nightingale Charitable Society from the year 2004. Prior to attached with NCS, he worked as Manager in reputed Hotel at Guwahati for about six years and acquired the knowledge of management and administration. He is the President of Nightingale Charitable Society and had undergone 18 months training on micro finance activities imparted by MicroSave. He has a good knowledge of operation of micro credit. He is one of the member of Board of Directors of Nightingale Finvest Private Ltd and carrying out micro credit activities from the year 2011.	18Years	18Years

Rukunuddin Ahmed	55 Years	Wholetime Director	Diploma in Engeering	Engaged in Nightingale Charitable Society in the capacity of Treasurer from the year 1998. Carrying out micro finance activities from the year 2004 as a Finance Manager. He is arranging Skill Development Programmes at different places of Assam on different activities and trades. He is having good knowledge on management of fund. Prior to attached with NCS, he was a reputed contractor and acquired knowledge of management of staff. He is one of the member of Board of Directors of NightingaleFinvest Private Ltd. and carrying out the micro finance activities from the year 2011.	18Years	18Years
Olee Bora	56 Years	Nominee Director(NE DFi)	MBA	She is working in North Eastern Development Finance Corporation Ltd., Guwahati in different capacities and presently she is holding the post of Deputy General Manager. Her total service period in NEDFi is around 20 years. She has experience in micro finance activities as NEDFi is providing fund to different Societies/NGOs/Companies for income generating activities.		8Years
Biswa Bandhu Mohanty	72 Years	Director	Post- Graduate in Political Science and graduate in Economics from Utkal University.	Sri Mohanty has to his credit 37 years of working experience in various institutions in India viz. Utkal University, Orissa Finance Service (OFS), Steel Authority of India Ltd (SAIL), Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD).He was recruited as Direct Recruit Officer in 1976 by RBI and opted for NABARD, on its formation in 1982. During his 28 years of illustrious career in NABARD, he had acquired major experience in rural finance policy development, financing of rural farm/non farm sector, livelihoods promotion, supervision of Rural Financial Institutions, microfinance services, HRD and institutional development. Out of 18 years of senior position, He was Chief General Manager for over 8 years and headed important Departments at NABARD Head Office, besides its Karnataka State Regional Office. Besides contributing to policy development, he was associated with in implementation of wide spectrum of financial, promotional and developmental schemes of NABARD in the farm and non-farm sectors. He was		5Years



				deeply involved in SHG -Bank Linkage Programme, right from its inception and headed Micro Credit Innovations Department (MCID), prior to his retirement as on 31 March 2010. He had been associated with several Committees, Working Groups and Task Forces constituted by NABARD and other agencies.	
Manish Agarwalla	40 Years	Independent Director	CA	Shri Manish Agarwalla, is a Chartered Accountant. He has experience of more than twelve(12)years in practice as a partner of firm Manish Agarwalla & Co. He is closely associated with a few MFIs and has a good knowledge on the operation of microfinance. He is a Registered Valuer of IBBI (SFA), Registered Insolvency Professional, Diploma of Information System Audit of ICAI(DISA),He is associated with Member of Association of Independent Directors of India, New Delhi, Life time member of All /India Federation of Tax Practitioner(AIFTP),Life Time member of Tax Bar Association, Guwahati, Managing Committee member of Association of Insolvency Professional, New Delhi,Member of Association of Valuation Professional, Mumbai, Member of Bangalore Valuers Association,First Treasurer of Laghu Udyog Bharati(LUB),Purvotar & presently a Member in the Managing Committee of LUBB,NE Region,He has been co-Chairman of PHD Chamber of commerce& Industry, NE Region.	1Years

## Senior Management Profile

Name	Designation	Qualifications	Total Experience
Mrigen Sarma	Adviser Internal Audit	B.E	<ul style="list-style-type: none"> <li>• He is a retired Deputy General Manager of Assam Financial Corporation.</li> <li>• He was associated with City Co-operative Bank Ltd. as a Managing Director for 6 years.</li> <li>• He is also knowledge of guidelines of micro credit issued by Reserve Bank of India from time to time.</li> <li>• He is associated with NFPL since 2022 as an Advisor responsible for internal Audit</li> </ul>
Mrinmoy Das	Manager (MIS & IT)	B.A.,P.G.D.C.A.	<ul style="list-style-type: none"> <li>• He is a Postgraduate in Arts and Post Graduate Diploma in Computer Application (PGDCA) and Diploma in Computer Software Engineering (DCSE).</li> <li>• He is associating with the organization in MIS/IT Department from last 11 years. He is monitoring all the work of MIS /IT Department. and looking after the funders loan document preparation.</li> <li>• Prepare and submit EPF return, TDS return, GST Return, Professional Tax Return. and prepare various report.</li> </ul>
Anamika Kakati	Asst. Manager ,Finance	B.A.	<ul style="list-style-type: none"> <li>• She holds a Bachelor in Arts degree and has an experience of 19 years and looking after the operation and prepare NEFT sheet for all branches and prepare the operational data .</li> </ul>
Manoj Kalita	Assistant Manager Accounts	H.S.	<ul style="list-style-type: none"> <li>• He is looking after the Accounts entries of Head office and Branches and now he looking after the BC System with IDBI Bank and NEDFI</li> </ul>
Sanjay Paul	Asst. Manager MIS	B.A.	<ul style="list-style-type: none"> <li>• Sanjay Paul is Assistant Manager (MIS) at Nightingale. Holds 15 years experience and presently managed the BC relationship with Avanti Finance Private Limited, Reliance Capital and Arohan . He was a senior Branch Manager</li> </ul>
Prabin Sarma	Asst. Manager (Audit)	B.Sc.	<ul style="list-style-type: none"> <li>• The qualification of Mr. Prabin Sarma is B.Sc. Prior to joining at Nightingale Finvest Private Ltd he worked as Branch Manager in UBSPD, registered office of which is at Guwahati. He had to monitor the entire business of UBSPD in N.E.States including accounting, finance etc. He has the clear knowledge about the management of fund and accounting. He is also knowledge of guidelines of micro credit issued by Reserve Bank of India from time to time. He is also aware about the instructions issued by MFIN and Sa-Dhan from time to time. He is having the energy to travel to different places and having capacity to carry out internal audit.</li> </ul>

## TRANSPARENCY

<b>Governance</b>	<ul style="list-style-type: none"> <li>Nightingale Finvest Private Limited (here in after referred to as “NFPL”) is an NBFC and RBI issued Certificate of Registration to it as NBFC MFI bearing COR No. B.08.00184. Prior to year 2011, microfinance activities were carried out in the name of Nightingale Charitable Society which was formed on 2nd October 1997 under Societies Registration Act 1860 at Guwahati. Eventually the management of the Nightingale Charitable Society had taken over the management of a Company (NBFC) namely Aninda Investments and Finance Private Ltd which was incorporated on 13.11.1987. Finally, the name of Aninda Investments and Finance Private Ltd has been changed as Nightingale Finvest Private Ltd on 07.12.2012. Micro credit is being provided only to poor and low-income group of the society to generate more income and raising living standard. The Company has been started by a very well experienced and knowledgeable professional with vast experience and complimentary skill set in financing of MSMEs and Microfinance.</li> <li>NFPL is a NBFC-MFI engaged in microfinance activities and mainly focus on providing financial and non-financial services to poor inhabitants in that region. The areas where NFPL operates are regions where some of the poorest people in India live and are largely unserved by formal and informal banking facilities. The regions were identified after conducting a market research survey.</li> <li>Nightingale Finvest Private Limited is governed by a board consisting of 6 (Six) members and a team of experienced personnel.</li> <li>The majority of the governing body members have adequate experience in their respective areas of specialization. Members meet on a quarterly basis.</li> <li>Nightingale Finvest Private Limited has formed various monitoring committees like HR, audit, grievance redressals committee etc.</li> <li>The monitoring committee meets on a quarterly basis to monitor the progress and discuss the financial and operational performance of the organization.</li> </ul>
<b>Transparency in lending process</b>	<ul style="list-style-type: none"> <li>Credit policies are well-established, documented and communicated.</li> <li>The lending policies (including interest rate, processing fees and other charges) are clearly communicated to the borrowers at group meetings through training programs &amp; orientations.</li> <li>Borrowers are made to sign a loan agreement clearly stating the terms &amp; conditions and the covenants, thereof. The majority of borrowers are aware about the credit policies. The set of rules and regulations in relation to the lending policies are also displayed at the branches of the company on boards.</li> <li>Following points are also communicated through written documents:             <ul style="list-style-type: none"> <li>Interest rate</li> <li>Processing fees</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Loan tenure and payment schedule</li> </ul>
<b>Audit Quality</b>	<ul style="list-style-type: none"> <li>• The auditor has given an unqualified report and satisfactory feedback.</li> </ul>
<b>Internal Controls</b>	<p><b>Internal Audit</b></p> <ul style="list-style-type: none"> <li>• NFPL's internal audit covers operations processes both in the field and back office. The audit of field operations includes pre-inspection checks of all the forms with respect to KYC details provided by the members, ratings (high mark check) done by the Credit Officer (CO) / Branch Manager (BM), random utilization check post disbursement, tele verification of pre and post-disbursement, cross checking of area surveys, credit initiation process such as group homogeneity, CGT, GRT, loan disbursement, etc. Daily/ weekly demand projection is generated by "BIJLI" that is shared with the accounts department and the operations team. Collection entries are updated in the software once the collection is done. The MIS monitors the daily collection reports and ensures that daily collection matches the entry in the projection report. The accounts team ensures that the amount deposited in the bank matches with that of the collection amount in the daily collection report. NFPL has also adopted MFIN code of conduct and implemented the same along with fair practices code issued by RBI for client protection.</li> <li>• Audit of branches are conducted on quarterly basis.</li> <li>• Once the audit is completed, the report is prepared in a predefined format and a copy of it is report is submitted directly to the Board of Director.</li> </ul>
<b>Policies</b>	<ul style="list-style-type: none"> <li>• Credit policies are clearly defined and documented (embedded in the operation manual)</li> <li>• Credit policies are strictly adhered to for formation of groups, field verification and credit appraisal.</li> <li>• Credit policy communication is done verbally through group meetings and training sessions to the group members.</li> <li>• HR policies are clearly defined and documented.</li> <li>• HR policies encompass recruitment and selection, induction and training, performance management and compensation management.</li> </ul>
<b>Transparency in utilization of funds</b>	<ul style="list-style-type: none"> <li>• Submits information/ book debt statements as per the requirement of the lender.</li> <li>• Report is submitted to banks and financial institutions on a quarterly basis as per the stipulation of the lender.</li> <li>• Reporting to lenders on collection and delinquency is also provided on regular basis.</li> </ul>
<b>Grievance redressals mechanism</b>	<ul style="list-style-type: none"> <li>• NFPL has a grievance redressals mechanism in place with a helpline number, email id printed in the loan card/passbook and there is one designated redressal officer.</li> <li>• The helpline will remain opened during the office hours only in all working days from 9AM to 6 PM.</li> </ul>

## OPERATIONAL SETUP

<p><b>Management</b></p>	<ul style="list-style-type: none"> <li>• The board is headed by Mr. Mantu Nath Sarma, Managing Director. He has more than 18 years of experience in the financial and Microfinance sector.</li> <li>• Nightingale Finvest Private Limited has six governing body members with strong academic and managerial expertise in finance, microfinance, banking and social developmental services.</li> <li>• The MFI has others five directors- Mr. Pratap Chakravarty (Whole Time Director), who holds more than 18 years of experience in the same sector and other four director i.e Mr. Rukunuddin Ahmed, Mr. Olee Bora, Mr. Biswa Bandhu Mohanty and Mr. Manish Agarwalla; all of them have long experience in the micro-finance sector.</li> </ul>
<p><b>Organizational Structure</b></p>	<ul style="list-style-type: none"> <li>• Nightingale Finvest Private Limited has a well-defined organization structure with a 4-tier reporting hierarchy whereby it has, Field/Credit officers (FO/CO), Branch Managers (BM), Regional Manager (RM), Chief Executive Officer (CEO), Various Departmental Heads, Managing Director (MD), and the Board Members. The company has been able to engage professionals in different departments, all having considerable experience in their area of expertise.</li> <li>• It has created separate departments with clearly demarcated roles and responsibilities for handling different functions. The detail organization structure is presented in <b>Annexures 2</b>.</li> </ul>
<p><b>Level of decentralization of branches</b></p>	<ul style="list-style-type: none"> <li>• At Branch Level the Branch Manager and Credit Officer should look after the Branch administration and decorum.</li> <li>• The Branch Manager will visit and interact with staff to know their awareness level of the organization and product for recommendation and cross verification. After the recommendation, the loan committee will approve the loan amount then the loan will be transferred to the borrower account.</li> </ul>
<p><b>Second line of leadership</b></p>	<ul style="list-style-type: none"> <li>• Senior members have strong and diversified experience in the fields of microfinance, banking, financial, audit, risk and social developmental activities.</li> <li>• The majority of the senior members understand the issues involved in day-to-day functioning and are involved in the strategic decision making of the organization. Thus, at present Nightingale Finvest Private Limited has a reasonable second line of leadership. Brief profile of the senior management is provided above.</li> </ul>
<p><b>Human resources management</b></p>	<ul style="list-style-type: none"> <li>• Recruitment is done through employee referrals, a company website, advertisement etc. followed by a series of interviews with senior management.</li> <li>• The HR team visits respective branches and arranges interview of local candidates.</li> <li>• Compulsory induction training is given to all new recruits on joining for about 1 days at respectively Branches, followed by on job training.</li> </ul>

- Training is given to fresh employees by the senior management members and an experienced trainer. Apart from this, periodic training programs are also conducted for staffs on a regular basis. The senior management members participate in external training programs, workshops and conferences.
- The compensation structure of the employees contains the following components:
  - Fixed Pay: The fixed pay includes Basic and a fixed amount as allowance.
  - Other Expenses: The employees are provided with reimbursement of their travel expenses as per the organization's policy.
- All the statutory employee benefits such as PF, gratuity, ESI, etc. are being provided to all the employees.
- Performance appraisal is conducted once each year.
- The recruitment process is centralized at Head Office (HO) and is mainly handled by the HR manager under the guidance of the senior management.
- Total staff strength of 180 employees of which 103 are Field/Credit officers as on July 31, 2023.

Particulars	No. of employees
Senior Management	5
Credit Officer (CO)	103
Branch Manager (BM)	35
Asst. Branch Manager (ABM)	19
Regional Manager (RM)	3
Divisional Manager (DM)	-
Others (HO staff) –	15
<b>Total</b>	<b>180</b>

- There is a well-defined promotion policy for the employees. Promotion of the employees depends upon performance, skills and written exam. The exam for the same is conducted on a half yearly basis.
- Encourages active participation in workshops and external training programs conducted by banks, financial institutions, etc.

**Operational methodology**

Nightingale Finvest Private Limited provides loans to individual members of groups for undertaking various income generating activities.

**JLG Lending**

- A dedicated team along with people from operations selects potential areas based on demographic and socio-economic profile.
- The CO visits the local areas & villages, interacts with potential customers regarding NFPL's retail lending activity and their financial requirements.
- The company generally tries to form a group of 10 people (between the age of 18-58 years).
- After identification of target groups, Compulsory Group Training (CGT) of 2 days duration is arranged by CO in which intending loanee members are invited to participate. In this training programmed,



participants are imparted a thorough idea about the loan procedures, interest rate, processing fees and other charges, repayment schedule, insurance benefits and other loan related information etc.

- Compulsory Group Training (commonly known as CGT) is a 3 level training programmed to make the clients aware of the products, rules and procedures . By the end of the 3-level training, clients must be well versed with all the terms of the product, rules and procedures related to their social and economic development, the loan application and repayment. Through CGT regular meetings have become a habit of the clients. Timeliness and disciplines are systematically taught to clients through CGT which needs to be maintained through the entire programmed.
- Intending loan members shall apply for loan, which shall contain purpose of the loan, loan amount. The CO shall ensure that the loan applications have been properly filled in along with KYC documents and confirm the loan policy of the organization.
- Group Recognition Test (GRT) is kind of final test for the centre GRT can be carried out only by BM. They are to be carried out at the time and venue that is convenient for the prospective clients. The BM shall refer to the GRT Form which contains details of all activities. The GRT should be completed within day after completion of 2 days of CGT.

#### **Rationale of the GRT**

- ✓ To verify the customer profile (should fit into target segment)
- ✓ To determine whether the prospective clients meet the conditions of group formation, and that they know and trust each other well, by questioning them.
- ✓ To determine the prospective clients' knowledge and understanding of agreement with the objectives and important rules of the micro finance program, particularly the verbal contract, by testing them verbally (each member must pass before the Group can be passed).

The GRT can be used as a tool to get useful feedback from the prospective clients and their husbands about the attractiveness of the micro finance program and how it could be made more attractive.

- The BM ascertains if all the members know each other and whether are they aware of their family details, income levels and repayment capability in case a particular member avails a loan.
- Once the members answer the questions satisfactorily, and group solidarity is ascertained, the group is passed and BM informs them on the tentative disbursement date & the EMI date. This is fixed based on the slot availability of the time and date of CO.
- The BM then briefs the group on the importance of Joint Liability in availing a loan and takes verbal confirmation from the client.
- **Very important:** If the members do not pass the GRT the BM shall in a polite manner convey his decision of not approving the loan. Further

	<p>the BM shall communicate to members as to when the GRT shall be held.</p> <ul style="list-style-type: none"> <li>• For every group there is a group leader selected by the group to manage the operations of the group.</li> </ul>
<p><b>Appraisal process</b></p>	<p><b>Appraisal Process:</b></p> <ul style="list-style-type: none"> <li>• Loan application is collected by CO, who then makes a visit to the prospective member's household and/or business place and examines the credit history, business prospects and other aspects.</li> <li>• CO verifies borrower's repayment capacity through household visit and visit to the business entity or activity.</li> <li>• During appraisal, the documents that are collected from the borrower are photo, id proof, and address proof. The documentation is adequate.</li> <li>• Borrower's repayment capacity is further corroborated by group members.</li> <li>• Then CO submits the loan application to BM along with KYC documents. Branch Manager conducts the appraisal and frames his comments on the loan application. After his consent, the proposal goes to the HO credit committee, which includes Chief Operating Officer (Operations) and the Finance &amp; Accounts Departmental Heads for final approval based on the recommendation of the Branch Manager and the past repayment history of the groups.</li> <li>• The operations are centralized with Head Office (HO) having the final authority for loan sanction &amp; disbursement. However, Branch Manager is responsible for loan collection and delinquency management.</li> </ul> <p><b>Credit Risk:</b></p> <p>To avoid credit risk, NFPL has adopted the following procedures:</p> <ul style="list-style-type: none"> <li>• Stringent Know Your Customer (KYC) policy is manifested and maintained.</li> <li>• The Audit Executive is responsible for the accuracy of all data entries, documentation, and audit compliance.</li> <li>• Field investigations are done by Credit Officers and Branch Manager.</li> <li>• The software automatically prepares enquiry format in the backend for each customer and sends to CIC (through partner's credentials) and obtains a credit bureau report (CBR). RBI guidelines on multiple lending and client over-indebtedness frame the base criteria for any loan approval. Stringent appraisal system to assess the genuine need of the customer.</li> <li>• Centralized connect with each customer for ensuring righteous and timely credit.</li> <li>• Effective loan end use verification and loan monitoring mechanism for credit risk management.</li> <li>• Constant contact with customer by field functionaries and end use verification.</li> <li>• Adoption of UID for all loan disbursed to make the Credit Bureaus Information more reliable and reduce the systemic risk</li> </ul>



	<p>significantly.</p> <ul style="list-style-type: none"> <li>• Credit and HR policies are clearly defined and documented.</li> <li>• Credit policies are largely adhered to formation of groups, field verification and credit appraisal.</li> <li>• Regular checks in System for better monitoring.</li> </ul>
<p><b>Disbursement process</b></p>	<ul style="list-style-type: none"> <li>• Sanctioning and disbursements of loans are made to the borrowers from Head Office through Bank Accounts of the borrowers after proper verification by the Head Office officials. Once the disbursement is made, a message is delivered to the borrower regarding the same.</li> <li>• Loans are disbursed only for viable projects, such as- agriculture, animal husbandry, small transport, small cottage, small business, small trading, service and sanitation.</li> <li>• At the time of disbursement, loan agreements are executed from the borrowers.</li> <li>• All disbursements are made at the branch in the presence of CO and BM and one witness from the respective group/centre other than the centre leader. The witnesses cannot be borrowers. If the disbursement is cancelled in full or part, the same has to be informed to the Regional Manager, Finance and the Operations department immediately via email. Any cancellation of loan, at the time of disbursement has to be informed to Operations and Finance to avoid future reconciliation issues.</li> <li>• Borrowers sign their name on the Loan Disbursement Sheet acknowledging the receipt of the loan.</li> <li>• Loan books are provided to borrowers and the loan register is maintained at group level.</li> <li>• One copy of loan agreement is provided to the customer as per their request.</li> </ul>
<p><b>Loan collection process</b></p>	<ul style="list-style-type: none"> <li>• All of the loans of NFPL are under monthly instalment method. Every credit officer has a collection register where he notes the daily demand details from the software before going to field for collections.</li> <li>• The collection of loan is done by mode cash and bank transfer.</li> <li>• The collections are made at the group meetings where the credit officer signs the loan card while collecting the amount and separate receipt is issued. The loan card also has the amount to be collected on that particular date.</li> <li>• The credit officer also ensures the maintenance of group register where the attendance of all the group members for the meeting and the resolution passed during the meeting where noted. Resolutions passed also capture addition of new members to the group and minutes any other agenda points.</li> <li>• Daily Repayments are collected at the pre-decided place and time by the CO and handed over to the BM.</li> </ul>

<b>Overdue management process</b>	<ul style="list-style-type: none"> <li>• Adequate risk management system for tracking over-dues and collection of delinquent loans is in place.</li> <li>• In the initial stages of over-due, CO does the follow up and if the overdue period is elongated then the BM steps in to make recovery. There is a well-defined process laid out for follow-up and collection of delinquent loans based on overdue bucket. In case of other cases, intervention of HO is done.</li> </ul>
<b>Management Information Systems</b>	<ul style="list-style-type: none"> <li>• The Company has the web based on-line software “BIJLI” to ensure smooth flow of operational data between Head Office and branches</li> <li>• This is used for maintaining MIS which will help the company better to manage the customer loan lifecycle.</li> <li>• It is very user-friendly software which enables proper tracking and maintaining of MIS and preparation of reports within a minute</li> <li>• The company has also implemented a technology enabled inbound and outbound service and also to redress their grievances.</li> <li>• In addition, the company has commenced digitization of all documents and records for easy storage and retrieval.</li> <li>• All the branches are being computerized. The loan documentation process is maintained as individual basis.</li> <li>• The types of reports is being generated like – Branch Summary, Demand vs Collection, PAR Report, Disbursement and Repayment Report, Outstanding Report, Route Plan, Insurance Report, Performance Report etc.</li> </ul>
<b>Cash management systems</b>	<ul style="list-style-type: none"> <li>• Nightingale Finvest Private Limited has reasonable cash management systems in place at all branches.</li> <li>• Nightingale Finvest Private Limited has opened separate bank accounts for each of the branches.</li> <li>• Branches deposits cash in the branch bank account on the same day or next day of collection. Cash vaults/Almirah is present at every branch for safe keeping of cash.</li> <li>• Funds that need to be transferred from HO to branches are done through RTGS. Salaries of the employees and reimbursement of expenses are paid in respective bank account.</li> <li>• The details of transactions for the day are updated in the MIS daily.</li> </ul>
<b>Insurance</b>	<ul style="list-style-type: none"> <li>• Nightingale Finvest Private Limited provides insurance services with The Oriental Insurance to its clients. The loan amount is covered in the case of client’s death.</li> </ul>

## SCALE OF OPERATIONS

Key Factors	As on July 31, 2023												
<b>Client base (Number)</b>	<ul style="list-style-type: none"> <li>Nightingale Finvest Private Limited extends loans to JLG.</li> <li>The JLG groups associated with NFPL have all women members.</li> <li>Number of active JLG groups as on July 31, 2023 was 8547 with 42738 active borrowers.</li> </ul>												
<b>Assets under management</b>	<ul style="list-style-type: none"> <li>Loan disbursed during FY23 was Rs. 73.82 crore and 4MFY24 was Rs.27.92 crore.</li> <li>Total outstanding loan portfolio stood at Rs. 105.35 crore as on July 31, 2023.</li> </ul>												
<b>Geographical diversification</b>	<ul style="list-style-type: none"> <li>Presence in 20 districts of 4 states with 43 branches as on July 31, 2023</li> </ul>												
<b>Total income</b>	<ul style="list-style-type: none"> <li>Total income stood at Rs. 14.04 crore in FY23</li> </ul>												
<b>Current year performance during 4MFY24</b>	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Rs in crore</th> </tr> </thead> <tbody> <tr> <td>Total Income</td> <td>3.47</td> </tr> <tr> <td>PAT</td> <td>0.44</td> </tr> <tr> <td>Tangible Net worth</td> <td>19.34</td> </tr> <tr> <td>Total loan portfolio outstanding (owned and managed)</td> <td>105.35</td> </tr> <tr> <td>Total debt</td> <td>61.94</td> </tr> </tbody> </table>	Particulars	Rs in crore	Total Income	3.47	PAT	0.44	Tangible Net worth	19.34	Total loan portfolio outstanding (owned and managed)	105.35	Total debt	61.94
	Particulars	Rs in crore											
	Total Income	3.47											
	PAT	0.44											
	Tangible Net worth	19.34											
	Total loan portfolio outstanding (owned and managed)	105.35											
Total debt	61.94												

**SUSTAINABILITY****(Rs in crore)**

<b>Financial Performance</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Interest on Loans	12.84	11.98	11.40
Processing Fee	0.19	0.49	0.52
Income from BC Services	0.48	0.27	0.90
Other Interest Income	1.67	1.12	1.19
Other Operating Income	0.00	0.03	0.03
<b>Total income</b>	<b>15.19</b>	<b>13.90</b>	<b>14.04</b>
Financial cost	10.70	7.07	7.28
<b>Net interest income</b>	<b>3.81</b>	<b>6.03</b>	<b>5.31</b>
Total operating expenses (incl. depreciation)	3.75	4.29	3.95
Total Provision / Write offs	0.16	0.00	0.00
PAT	0.21	1.87	1.94
<b>Financial Position</b>			
Net worth	15.78	17.34	18.90
Total Debt	69.69	65.92	57.27
Loan outstanding – own	53.97	50.16	55.13
Assets under management	66.63	62.69	88.58
Total Assets	86.85	85.08	78.43
<b>Key ratios (%)</b>			
<b>Growth Ratios</b>			
Total Assets	-22.36	-2.04	-7.82
Tangible Net Worth	-0.66	9.89	9.01
Total Capital Employed	-21.90	-2.58	-8.49
Total Income	-31.39	-8.49	1.02
PAT	-93.51	783.79	3.61
<b>Solvency Ratios</b>			
Overall Gearing (times)	4.42	3.80	3.03
Interest coverage (times)–before provision & write offs	1.07	1.36	1.39
CAR %	27.94	31.73	31.75
<b>Profitability &amp; Operating Efficiency Ratios (%)</b>			
Interest income/Avg. Interest earning assets (A)	20.92	23.01	21.65
Interest / Avg. borrowed funds (B)	13.11	10.43	11.82
Interest spread (A-B)	7.82	12.58	9.83
Net Interest Margin (NIM)	6.21	11.59	10.09
ROCE	11.54	11.36	12.63
Interest / Avg. capital employed	10.96	8.36	9.11
Expenses / Avg. capital employed	3.84	5.08	4.94
Cost of capital	10.96	8.36	9.11
Net spread	0.58	3.00	3.52
Return on total assets (PAT / Avg. Total Assets)	0.21	2.18	2.37
Cost to Income ratio	83.70	62.89	58.36
Operational Self- Sufficiency	103.89	122.29	125.08

<b>Financial Performance</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Operating expense/Total Operating Income	24.71	30.89	28.10
PAT (after deferred tax)/ Total Income	1.40	13.48	13.83
RONW	1.33	11.33	10.73
PAR > 30 days (%)	0.41	1.65	0.24
PAR > 90 days (%)	1.12	0.22	0.46

### **Earnings profile**

- Nightingale Finvest Private Limited witnessed an erratic movement in its total income during the past three fiscals. However due to year-on-year high loan disbursed; the company has reported net profit of Rs.1.94 crore on total operating income of Rs.14.04 crore during FY2023.
- The profitability of the company has witnessed a marginal improvement over the last year, and the company has posted a PAT margin of 13.83% (13.48% in FY22) and ROTA of 2.37% (2.18% in FY22) respectively in FY23.
- NFPL capital adequacy ratio (CRAR) has marginally increased to 31.75 per cent on March 31, 2023 as compared to 31.73 per cent as on March 31, 2022. CRAR is more comfortable than the RBI stipulated CRAR for NBFC-MFI of 15 per cent.
- The operational self-sufficiency (OSS) of the company marginally improved to 125.08% in FY2023 as compared to 122.29% in the previous year.
- The company had a gearing at 3.80x as on March 31, 2022, which has further improved to 3.03x as on March 31, 2023 on account of repayment of term loan, which resulted in the capital structure continued to remain moderated impacting financial flexibility.

### **Asset Quality (NPA Profile):**

**(Rs. Cr.)**

<b>Particulars</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>31-7-2023</b>
Gross NPAs	60.35	39.25	40.74	35.10
Net NPAs	30.35	9.25	10.74	5.10
Gross NPA/ Gross Advances (%)	1.12%	0.78%	0.74%	0.56%
Net NPA / Net Advances (%)	0.57%	0.19%	0.20%	0.08%
Net NPA / Net worth (%)	2.49%	0.67%	0.70%	0.32%

Asset quality remained stable with marginal improvement in GNPA and NNPA in FY23.

## Operational Sustainability

Operational Sustainability	
<b>Second line of leadership</b>	<ul style="list-style-type: none"> <li>Majority of the senior members understand the issues involved in day-to-day functioning.</li> <li>Involved in strategic decisions as they have developed a good understanding of the microfinance sector.</li> <li>Senior members are experienced in fields like microfinance, banking, financial, and social developmental activities.</li> </ul>
<b>Competition</b>	<ul style="list-style-type: none"> <li>NFPL is operating in the 4 states i.e Assam, Meghalaya, Arunachal Pradesh and Mizoram and the state has high penetration of MFIs given the limited reach of the formal banking system. However, the company is mostly targeting areas which still have limited competition.</li> <li>As on March 31, 2023, NFPL portfolio is concentrated in the state of Assam accounting ~79 percent and ~21 percent in other 3 states.</li> <li>To mitigate any potential risk arising out of geographical concentration, NFPL has been diversifying its presence across states.</li> </ul>
<b>Industry Outlook</b>	<p style="text-align: center;"><b><u>Industry Risk Analysis</u></b></p> <ul style="list-style-type: none"> <li>Credit risk is the most common risk for MFI. The risk is of greater significance for MFIs as it has to deal with a large number of clients with limited literacy. Further, MFI provides unsecured loans, i.e. loans without any collateral.</li> <li>Transaction risk is related to the individual borrower with which the MFI is transacting. A borrower may not be trustworthy and capable of repaying loans which will result in loss of loan. All loss of loan related to the delinquency of individual clients which can be because the client's migration, willful defaulting, business failure, etc.</li> <li>Portfolio risk is related to factors, which can result in a loss in a particular class or segment of the portfolio. For example, an MFI may lose a portfolio with a particular community, locality, or a particular trade due to some external reasons. These reasons could be political, communal, failure of an industry /trade, etc.</li> <li>Delinquencies can also happen as an aftermath of a natural disaster such as floods, drought, earthquakes, or epidemic.</li> </ul> <p style="text-align: center;"><b><u>Industry Outlook:</u></b></p> <ul style="list-style-type: none"> <li>During the first COVID wave, the rural portfolio was impacted to a lesser extent than the urban portfolio and thus saw a faster recovery as disbursements also recovered especially in the second half (2H) of FY2021-22.</li> <li>The incidence of most of the relevant provisions will also fall in FY2022, given that the bulk of the second wave portfolio deterioration would happen at the beginning of FY2022.</li> <li>The impact of the credit costs on account of the second wave, would be higher in the annual financials for FY2022 than FY2021 and possibly even the demonetisation crisis where credit costs were spread over three years as the event occurred at end-third quarter (3Q) of FY2016-17.</li> <li>Smooth access to funding and liquidity would be critical for the MFI sector. For most large MFIs with assets under management (AUM) above Rs50 billion or MFIs that are part of large groups, bank funding lines could continue and hence they may not face immediate liquidity stress. Mid and</li> </ul>

	<p>small MFIs shall continue to face challenges in fund raising and or borrowing costs.</p> <ul style="list-style-type: none"> <li>• The microfinance industry is likely to face asset quality pressures in the near term due to the recent surge in COVID-19 infections and localised restrictions. However, a majority of micro finance institutions (MFIs) will be able to withstand any stress due to their improving collection efficiency and good on-balance sheet liquidity.</li> <li>• Improvement in collection efficiency and pickup in growth in AUM in H2 FY2021 has helped the industry witness marginal improvement in the overdue portfolio (0+ days past due (dpd)) to 16.7 per cent as on December 31, 2020, which had earlier increased to 18.1 per cent as on September 30, 2020 after the lifting of the moratorium.</li> <li>• The industry also witnessed reduction in the overall cost of funds during this period. However, despite this, the industry is expected to witness reduction in net interest margins (NIMs). This is owing to reduced interest income with portfolio growth happening only towards H2 FY2021 and negative carry because of excess on-book liquidity.</li> <li>• Nevertheless, the pick-up in AUM growth in FY2022, along with the increase in provision cover in FY2021, is expected to drive profitability upwards in FY2022, though the same is likely to remain below pre-Covid profitability level.</li> </ul>
<b>Loan Products</b>	<p>Nightingale Finvest Private Limited offers two loan products as on March 31, 2023. Details on the loan product are provided in the <b>Annexure 3</b>. The company provides loans to the JLG members based on their requirements.</p>
<b>Access to funds and ability to raise funds</b>	<p>Nightingale Finvest Private Limited has access to funds from bank and financial institution, on the back of its satisfactory operational and repayment track record.</p>
<b>Vision</b>	<p>In coming years, Nightingale Finvest Private Limited plans to expand its branch network in and around the above-mentioned states.</p>
<b>Efforts to increase outreach and coverage</b>	<p>Nightingale Finvest Private Limited is expecting significant increase in its income from micro financing activities with proposed scaling up of its operations in other districts of the existing states.</p> <p>The microfinance business was in a subdued state since last few years as the financial institutions have reduced lending to microfinance sector due to occurrence of some chit fund activities and covid impact on the rural economy.</p>



## ANNEXURES

## Annexure 1: Projected Financials

(Rs. crore)

Particulars	31-Mar-24 Projection	31-Mar-25 Projection	31-Mar-26 Projection
<b>Income</b>			
Interest income from loan	21.30	29.83	41.76
Processing Fee	1.27	1.59	2.09
Other income	2.00	3.00	3.50
Other Finance Income	2.63	3.67	5.98
<b>Total revenue</b>	<b>27.20</b>	<b>38.09</b>	<b>53.33</b>
<b>Expenses</b>			
Depreciation and amortization expenses	0.25	0.34	0.48
Provision for Doubtful Debt	1.16	1.62	2.27
Other operating cost	4.40	6.16	8.63
Provision for Taxes	0.00	0.00	0.00
Other expenses	2.83	3.95	5.53
<b>Total expenses</b>	<b>8.64</b>	<b>12.07</b>	<b>16.91</b>
Interest	12.56	17.58	24.62
<b>Profit before tax</b>	<b>6.00</b>	<b>8.44</b>	<b>11.80</b>
Tax	2.00	3.13	3.13
Deferred tax credit	0.00	0.00	0.00
<b>Profit for the year</b>	<b>4.00</b>	<b>5.30</b>	<b>8.65</b>

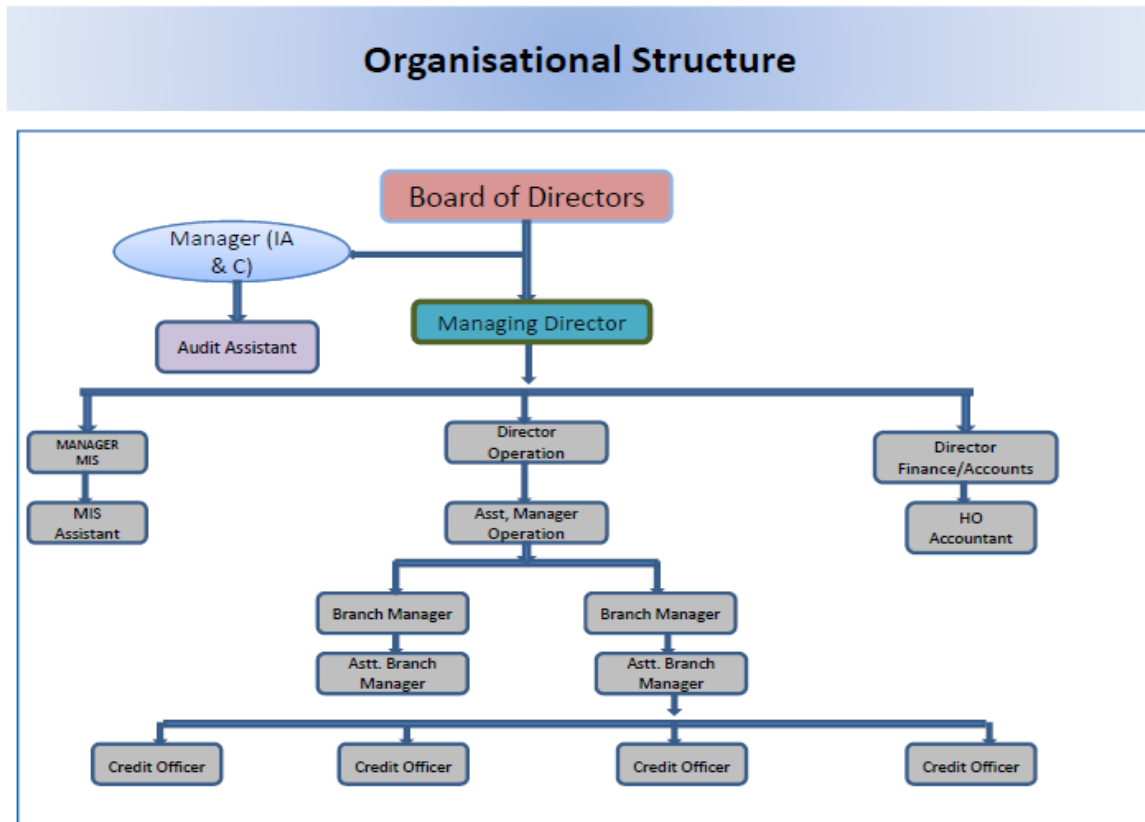


**Balance Sheet****(Rs. crore)**

<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-24</b>	<b>31-Mar-25</b>
	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Equity Share Capital	17.63	26.06	37.88
Preference Share Capital	3.50	3.50	3.50
Reserves and surplus	15.22	20.50	29.15
	<b>36.35</b>	<b>50.06</b>	<b>70.53</b>
<b>Non-current liabilities</b>			
Long-term borrowings	105.88	145.77	205.23
Long-term provisions	0.00	0.00	0.00
Other non-current liabilities	0.00	0.00	0.00
	<b>105.88</b>	<b>145.77</b>	<b>205.23</b>
<b>Current Liabilities</b>			
Short-term borrowings	3.54	4.95	6.93
Short-term provisions	0.00	0.00	0.00
Other-Current Liabilities	0.64	0.85	1.25
	<b>4.18</b>	<b>5.80</b>	<b>8.18</b>
<b>TOTAL LIABILITIES</b>	<b>146.41</b>	<b>201.69</b>	<b>283.96</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed Assets	0.51	0.50	0.68
Other Investments	0.00	0.00	0.00
Other non-current assets	0.00	0.00	0.00
	<b>0.51</b>	<b>0.50</b>	<b>0.68</b>
<b>Current assets</b>			
Cash and bank balances	20.46	25.60	37.48
Loan Portfolio (own)	120.00	168.00	235.20
Managed Portfolio	0.00	0.00	0.00
Investment	0.04	0.04	0.04
Other current assets	5.39	7.55	10.55
	<b>145.90</b>	<b>201.19</b>	<b>283.28</b>
<b>TOTAL ASSETS</b>	<b>146.41</b>	<b>201.69</b>	<b>283.96</b>

**ANNEXURE 2: Organisational Structure**

- Nightingale Finvest Private Limited has a well-defined organisation structure, with clear departmental demarcation. All major departments are controlled from head office.



**ANNEXURE 3: Loan Products**

Product Name	JLG	Individual
<b>Client</b>	Women	Women
<b>Age Limit (yrs)</b>	18 to 60 Years	18 to 60 Years
<b>Loan Tenure</b>	12/18/24 Months	12/18/24 Months
<b>Loan Size (Rs.)</b>	10,000 to 1,00,000	20,000 to 1,00,000
<b>Repayment</b>	Monthly	Monthly
<b>Interest Rate</b>	24.00%	24.00%
<b>Processing Fees</b>	1% Loan Amount	1% Loan Amount
<b>Insurance</b>	Insurance Premium i.e. @ 6.00 per thousand for Both Borrowers and Co-borrowers	Insurance Premium i.e. @ 6.00 per thousand for Both Borrowers and Co-borrowers

**Annexure 4: Asset Profile****(Rs. Crore)**

Particulars	31-Mar-21		March 31, 2022		March 31, 2023	
	Amount	%	Amount	%	Amount	%
Loan portfolio Actual	53.97	62.14%	50.16	58.96%	55.13	70.37%
Investments	0.04	0.05%	0.04	0.05%	0.04	0.05%
Fixed Assets	0.14	0.16%	0.10	0.12%	0.09	0.11%
Deferred Tax Assets	0.10	0.12%	0.10	0.12%	0.09	0.11%
Other non-current assets	0.40	0.46%	0.00	0.00%	0.00	0.00%
Cash & Bank Balances	28.53	32.85%	30.63	36.00%	19.10	24.35%
Other current assets	3.67	4.23%	4.05	4.76%	3.92	5.00%
<b>Total Assets</b>	<b>86.85</b>	<b>100.00%</b>	<b>85.08</b>	<b>100.00%</b>	<b>78.43</b>	<b>100.00%</b>

**Annexure 5: Diversified resource profile**

	FY21	FY22	FY23	31-7-2023
Net worth	12.18	13.74	15.30	15.74
Term Loans banks and financial institutions	69.56	65.92	57.27	68.79
Bank borrowing (CC)	0.12	0.00	0.00	0.00
Unsecured Loans	0.00	0.00	0.00	0.00
NCD	0.00	0.00	0.00	0.00
Preference share capital	3.50	3.50	3.50	3.50

The company's resources mainly comprise term loans from banks and other financial institutions, apart from the net worth and preference share capital. These are long-term loans and carry floating interest rates with pre-defined maturities.

## Annexure 6: Portfolio Details

### 6.1 State-wise portfolio concentration

(Rs. crore)

State	FY21		FY22		FY23		31-7-2023	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Assam	61.15	91.75%	57.78	92.20%	78.94	89.13%	92.24	87.56%
Meghalaya	0.89	1.34%	0.88	1.40%	1.84	2.08%	1.87	1.78%
Arunachal Pradesh	2.82	4.23%	2.64	4.21%	2.85	3.22%	2.85	2.71%
Mizoram	1.79	2.69%	1.37	2.19%	4.94	5.58%	8.39	7.96%
<b>Total</b>	<b>66.65</b>	<b>100.00%</b>	<b>62.67</b>	<b>100.00%</b>	<b>88.57</b>	<b>100.00%</b>	<b>105.35</b>	<b>100.00%</b>

### 6.2 Purpose wise loan outstanding

(Rs crore)

Purpose of loan	31-03-2021		31-03-2022		31-03-2023		31-07-2023	
	No of loans	Outstanding	No of loans	Outstanding	No of loans	Outstanding	No of loans	Outstanding
Agri and agri-allied activities	6245	9.50	5288	8.93	5471	12.79	6171	14.44%
Small business, trading, manufacturing, etc.	33798	51.40	27911	48.33	28967	68.42	33015	77.25%
Service activities	3782	5.75	3857	5.41	3793	7.36	3552	8.31%
<b>Total</b>	<b>43825</b>	<b>66.65</b>	<b>37056</b>	<b>62.67</b>	<b>38231</b>	<b>88.57</b>	<b>42738</b>	<b>100.00%</b>

### 6.3 Loan cycle wise loan outstanding

(Rs. crore)

Particulars	FY21	FY22	FY23	31-7-2023
	Amount	Amount	Amount	Amount
<b>1st Cycle</b>	35.09	29.57	36.59	37.32
<b>2nd Cycle</b>	21.09	22.14	34.77	41.54
<b>3rd Cycle</b>	6.22	6.53	10.25	14.25
<b>4th Cycle</b>	4.23	4.44	6.97	12.24
<b>Total:</b>	<b>66.63</b>	<b>62.69</b>	<b>88.58</b>	<b>105.35</b>

### 6.4 Loan amount wise loan outstanding

(Rs. Crore)

Amount	FY21	FY22	FY23	31-7-2023
	Amount	Amount	Amount	Amount
0-10000	0.16	0.11	0.35	0.58
10001-20000	2.42	2.35	3.25	5.36
20001-30000	20.10	19.45	21.98	22.65
30001-40000	22.16	21.16	22.36	25.25
40001-50000	15.22	13.65	23.54	33.17
50001-60000	4.25	3.65	3.28	5.41
60001-70000	1.27	1.25	6.56	8.60
70001-80000	1.07	1.05	1.50	2.56
80001-90000			0.81	0.92
90001-100000			0.56	0.85
100000 above				
<b>Total</b>	<b>66.65</b>	<b>62.67</b>	<b>84.19</b>	<b>105.35</b>

### 6.5 Asset Liability Maturity Profile as on March 31, 2023

(Rs. In Crore)

As on March 31, 2023	31-03.2023	Up to one Month	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
<b>Assets:</b>										
Loans & Advances	55.13	3.23	3.19	3.12	9.42	19.24	16.94			55.14
Fixed Asset/Intangible assets	0.09								0.09	0.09
Cash & Bank Balances	2.99	2.99								2.99
Cash collateral	16.11	-	-	0.70	1.28	2.10	12.03			16.11
Other Assets	4.11						4.11			4.11
<b>Total</b>	<b>78.43</b>	<b>6.22</b>	<b>3.19</b>	<b>3.82</b>	<b>10.70</b>	<b>21.34</b>	<b>33.08</b>	<b>-</b>	<b>0.09</b>	<b>78.44</b>
<b>Liabilities:</b>										-
Borrowings from Banks/FIs	57.27	2.87	2.87	2.87	8.48	14.67	25.51	-	-	57.27
Current Liabilities	2.07						2.07			2.07
Deferred Tax Liability	0.09						0.09			0.09
Long Term Provisions	0.18						0.18			0.18
<b>Total Equity</b>	<b>18.83</b>								<b>18.83</b>	<b>18.83</b>
<b>Total</b>	<b>78.44</b>	<b>2.87</b>	<b>2.87</b>	<b>2.87</b>	<b>8.48</b>	<b>14.67</b>	<b>27.85</b>	<b>-</b>	<b>18.83</b>	<b>78.44</b>

## 6.6 Maturity profile of portfolio

(Rs. crore)

As on March 31	FY21			FY22			FY23		
	No. of loans	Value of Portfolio	%	No. of loans	Value of Portfolio	%	No. of loans	Value of Portfolio	%
1-30 DAYS	428	0.41	0.76%	548	1.03	2.06%	525	0.38	0.69%
31-60 DAYS	305	0.32	0.59%	186	0.14	0.28%	311	0.21	0.38%
61-90 DAYS	182	0.22	0.41%	31	0.05	0.11%	177	0.10	0.19%
91-120 DAYS	153	0.20	0.37%	78	0.04	0.08%	129	0.08	0.14%
121-180 DAYS	303	0.39	0.72%	29	0.03	0.05%	288	0.19	0.34%
181-365 DAYS	6	0.00	0.01%	83	0.11	0.23%	26	0.03	0.05%
MORE THAN 365 DAYS	7	0.01	0.01%	188	0.21	0.42%	80	0.11	0.21%
ONTIME	33613	52.42	97.12%	27854	48.55	96.78%	24695	54.03	98.00%
<b>Total portfolio</b>	<b>34997</b>	<b>53.97</b>	<b>100.00%</b>	<b>28997</b>	<b>50.16</b>	<b>100.0%</b>	<b>26231</b>	<b>55.13</b>	<b>100.00%</b>

**6.7 Bifurcation of AUM:**
**(Rs. crore)**

<b>Period ended</b>	<b>31-Mar-21</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Jul-23</b>
Managed portfolio (BC etc.)	12.67	12.53	33.45	42.59
Own loan portfolio	53.96	50.16	55.13	62.76
<b>AUM (Rs.cr.)</b>	<b>66.63</b>	<b>62.69</b>	<b>88.58</b>	<b>105.35</b>

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**Appendix**  
**Infomerics Analytics & Research MFI Grading**

**Grading Framework**

Infomerics Analytics & Research MFI Grading is a one-time assessment of a Micro Finance Institution (MFI's) operational and financial capability to undertake and sustain the targeted level of operations. IAR evaluates an MFI under a four point framework:

- i. Transparency
- ii. Operational setup,
- iii. Scale of operations and
- iv. Sustainability

The various aspects covered under each parameter are given below:

<p><b><u>I. TRANSPARENCY</u></b></p> <ul style="list-style-type: none"> <li>● Governance</li> <li>● Transparency in lending process</li> <li>● Audit quality</li> <li>● Policies</li> <li>● Internal controls</li> <li>● Transparency in the usage of funds</li> </ul> <p><b><u>II. OPERATIONAL SETUP</u></b></p> <ul style="list-style-type: none"> <li>● Promoter/owner background</li> <li>● Management assessment</li> <li>● Organizational Structure</li> <li>● Management information system</li> <li>● Underwriting/appraisal and sanctions</li> <li>● Quality of collection and monitoring</li> <li>● Risk management systems</li> <li>● Credit Discipline of borrowers</li> </ul>	<p><b><u>III. SCALE OF OPERATIONS</u></b></p> <ul style="list-style-type: none"> <li>● Geographical spread of operations</li> <li>● Outreach</li> <li>● Variety of loan Products</li> </ul> <p><b><u>IV. SUSTAINABILITY</u></b></p> <p><b><i>a) Financial Sustainability</i></b></p> <ul style="list-style-type: none"> <li>● Resource Profile</li> <li>● Cost Structure</li> <li>● Interest rate policies</li> <li>● Capital Adequacy</li> <li>● Asset quality</li> <li>● Earnings</li> <li>● Liquidity and Asset Liability Management</li> </ul> <p><b><i>b) Operational Sustainability</i></b></p> <ul style="list-style-type: none"> <li>● Succession planning</li> <li>● Competition</li> <li>● Resource arrangements</li> <li>● Vision</li> <li>● Efforts to increase outreach and coverage</li> </ul>
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