

Manubhai & Shah LLP

Chartered Accountants

Independent Auditor's Report on the audited standalone financial results of Ananya Finance for Inclusive Growth Private Limited pursuant to the regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors of

Ananya Finance for Inclusive Growth Private Limited

Opinion

We have audited the accompanying statement of standalone financial results of **Ananya Finance For Inclusive Growth Private Limited** ("the Company"), for the quarter and year ended March 31, 2023 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) is presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard;
- (ii) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the company for the quarter and year ended March 31, 2023.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ('the Act'). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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.

Management's Responsibility for the Standalone financial statements

The Statement has been prepared on the basis of the annual standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive loss of the company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the Statement, 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 management 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.

Auditor's Responsibility for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Financial Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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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 Matter

Attention is drawn to the fact that figures for the quarter ended March 31, 2023 are balancing figure between audited figures in respect of in respect of full financial year ended March 21, 2023 and the reviewed year-to-date figures for the nine months ended December 31, 2022. Our opinion is not modified in respect of this matter.



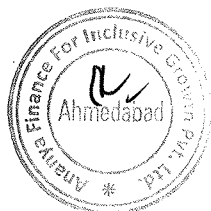
Place: Ahmedabad
Date: May 16, 2023

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

(J. D. Shah)
Partner
Membership No.: 100116
UDIN: 23100116B6WJWB3353

Statement of Standalone Audited Financial Results For the Quarter and Year Ended March 31, 2023

(Rs. In Lakhs)

S. No. Particulars	Three Months Ended			Year Ended	
	March 31, 2023 (Audited)	December 31, 2022 (Unaudited)	March 31, 2022 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
I Revenue:					
Revenue from operations					
Interest Income	1,728.00	1,631.34	1,159.65	6,209.68	3,937.10
Fees and commission Income	1.31	-	-	1.31	-
Net gain on fair value changes	8.79	2.16	22.42	16.01	29.28
Total Revenue from operations	1,738.10	1,633.51	1,182.07	6,227.00	3,966.38
Other Income	32.22	28.39	20.38	118.25	42.37
Total Income (I+II)	1,770.32	1,661.90	1,202.45	6,345.25	4,008.75
II Expenses					
Finance Costs	1,104.50	1,001.33	744.44	4,013.81	2,474.19
Fees and Commission Expenses	275.94	273.56	95.68	880.38	161.22
Net loss/(gain) on derecognition of financial instruments under amortised cost category	212.01	(13.00)	270.28	95.66	747.23
Impairment / (Reversal of Impairment) on financial instruments	(17.74)	8.17	(163.53)	(43.39)	(414.62)
Employee Benefits Expenses	211.03	220.62	144.85	855.34	575.63
Depreciation, amortization and impairment	9.92	11.23	10.87	43.25	41.40
Other expenses	57.05	57.82	37.67	222.39	192.73
Total Expenses	1,852.71	1,559.73	1,140.26	6,067.44	3,777.78
III Profit/(Loss) before tax (I-II)	(82.39)	102.17	62.19	277.81	230.97
IV Tax Expense:					
a Current Tax	24.77	5.47	-	82.46	-
b Deferred Tax	(7.23)	(15.11)	30.63	(38.99)	127.37
Total Tax Expense	17.54	(9.64)	30.63	43.47	127.37
V Profit/(Loss) for the period (III-IV)	(99.93)	111.81	31.56	234.34	103.60
VI Other Comprehensive Income					
A. Items that will not be reclassified to profit or loss					
(i) Remeasurement Gain / (Loss) on Defined Benefit Plan	8.10	1.86	(16.61)	13.51	(19.61)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.25)	(0.52)	4.32	(3.76)	5.10
Subtotal (A)	5.85	1.35	(12.29)	9.75	(14.51)
B. Items that will be reclassified to profit or loss					
(i) Items that will be reclassified to profit or loss	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Subtotal (B)	-	-	-	-	-
Other Comprehensive Income/(Loss)	5.85	1.35	(12.29)	9.75	(14.51)
VII Total Comprehensive Income/(Loss) for the period	(94.09)	113.16	19.27	244.09	89.09
VIII Earnings per equity share (Face value Rs. 10/- per equity share)					
a Basic (Rs.) (Not Annualized)	(0.12)	0.17	0.05	0.35	0.16
b Diluted (Rs.) (Not Annualized)	(0.12)	0.17	0.05	0.35	0.16



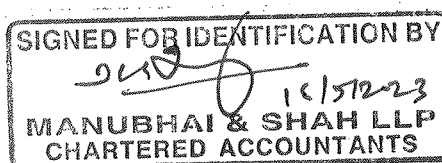
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Notes:

- 1 The company is a Non Deposit taking Non Banking Finance Company ('NBFC-ND'), registered with the Reserve Bank of India vide Reg.No. N-01-00493 dated December 23, 2009.
- 2 The above financial results of the Company (the "Statement") have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on May 16, 2023 and have been subjected to audit by the statutory auditors of the Company on which the auditors have expressed an unmodified opinion.
- 3 The financial results has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS ") as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 4 The Company is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 5 The Secured listed Non-Convertible debt securities of the company are secured by first and exclusive charge on receivables of the company by way of hypothecation to the extent required as per issue terms.
- 6 Asset cover available as on March 31, 2023 in case of non-convertible debt securities issued by Company is 1.10 times.
- 7 Audited Statement of Assets and Liabilities & Audited Statement of Cash Flow are attached in Annexure A and Annexure B
- 8 The Company has not implemented resolution plan as per "Resolution framework for COVID-19 related Stress" issued by RBI vide DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and hence additional disclosure required under that framework are not
- 9 The Information required as per Reserve Bank of India Circular on Resolution Framework - 2.0 dated May 5, 2021 is as under:

Sr No.	Description	Individual Borrowers		Small Business
		Personal	Business Loans	
(a)	Number of requests received for invoking resolution process under Part A (Nos.)		1,927	
(b)	Number of accounts where resolution plan has been implemented under this window (Nos.)		1,927	
(c)	Exposure to accounts mentioned at (B) before implementation of the plan (Rs. In Lakhs)		558.25	
(d)	Of (C), aggregate amount of debt that was converted into other securities	-NIL-	-	-NIL-
(e)	Additional funding sanctioned, if any, including between invocation of the plan and implementation		-	
(f)	Increase in provisions on account of the implementation of the resolution plan (Rs. In Lakhs)		0.03	

- 10 Earning per share (EPS) for the quarter ended March 31, 2023, December 31, 2022 and March 31, 2022 are not annualised
- 11 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective



Notes attached to Audited Standalone Financial Results For the Quarter and Year Ended March 31, 2023

- 12 The company had claimed depreciation on Goodwill as per the provisions of Income-tax Act, 1961 (Act) during financial years 2011-2012 to 2020-2021 in the Income Tax Returns. The Income-tax authorities had disallowed Company's claim and had raised income-tax demand of Rs. 881.66 Lacs which was adjusted out of refunds receivable by the Company. The Company had disputed the demand by filing appeal before CIT(A) who had decided the matter against the Company and thereafter, the Company had approached Income Tax Appellate Tribunal (ITAT).

During the year under audit, ITAT has upheld the decision of CIT(A) of disallowing company's claim for Assessment Year 2011-2012 for depreciation on Goodwill. The company has filed Miscellaneous Application u/s. 254(2) of Income-tax Act, 1961 before ITAT within the time line prescribed under the Act. Further the company's appeal with ITAT in respect of Assessment Year 2011-12 to 2016-17 (Except AY 2015-16), in the similar matter is pending for hearing.

In respect of this, based on the Legal Opinion and considering the available options under the provisions of Income-tax Act, 1961, the company is of the view that the company's appeal to allow depreciation will be judged favorably by the appellate / judicial authority. Therefore, no provision is required to be made in respect of disputed tax demand of Rs. 881.66 Lacs.

- 13 The information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

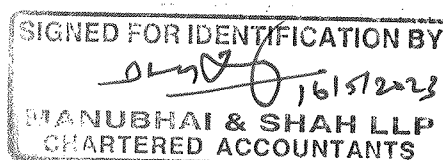
Sr No.	Particulars	Period	Unit	Ratio
1	Debt Equity Ratio	As at March 31 2023	Times	3.91
2	Debt service coverage ratio		Not Applicable	
3	Interest coverage service ratio		Not Applicable	
4	Outstanding redeemable preference shares (quantity and value)		Not Applicable	
5	Capital redemption reserve/Debenture redemption reserve	Debenture Redemption Reserve is not required in respect of privately placed debentures in terms of Rules 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.		
6	Net Worth	As at March 31 2023	Rs. In Lakhs	9,767.78
7	Net profit after Tax	For the year ended March 31, 2023		234.37
8	Earnings per share Basic	For the year ended March 31, 2023	Rs.	0.35
	Diluted	For the year ended March 31, 2023	Rs.	0.35
9	Current Ratio	As at March 31 2023	Times	1.55
10	Long term debt to working capital		Times	1.31
11	Bad debts to Account receivable ratio		%	0.27%
12	Current Liability ratio		%	55.70%
13	Total debts to total assets		%	75.11%
14	Debtors Turnover		Not Applicable	
15	Inventory turnover		Not Applicable	
16	Operating Margin	For the year ended March 31, 2023	%	5.20%
17	Net profit Margin		%	3.69%
18	Sector specific equivalent ratio - Capital Adequacy Ratio	As at March 31 2023	%	28.20%

- 14 Previous year's/period's figures have been regrouped / reclassified wherever necessary.

For and on behalf of the Board of Directors

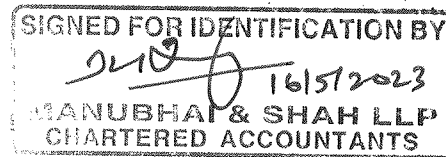
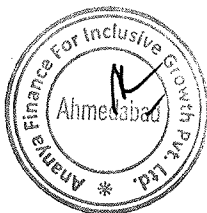

Gaurav Gupta
Managing Director
(DIN 08663203)

Place : Ahmedabad
Date: 16.05.2023



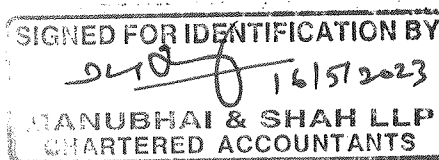
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 Website : www.ananyafinance.com
 CIN : U65993GJ2009PTC056691
 Annexure A : Statement of Assets and Liabilities

		(Rs. In Lakhs)	
S. No.	Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
ASSETS			
[1]	Financial Assets		
(a)	Cash and cash equivalents	11,338.03	4,410.88
(b)	Bank Balance other than (a) above	1,469.47	1,031.85
(c)	Loans	34,899.67	31,010.97
(d)	Investments	1,510.00	361.19
(e)	Other Financial assets	276.67	344.32
		49,493.84	37,159.21
[2]	Non-financial Assets		
(a)	Current tax assets (Net)	714.38	895.27
(b)	Deferred tax Assets (Net)	345.50	363.31
(c)	Property, Plant and Equipment	50.17	68.47
(d)	Intangible assets under development	32.68	32.68
(e)	Other Intangible assets	0.23	0.61
(f)	Right of Use Asset	123.63	141.51
(g)	Other non-financial assets	36.49	5.76
		1,303.08	1,507.61
	Total Assets	50,796.94	38,666.82
LIABILITIES AND EQUITY			
LIABILITIES			
[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	280.84	101.83
(b)	Lease Obligation	153.82	161.61
(c)	Debt Securities	12,086.24	3,617.19
(d)	Borrowings (Other than Debt Securities)	26,066.36	22,304.45
(e)	Other financial liabilities	2,314.19	2,956.88
		40,901.45	29,141.96
[2]	Non-Financial Liabilities		
(a)	Provisions	90.58	79.16
(b)	Other non-financial liabilities	37.13	48.08
		127.71	127.23
[3]	EQUITY		
(a)	Equity Share capital	6,602.92	6,602.92
(b)	Other Equity	3,164.86	2,794.70
	Total Equity	9,767.78	9,397.62
	Total Liabilities and Equity	50,796.94	38,666.82



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 CIN : U65993GJ2009PTC056691
 Annexure B: Statement of Cash Flow

	(Rs. In Lakhs)	
Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A) Cash flows from operating activities		
Net Profit before tax	277.81	230.97
Adjustments For:		
Depreciation and amortisation	43.25	41.40
Gain on Sale of Property, Plant and Equipment	-	(0.11)
Impairment on financial instruments	(43.39)	(414.62)
Interest income on loans	(5,879.56)	(3,787.40)
Interest income received on loans	5,937.27	3,714.17
Net loss on derecognition of financial instruments under amortised cost category	95.66	805.29
Interest income on Fixed Deposits	(329.91)	(149.51)
Interest on Unwinding of Security Deposit	(0.21)	(0.19)
Finance Cost	4,013.82	2,474.19
Finance Cost Paid	(4,027.85)	(2,559.20)
Net Gain on Fair Value changes	(16.01)	(29.28)
Provision for Employee benefit expenses	168.27	32.22
Operating cash flows before working capital changes	239.15	357.93
(Increase) / decrease in other assets	37.15	(205.48)
Increase in Trade Payables	179.01	54.40
Increase in other liabilities and provisions	(654.34)	89.26
Cash generated from operations	(199.03)	296.11
Income taxes paid/(Refund received)	151.48	(131.62)
Cash generated from operating activities after tax paid	(47.55)	164.49
Loan Repayment / (Disbursement) (Net)	(3,998.70)	(6,267.68)
Net cash (used in)/generated from operating activities (A)	(4,046.25)	(6,103.19)
B) Cash flows from investing activities		
Purchase of Property, Plant, Equipment	(6.72)	(19.11)
Purchase of Intangible Assets / Intangibles under development	-	(9.25)
Proceeds from Sale of Property, Plant and Equipment	-	0.17
Proceeds from Sale of Investments	50.00	-
Investment in Subsidiary Company	(1,200.00)	-
Payment to acquire investment in Equity Shares	-	(250.00)
Proceeds from purchase and sale of units of mutual funds (Net)	17.21	39.22
Interest received on Fixed Deposit and Other Investments	373.67	165.62
Bank deposit/Margin money placed	(1,380.42)	(71,701.52)
Bank deposit/Margin money released	899.06	71,784.59
Net cash (used in)/generated from investing activities (B)	(1,247.21)	9.72
C) Cash flows from financing activities		
Proceeds from issue of Debt Securities	10,150.00	-
Repayment of Debt Securities	(1,702.07)	(179.12)
Proceeds from Other Borrowings	22,411.00	21,039.92
Repayment of Other Borrowings	(18,609.75)	(11,914.17)
Repayment of Lease Liability(including interest on lease liability)	(28.59)	(27.23)
Net cash generated from financing activities (C)	12,220.59	8,919.40
Net increase / (decrease) in cash and cash equivalents (A+B+C)	6,927.14	2,825.93
Cash and cash equivalents at the beginning of the Year	4,410.88	1,584.95
Cash and cash equivalents at the end of the Year	11,338.03	4,410.88



Manubhai & Shah LLP
Chartered Accountants

Independent Auditor's Report on the audited consolidated financial results of Ananya Finance for Inclusive Growth Private Limited pursuant to the regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Ananya Finance for Inclusive Growth Private Limited

Opinion

We have audited the accompanying consolidated statement of financial results of **Ananya Finance for Inclusive Growth Private Limited** ("the Company"), for the quarter and year ended March 31, 2023 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

(i) Includes result of following entity:

Sr No.	Name of the Company	Relationship
1	Prayas Financial Services Private Limited	Subsidiary

(ii) is presented in accordance with the requirements of regulation 52 of the Listing Regulations in this regard;

(iii) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the company for the quarter and year ended March 31, 2023.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ('the Act'). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated 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 (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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.

Emphasis of Matter

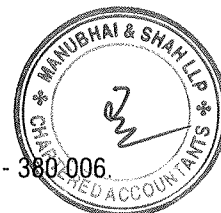
We draw attention to Note 7 of the accompanying consolidated financial results, in relation to the ratio of microfinance loans to total assets of Subsidiary. On the basis of financial statements of Subsidiary, as at 31st March, 2023, the Ratio of microfinance loans to total assets worked out to 45.53%, which is less than minimum requirements of 75% prescribed under Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022. Our Opinion is not modified in respect of this matter.

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Management's Responsibility for the Consolidated financial statements

The statement has been prepared on the basis of the Consolidated Annual Financial Statements for the year ended March 31, 2023.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed 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 33 of the Listing Regulations. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Annual Financial Results by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the Board of Directors of the companies included in the Group 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 their respected entities or to cease operations, or has no realistic alternative but to do so.

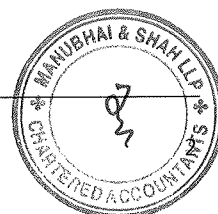
The Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated financial results

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



Manubhai & Shah LLP
Chartered Accountants

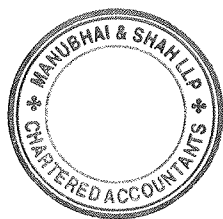
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

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 Matter

Attention is drawn to the fact that figures for the quarter ended March 31, 2023 are balancing figure between audited figures in respect of in respect of full financial year ended March 31, 2023 and the reviewed year-to-date figures for the nine months ended December 31, 2022. Our opinion is not modified in respect of this matter.

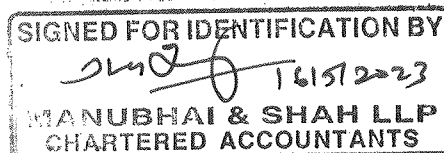
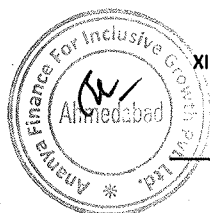


Place: Ahmedabad
Date: May 16, 2023

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

(J. D. Shah)
Partner
Membership No.: 100116
UDIN: 23100116B6WJWD6880

Statement of Audited Consolidated Financial Results For the Quarter and Year Ended March 31, 2023

Sr No	Particulars	(Rs. in Lakhs)		
		Three Months ended		Year Ended
		March 31, 2023 (Audited)	December 31, 2022 (Unaudited)	March 31, 2023 (Audited)
I Revenue :				
Revenue from Operations				
Interest Income		1,843.18	1,755.13	6,575.33
Fees and Commission Income		140.57	43.88	284.45
Net gain on fair value changes		8.79	2.16	16.01
Total Revenue from operations		1,992.54	1,801.17	6,875.79
Other Income		12.17	8.66	53.03
Total Income		2,004.71	1,809.83	6,928.82
II Expenses				
Finance Costs		1,168.96	1,041.80	4,178.27
Fees and Commission Expenses		141.03	139.85	491.00
Net loss / (Gain) on derecognition of financial instruments under amortised cost category		163.07	(13.00)	46.72
Impairment/(Reversal of Impairment) on financial instruments		(27.40)	14.66	(40.63)
Employee Benefits Expenses		375.32	370.84	1,355.76
Depreciation, amortization and impairment		19.98	16.92	63.51
Other expenses		185.61	142.32	523.18
Total Expenses		2,026.57	1,713.39	6,617.81
III Profit/(Loss) before tax (I - II)		(21.86)	96.44	311.01
IV Tax Expense:				
a Current Tax		24.77	5.47	89.47
b Deferred Tax		(2.48)	(16.67)	(32.90)
Total Tax Expense		22.29	(11.20)	56.57
V Profit/(Loss) for the period (III - IV)		(44.15)	107.64	254.44
VI Other Comprehensive Income				
A. Items that will not be reclassified to profit or loss				
a Remeasurement Gain On Defined Benefit Plan		9.23	1.86	13.95
b Income tax relating to items that will not be reclassified to profit or loss		(2.25)	(0.52)	(3.76)
Subtotal (A)		6.98	1.34	10.19
B. Items that will be reclassified to profit or loss				
a Items that will be reclassified to profit or loss		-	-	-
b Income tax relating to items that will be reclassified to profit or loss		-	-	-
Subtotal (B)		-	-	-
Other Comprehensive Income/(Loss)		6.98	1.34	10.19
VII Total Comprehensive Income/(Loss) for the period (V+VI)		(37.17)	108.98	264.63
VIII Profit/(Loss) for the period attributable to:				
a Owner of the company		(68.98)	109.50	245.50
b Non-Controlling Interest		24.83	(1.86)	8.94
IX Other Comprehensive Income for the period attributable to:				
a Owner of the company		6.48	1.35	9.99
b Non-Controlling Interest		0.50	-	0.20
X Total Comprehensive Income for the period attributable to:				
a Owner of the company		(62.50)	110.84	255.49
b Non-Controlling Interest		25.33	(1.86)	9.14
XI Earnings per equity share (Face value Rs. 10/- per equity share)				
a Basic (Rs.)		(0.07)	0.16	0.39
b Diluted (Rs.)		(0.07)	0.16	0.39



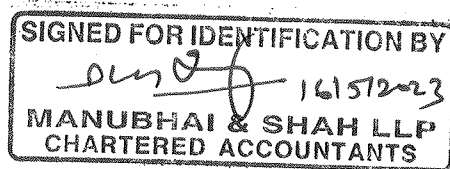
Notes to Audited Consolidated Financial Results For the Quarter and Year Ended March 31, 2023

- 1 The Ananya Finance for Inclusive Growth Private Limited ("the parent company" / "AFIGPL") is a Non Deposit taking Non Banking Finance Company ('NBFC-ND'), registered with the Reserve Bank of India vide Reg.No. N-01-00493 Dated December 23, 2009.
- 2 The Consolidated Financial Results of the Group for the quarter and year ended March 31, 2023 has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 3 The above Consolidated Financial Results of the Group (the "Statement") have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its Meeting held on May 16, 2023 and have been subjected to audit by the statutory auditors of the Parent Company on which the auditors have expressed an unmodified opinion.
- 4 During the year, the parent company has acquired 1,00,00,000 equity shares in Prayas Financial Services Private Limited (PFSPL) for an aggregate consideration of Rs. 1200 Lakhs after obtaining requisite approvals. The parent company now holds 1,05,00,000 equity shares representing legal and beneficial ownership of 55.47% of the total paid up share capital of PFSPL. With this, the parent Company has become the holding company of PFSPL in terms of Section 2(87) of the Companies Act, 2013.

This being first year of preparation of consolidated financial statements of the group, corresponding figures for the quarter and year ended March 31, 2022 are not given.
- 5 These consolidated results include the results of PFSPL (from the date of acquisition till period ending on March 31, 2023) with beneficial ownership of 55.47 %. The Financial Results of PFSPL has been considered for consolidated financial results of the Group by combining like items of income and expenses and eliminating intragroup income and expenses. The carrying amount of Parent's investment in PFSPL is knocked off against Parent's portion of Equity in PFSPL and resulting difference is accounted as Goodwill.
- 6 The Parent company had claimed depreciation on Goodwill as per the provisions of Income-tax Act, 1961 (Act) during financial years 2011-2012 to 2020-2021 in the Income Tax Returns. The Income-tax authorities had disallowed Parent Company's claim and had raised income-tax demand of Rs. 881.66 Lacs which was adjusted out of refunds receivable by the Parent Company. The Parent Company had disputed the demand by filing appeal before CIT(A) who had decided the matter against the Parent Company and thereafter, the Parent Company had approached Income Tax Appellate Tribunal (ITAT).

During the year under audit, ITAT has upheld the decision of CIT(A) of disallowing parent company's claim for Assessment Year 2011-2012 for depreciation on Goodwill. The company has filed Miscellaneous Application u/s. 254(2) of Income-tax Act, 1961 before ITAT within the time line prescribed under the Act. Further the parent company's appeal with ITAT in respect of Assessment Year 2011-12 to 2016-17 (Except AY 2015-16), in the similar matter is pending for hearing.

In respect of this, based on the Legal Opinion and considering the available options under the provisions of Income-tax Act, 1961, the parent company is of the view that the parent company's appeal to allow depreciation will be judged favorably by the appellate / judicial authority. Therefore, no provision is required to be made in respect disputed tax demand of Rs. 881.66 Lacs.
- 7 Prayas Financial Services Private Limited, being Non-banking Financial Company – Micro Finance Institution (NBFC-MFI), is required to comply with "Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022" dated March 14, 2022 ("the Directions"). In terms of Para No. 8.1 of the Directions, PFSPL is required to maintain the ratio of microfinance loans to total assets at 75%. However, on the basis of financial statements of the PFSPL as at 31st March, 2023, the ratio of microfinance loans to total assets works out to 45.53%, which is less than minimum requirements prescribed under directions. However, PFSPL is expanding its branch network and is confident of achieving this ratio during current financial year 2023-24.
- 8 The Group is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group.
- 9 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 10 Audited Consolidated Statement of Assets and Liabilities & Audited Consolidated Statement of Cash Flow are attached in Annexure A and Annexure B respectively.
- 11 Earning per share (EPS) for the quarter ended March 31, 2023 and December 31, 2022 are not annualised.



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Notes to Audited Consolidated Financial Results For the Quarter and Year Ended March 31 ,2023

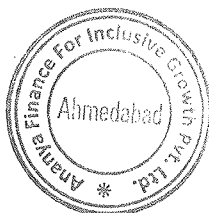
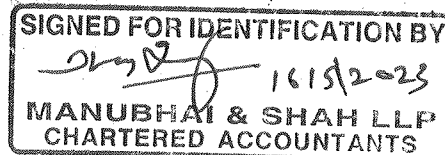
- 12 The information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

Sr No.	Particulars	Period	Unit	Ratio
1	Debt Equity Ratio	As at March 31 2023	Times	3.71
2	Debt service coverage ratio	Not Applicable		
3	Interest coverage service ratio	Not Applicable		
4	Outstanding redeemable preference shares (quantity and value)	Not Applicable		
6	Net Worth	As at March 31 2023	Rs. In Lakhs	10,645.79
7	Net profit after Tax	For the year Ended March 31, 2023	Rs. In Lakhs	254.45
8	Earnings per share			
	Basic	For the year Ended March 31, 2023	Rs.	0.39
	Diluted		Rs.	0.39
9	Current Ratio		Times	1.59
10	Long term debt to working capital		Times	1.20
11	Bad debts to Account receivable ratio	As at September 30 2022	%	
12	Current Liability ratio		%	55.67%
13	Total debts to total assets		%	74.19%
14	Debtors Turnover	Not Applicable		
15	Inventory turnover	Not Applicable		
16	Operating Margin	For the year Ended March 31, 2023	%	4.58%
17	Net profit Margin		%	3.67%

For and on behalf of the Board of Directors


 Saurav Gupta
 Managing Director
 (DIN 08663203)

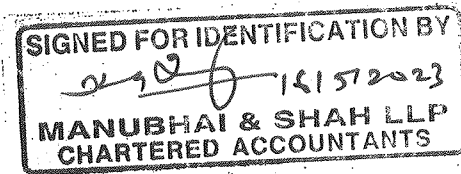
Place : Ahmedabad
 Date : May 16, 2023



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Annexure A : Audited Statement of Consolidated Assets and Liabilities

		(Rs. in Lakhs)
S. No.	Particulars	As at March 31, 2023
	ASSETS	
[1]	Financial Assets	
	(a) Cash and cash equivalents	12,557.98
	(b) Bank Balance other than (a) above	1,543.06
	(c) Loans	36,623.31
	(d) Investments	250.00
	(e) Other Financial assets	393.63
		<u>51,367.98</u>
[2]	Non-financial Assets	
	(a) Current tax assets (Net)	751.12
	(b) Deferred tax Assets (Net)	412.68
	(c) Property, Plant and Equipment	100.37
	(d) Intangible assets under development	32.68
	(e) Goodwill	189.16
	(f) Other Intangible assets	0.23
	(g) Right of Use Asset	327.42
	(h) Other non-financial assets	39.52
		<u>1,853.18</u>
	Total Assets	<u><u>53,221.16</u></u>
	LIABILITIES AND EQUITY	
	LIABILITIES	
[1]	Financial Liabilities	
	(a) 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	143.45
	(b) Lease Obligation	355.85
	(c) Debt Securities	12,753.24
	(d) Borrowings (Other than Debt Securities)	26,742.15
	(e) Other financial liabilities	2,408.47
		<u>42,403.16</u>
[2]	Non-Financial Liabilities	
	(a) Provisions	111.57
	(b) Other non-financial liabilities	60.63
		<u>172.20</u>
[3]	EQUITY	
	(a) Equity Share capital	6,602.92
	(b) Other Equity	3,174.14
	(c) Non Controlling Interest	868.74
	Total Equity	<u>10,645.80</u>
	Total Liabilities and Equity	<u><u>53,221.16</u></u>



Particulars	For the year ended 31st March 31, 2023
A) Cash flows from operating activities	
Net Profit before tax	311.01
Adjustments For:	
Depreciation and amortisation	63.51
Gain on Sale of Property, Plant and Equipment	9.16
Impairment on financial instruments	(40.63)
Interest income on loans	(6,245.21)
Interest income received on loans	6,302.92
Net loss on derecognition of financial instruments under amortised cost category	46.72
Interest income on Fixed Deposits	(379.57)
Interest on Unwinding of Security Deposit	(0.33)
Finance Cost	4,178.27
Finance Cost Paid	(4,182.94)
Net Gain on Fair Value changes	(16.01)
Provision for Employee benefit expenses	168.27
Operating cash flows before working capital changes	215.17
(Increase) / decrease in other assets	681.90
Increase in Trade Payables	40.10
Increase in other liabilities and provisions	(590.90)
Cash generated from operations	346.27
Income taxes paid/(Refund received)	131.41
Cash generated from operating activities after tax paid	477.69
Loan Repayment / (Disbursement) (Net)	(5,012.78)
Net cash (used in)/generated from operating activities (A)	(4,535.09)
B) Cash flows from investing activities	
Purchase of Property, Plant, Equipment	(31.87)
Proceeds from Sale of Investments	50.00
Proceeds from purchase and sale of units of mutual funds (Net)	17.20
Interest received on Fixed Deposit and Other Investments	423.32
Bank deposit/Margin money placed	(1,380.40)
Bank deposit/Margin money released	899.05
Net cash (used in)/generated from investing activities (B)	(22.70)
C) Cash flows from financing activities	
Repayment of Debt Securities	10,817.00
Repayment of Debt Securities	(1,702.07)
Proceeds from Other Borrowings	23,111.00
Repayment of Other Borrowings	(20,099.74)
Repayment of Lease Liability(including interest on lease liability)	(41.19)
Net cash generated from financing activities (C)	12,085.00
Net increase / (decrease) in cash and cash equivalents (A+B+C)	7,527.20
Cash and cash equivalents at the beginning of the Year	4,410.88
Cash and cash equivalents Acquired in Business Combination	619.90
Cash and cash equivalents at the end of the Year	12,557.98

