S.R. BATLIBOI & CO. LLP
Chartered Accountants

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Independent Auditors' Report on Standalone Financial Results pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Grameen Koota Financial Services Private Limited

1. We have audited the accompanying standalone financial results of Grameen Koota Financial Services Private Limited (the "Company") for the year ended March 31, 2017, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/IMD/DF1/9/2015 dated November 27, 2015 and CIR/IMD/DF1/69/2016 dated August 10, 2016 (collectively referred to as the "Listing Regulations"). These standalone financial results have been prepared on the basis of the related standalone financial statements as at and for the year ended March 31, 2017 and the relevant requirements of the Listing Regulations, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our audit of the related standalone financial statements as at and for the year ended March 31, 2017 and the relevant requirements of the Listing Regulations.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial results are free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial results. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the financial results in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial results. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

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

   i. are presented in accordance with the requirements of the Listing Regulations; and

   ii. give a true and fair view of the net profit and other financial information of the Company for the year ended March 31, 2017.

4. Further, we report that the figures for the half year ended March 31, 2017 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2017 and the published figures for the half year ended September 30, 2016, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & CO. LLP
ICAI Firm's Registration Number: 301003E/E300005
Chartered Accountants

per Jayesh Gandhi
Partner
Membership Number: 037924

Mumbai
May 17, 2017

GrameenKoota
financial services

Grameen Koota Financial Services Private Limited
#49, 46th Cross, 8th Block, Jayanagar, Bangalore - 560071
Audited financial results for the year ended March 31, 2017

(Amount in Rupees unless otherwise stated)

Particulars	Half year ended		Year ended	
	31-Mar-17 Unaudited	31-Mar-16 Unaudited	31-Mar-17 Audited	31-Mar-16 Audited
Income				
Revenue from operations	3,545,758,932	2,500,287,523	7,017,450,203	4,569,500,670
Other income	45,818,340	45,256,862	75,161,699	97,685,413
Total revenue (I)	**3,591,577,272**	**2,545,544,385**	**7,092,611,903**	**4,667,186,083**
Expenses				
Employee benefits expenses	522,266,289	394,742,118	1,046,846,826	706,715,897
Finance costs	1,689,658,057	1,151,450,074	3,242,532,733	2,074,278,377
Other expenses	249,893,197	238,027,929	507,021,388	416,351,902
Depreciation and amortisation expenses	22,211,139	15,723,107	44,326,457	26,056,847
Provision and write-offs	1,012,870,786	107,529,253	1,086,019,140	140,173,149
Total expenses (II)	**3,496,899,468**	**1,907,472,481**	**5,926,746,544**	**3,363,576,172**
Profit before tax (III)=(I)-(II)	**94,677,804**	**638,071,904**	**1,165,865,359**	**1,303,609,911**
Tax expense				
Current tax	416,792,384	267,504,924	813,334,620	513,814,248
Deferred tax	(385,258,778)	(37,977,241)	(401,325,779)	(48,006,347)
Short provision of tax relating to earlier years	1,306,248	40,800	1,306,248	40,800
Total tax expense (IV)	**32,839,854**	**229,568,483**	**413,315,089**	**465,848,701**
Profit for the year / period (III)-(IV)	**61,837,950**	**408,503,421**	**752,550,269**	**837,761,210**
[Nominal value of share Rs.10 (March 31, 2017: Rs.10)]				
Basic	0.76	5.60	9.38	11.48
Diluted	0.75	5.51	9.26	11.30

* The EPS and DPS for the half year ended March 31, 2017 and March 31, 2016 are not annualised.

Grameen Koota Financial Services Pvt. Ltd. ★ Corp. Office, Bangalore ★ Regd. Office, Bangalore ★

S.R. BATLIBOI & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

GrameenKoota
financial services

Grameen Koota Financial Services Private Limited
#49, 46th Cross, 8th Block, Jayanagar, Bangalore - 560071
Audited financial results for the year ended March 31, 2017

(Amount in Rupees unless otherwise stated)

Balance sheet as at	31-Mar-17	31-Mar-16
Equity and liabilities		
Shareholders' funds		
Share capital	856,813,430	729,534,330
Reserves and surplus	6,051,154,034	3,919,662,709
	6,907,967,464	4,649,197,039
Non-current Liabilities		
Long-term borrowings	11,758,818,397	11,221,463,729
Long-term provisions	307,232,507	107,518,591
	12,066,050,904	11,328,982,320
Current liabilities		
Short-term borrowings	-	200,000,000
Other current liabilities	15,494,160,852	11,744,562,951
Short-term provisions	1,172,540,313	207,442,293
	16,666,701,165	12,152,005,244
TOTAL	**35,640,719,533**	**28,130,184,603**
Assets		
Non-current assets		
Fixed assets		
Property, plant and equipment	59,802,184	53,178,764
Intangible assets	62,819,642	60,183,775
Capital work-in-progress	7,036,220	-
Intangible assets under development	23,273,932	-
Non-current investments	2,000,000	2,000,000
Deferred tax asset (net)	484,944,596	83,618,817
Long-term loans and advances	6,376,146,360	7,712,254,026
Other non-current assets	119,575,979	420,296,365
	7,135,598,913	8,331,531,747
Current assets		
Cash and bank balances	3,636,880,860	2,549,147,454
Short-term loan and advances	24,514,534,368	17,041,635,241
Other current assets	353,705,392	207,870,161
	28,505,120,620	19,798,652,856
TOTAL	**35,640,719,533**	**28,130,184,603**

Notes

1. The above results have been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on May 16, 2017 and May 17, 2017, in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The figures of the half year ended March 31, 2017 and March 31, 2016 represent the difference between the audited figures for the year ended March 31, 2017 and March 31, 2016 and the unaudited figures for the half year ended September 30, 2016 and September 30, 2015 respectively which were subjected to a limited review.
3. The Reserve Bank of India vide circular No. DBR.No.BP.BC.37/21.04.048/2016-17 dated November 21, 2016 and DBR.No.BP.BC.49/21.04.048/2016-17 dated December 28, 2016 has provided a dispensation on prudential norms in the form of short-term deferment of classification of loan accounts as sub-standard. Accordingly, the Company has availed the said dispensation whereby loan accounts aggregating Rs.24,450.60 lakh continue to be classified as standard assets as at March 31, 2017.

   However, the Company has performed a qualitative assessment of such loan accounts and accordingly, revised its estimates of provisioning for standard assets. Had the Company applied the estimates followed in the previous year, the profit before tax for the year would have been lower by Rs.15,748.30 lakh.

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4. During the year, the Company has changed its accounting policy for recognising the ancillary other borrowing costs in the period in which they are incurred against recognising these over the tenure of the borrowings. Accordingly, finance costs for the year are higher and profit before tax for the year is lower by Rs.571.05 lakh.
5. The Company operates in a single reportable segment i.e. lending to members, which have similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.
6. Previous year / periods figures have been regrouped / rearranged, wherever considered necessary, to conform with current year / period presentation.

For and on behalf of the Board of Directors of **Grameen Koota Financial Services Private Limited**

Udaya Kumar
Managing Director & CEO

Place: Bangalore
Date : May 17, 2017

Grameen Koota Financial Services Pvt Ltd Corp. Office, Bangalore * Regd. Office, Bangalore *

S.R. BATLIBOI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS