

MADURA MICRO FINANCE LIMITED

(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Audited Standalone Financial Results for the fourth quarter and the year ended March 31, 2022

(₹ in crores unless otherwise stated)

SI No	Particulars	Quarter ended			Year ended	
		31-Mar-2022	31-Dec-2021	31-Mar-2021	31-Mar-2022	31-Mar-2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
(I)	Revenue from operations					
(a)	Interest income	127.75	109.18	101.40	446.09	412.62
(b)	Fees and commission	-	-	-	-	0.01
(c)	Dividend income	0.14	-	-	0.14	-
(d)	Net gain on fair value changes	0.26	0.12	0.30	1.43	2.26
(e)	Bad debt recovery	3.80	2.37	1.53	9.18	4.45
(f)	Others	-	-	13.59	0.28	13.59
	Total Revenue from operations (I)	131.95	111.67	116.82	457.12	432.93
(II)	Other income	2.38	1.44	1.10	5.68	2.34
(III)	Total Income (I+II)	134.33	113.11	117.92	462.80	435.27
	Expenses					
(a)	Finance costs	54.92	46.52	52.19	201.15	190.32
(b)	Impairment of financial instruments	22.68	44.18	50.19	147.27	124.66
(c)	Employee benefits expenses	20.89	21.23	19.45	84.13	80.26
(d)	Depreciation, amortisation and impairment	1.06	1.15	1.00	4.63	4.25
(e)	Other expenses	12.67	11.97	12.70	42.57	35.28
(IV)	Total Expenses (IV)	112.22	125.05	135.53	479.75	434.77
(V)	Profit / (loss) before exceptional items and tax (III-IV)	22.11	(11.94)	(17.61)	(16.95)	0.50
(VI)	Exceptional items	-	-	-	-	-
(VII)	Profit/(loss) before tax (V +VI)	22.11	(11.94)	(17.61)	(16.95)	0.50
(VIII)	Tax Expense:					
	(1) Current Tax					
	Current year	2.79	(3.33)	2.73	8.22	13.00
	Pertaining to earlier years	0.18	-	-	2.16	-
	(2) Deferred Tax					
	Current year	5.50	0.40	(6.76)	(11.89)	(12.27)
	Pertaining to earlier years	(1.55)	-	-	(1.55)	-
	Total tax expense (VIII)	6.92	(2.93)	(4.03)	(3.06)	0.73
(IX)	Profit/(Loss) for the period from continuing operations (VII-VIII)	15.19	(9.01)	(13.58)	(13.89)	(0.23)
(X)	Profit/(loss) from discontinued operations	-	-	-	-	-
(XI)	Tax Expense of discontinued operations	-	-	-	-	-
(XII)	Profit/(loss) from discontinued operations (After Tax) (X-XI)	-	-	-	-	-
(XIII)	Profit/(loss) for the period (IX+XII)	15.19	(9.01)	(13.58)	(13.89)	(0.23)
(XIV)	Other Comprehensive Income					
	(A) (i) Items that will not be reclassified to profit or loss (Remeasurement (losses) and gains on defined benefit obligations (net))	(0.02)	0.23	0.07	0.38	(0.05)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.06)	(0.02)	(0.10)	0.01
	Subtotal (A)	(0.02)	0.17	0.05	0.28	(0.04)
	(B) (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 (A + B)	(0.02)	0.17	0.05	0.28	(0.04)
(XV)	Total Comprehensive Income for the period (XIII+XIV)	15.17	(8.84)	(13.53)	(13.61)	(0.27)
(XVI)	Earnings per equity share (for continuing operations)					
	Basic (₹)	21.11	(12.52)	(18.87)	(19.31)	(0.32)
	Diluted (₹)	21.11	(12.52)	(18.87)	(19.31)	(0.32)
(XVII)	Earnings per equity share (for discontinued operations)					
	Basic (₹)	-	-	-	-	-
	Diluted (₹)	-	-	-	-	-
(XVIII)	Earnings per equity share (for continuing and discontinued operations)					
	Basic (₹)	21.11	(12.52)	(18.87)	(19.31)	(0.32)
	Diluted (₹)	21.11	(12.52)	(18.87)	(19.31)	(0.32)

* The EPS and DPS for quarters ended March 31, 2022, December 31, 2021 and March 31, 2021 are not annualised.

For Madura Micro Finance Limited



Udaya Kumar Hebbur
Director
DIN 07235226

Place: Bengaluru
Date: May 02, 2022



MADURA MICRO FINANCE LIMITED**(Subsidiary of CreditAccess Grameen Limited)**

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Audited Standalone Statement of Assets and Liabilities as at March 31, 2022

(₹ in crores unless otherwise stated)

SI No	Particulars	As at	As at
		March 31, 2022	March 31, 2021
		(Audited)	(Audited)
ASSETS			
Financial assets			
(1)			
(a)	Cash and cash equivalents	179.35	485.45
(b)	Bank balance other than cash and cash equivalents	47.68	52.91
(c)	Loans		
	- Loan portfolio (excluding securitised assets)	2,713.31	1,989.54
	- Securitised assets	-	13.12
(d)	Investments	0.34	0.34
(e)	Other financial assets	8.49	22.05
Non-financial assets			
(a)	Current tax assets	2.36	2.36
(b)	Deferred tax assets (net)	37.87	24.52
(c)	Property, plant and equipment	5.63	5.78
(d)	Right to use assets	0.14	0.84
(e)	Other intangible assets	2.87	1.94
(f)	Other non-financial assets	0.17	0.37
Total assets		2,998.21	2,599.22
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(1)			
(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	9.05	24.83
	(II) Other payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7.24	7.72
(b)	Borrowings		
	- Debt securities	44.82	168.85
	- Borrowings (other than debt securities)	2,312.55	1,902.86
	- Subordinated liabilities	224.54	74.93
	- Financial liability towards securitisation	-	9.15
(c)	Other financial liabilities	0.18	0.98
Non-financial liabilities			
(a)	Current tax liabilities	3.56	0.99
(b)	Provisions	6.13	5.85
(c)	Other non-financial liabilities	2.43	1.74
EQUITY			
(a)	Equity share capital	7.19	7.19
(b)	Other equity	380.52	394.13
Total liabilities and equity		2,998.21	2,599.22

For Madura Micro Finance Limited

Place: Bengaluru
Date: May 02, 2022

Udaya Kumar Hebbar
 Director
 DIN 07235226


MADURA MICRO FINANCE LIMITED

(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Statement of standalone cash flows for the year ended March 31, 2022

₹ in crores

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
	(Audited)	(Audited)
Cash flow from operating activities:		
Profit before tax	(16.95)	0.50
Adjustments to reconcile profit before tax to net cash flows:		
Interest income on loans	(437.83)	(405.96)
Depreciation and amortisation expenses	4.63	4.25
Finance costs	201.15	190.32
Impairment on financial instruments	23.17	60.22
Net gain on financial instruments at fair value through profit or loss	(1.43)	(11.95)
Dividend Income	(0.14)	-
	(210.45)	(163.12)
Operational cash flows from interest:		
Interest received on loans	459.15	382.21
Dividend Received	0.14	-
Finance costs	(207.98)	(186.52)
	251.31	195.69
Working capital changes:		
(Increase)/decrease in loans	(755.13)	(102.89)
Decrease / (increase) in other financial assets	13.57	(9.45)
(Increase) / decrease in other non-financial assets	0.20	0.39
(Decrease) / increase in trade and other payables	(17.08)	3.02
Increase in provisions	0.66	1.56
Increase / (decrease) in other non-financial liabilities	0.69	(0.43)
Cash generated from Operations	(757.09)	(107.80)
Income tax paid	(7.81)	(9.89)
Net cash generated from / (used in) Operating activities	(740.99)	(84.62)
Investing activities		
Purchase of property, plant and equipment	(2.98)	(1.49)
Purchase of Intangible assets	(1.74)	(1.32)
Decrease / (increase) in bank balance other than cash and cash equivalents	5.23	4.03
Purchase of investments at fair value through profit and loss	(556.00)	(1,006.30)
Sale of investments at fair value through profit and loss	557.43	1,053.58
Cash and cash equivalents acquired pursuant to the Scheme of Arrangement	-	-
Investment in equity shares of subsidiary	-	-
Net cash generated from / (used in) investing activities	1.94	48.50
Financing activities		
Debt securities issued / (repaid) (net)	(119.35)	25.44
Borrowings other than debt securities issued (net)	411.45	483.80
Subordinated liabilities repaid (net)	150.00	3.67
Financial liability towards securitisation (repaid) (net)	(9.15)	(71.53)
Net cash generated from / (used in) Financing activities	432.95	441.38
Net (increase) / decrease in cash and cash equivalents	(306.10)	405.26
Cash and cash equivalents as at the beginning of the year	485.45	80.19
Cash and cash equivalents as at the end of the year	179.35	485.45

For Madura Micro Finance Limited

Place: Bengaluru
Date: May 02, 2022

 Udaya Kumar Hebbbar
 Director
 DIN 07235226

Madura Micro Finance Limited

Karumuttu Centre, 6th Floor, No.634, Anna Salai, Nandanam, Chennai – 600035
CIN: U65929TN2005PLC057390

Explanatory Notes to the audited standalone financial results for the quarter and the year ended March 31, 2022

Notes:

1. The above standalone financial results for the quarter and year ended March 31, 2022, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 02, 2022, respectively and reviewed / audited by independent auditors in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").
3. During the year, the Company had extended Moratorium to certain segments in the months of May and June 2021 due to severity of second wave of Covid-19 to help borrowers to overcome the impact of Covid. The Board had approved restructuring scheme for its borrowers and the Company has implemented restructuring scheme in September 2021.
4. The COVID-19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities over the past 2 years. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial performance which are dependent on emerging factors, which are highly uncertain. The Company has used indicators of moratorium and delayed repayment metrics, and based on the policy approved by the board, determined the provision for impairment of financial assets including the additional overlay, if any, for uncertainty over the potential macro-economic impact of the pandemic.
5. The Company has provided ₹ 1.31 crore for the quarter and carries ₹ 130.02 crore as at March 31, 2022 respectively, as part of its expected credit loss estimate, to reflect, among other things, an increased risk of deterioration in the macro-economic factors caused by COVID-19 pandemic.
6. In view of the behaviour of SHG loans during the covid pandemic time, the Company has changed its estimate of credit impairment and staging of financial assets for the purpose of determining Expected Credit Loss for Impairment of Financial Assets effective from July 1, 2021, by shifting Stage 3 (Credit impaired) from 90 Days past due (DPD) to 60 days past due (DPD). This has resulted in moving loans outstanding for 60 to 90 days to Stage 3 (credit impaired) from stage 2 (Loans with significant increase in credit risk) and thereby causing significant change in Probability of Default (PD) and Loss Given Default (LGD). Hence, the Company's ECL provision is higher by ₹ 14.15 crore (including management overlay provided ₹ 9.73 crore) when compared to the estimates made using the older method.
7. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
8. Financial assets are written off only when the Company has stopped pursuing the recovery or no further amounts are recoverable. The company has increased their efforts to follow-up on



recovery of loans from 180 DPD to 270 DPD in view of the pandemic, considering the manner in which the company is able to recover the overdue amounts. Hence the company has revised the estimated time of write off from 180 DPD to 270 DPD. Total loan book as on March 31, 2022, in bucket of 180 to 270 days is ₹ 60.19 crore. As of now the Company is carrying a provision of ₹ 31.13 crore against this, resulting in lower write off by ₹ 28.99 crore in the current year.

9. The Company has changed its accounting policy on interest accrual on NPA loans. Previously interest income on credit impaired assets were recognised on actual realization in line with IRAC norms. However, now the accounting policy has been changed to recognise income on the net amortised cost on credit impaired assets as per Ind AS 109. The company has recognised ₹ 6.01 crore as interest income.
10. As the company has decided to recognise interest income on Stage 3 financial assets since September 2021, during the second quarter the interest income has been calculated for all the loans in the Stage 3. This includes loans which have moved to Stage 3 in earlier periods and continue to be in Stage 3 as of March 31, 2022. A significant amount of these loans has been written off subsequently and the remaining amount is not material. Hence retrospective effect of interest income in the financial statements is not material and hence not given effect to.
11. Further, in view of the matters as mentioned in Note 3, 4 & 5 above, the Company has assessed the impact of the Novel Coronavirus (COVID-19) pandemic on its liquidity and ability to repay its obligations as and when they are due. The Company has sufficient liquidity to pay off its debts and the Company has widened its funding sources while retaining existing lenders. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, the standalone financial results have been prepared on a going concern basis.
12. Disclosure on Resolution Framework- 2.0: Resolution or Covid-19 related stress of Individuals and Small Businesses as per Circular RBI/2021-22/31, DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 ("RBI Circular"):

During the year ended March 31, 2022, the company has restructured loans to the tune of ₹ 6.88 Cr of which the company has implemented resolution plans under resolution framework 2.0 to relieve COVID-19 pandemic to reduce the stress of eligible borrowers with a total outstanding of ₹ 2.97 crore as of March 31, 2022. The resolution plans are based on parameters laid down in the resolution policy approved by the Board of Directors in accordance with the above RBI circular.

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans*	3.79	0.66	0	0.82	2.32


*SHG Loans

13. The RBI vide circular RBI/2021-2022/125 dated November 12, 2021 on Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications, has mandated that borrower accounts shall be flagged as overdue by Financial Institutions as part of their day-end process for the due date and has clarified that loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower. The company has started implementing flagging NPAs as part of Day-end process in December 2021 for IRACP purposes.



14. The Company had a practice of apportioning all collections in NPA accounts to principal overdues. In order to comply with the RBI circular, the Company has now started apportioning collections in NPA accounts to both interest and Principal overdues. During the previous quarter the company has reapportioned ₹ 5.93 crore towards interest overdues in NPA accounts, consequent to which the principal arrears has increased by ₹ 5.93 crore. The impact on this on income is ₹ 3.09 crore. However, there is no change in overall amount outstanding in borrower accounts and the impact on Profit before Tax is Nil.
15. Pursuant to Regulation 54 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the secured listed Non-Convertible Debentures ('NCD') of the Company as on March 31, 2022, are secured by exclusive charge on standard receivables (" the Loans and advances") of the Company. The total security cover is 1.10 times of the principal outstanding and interest there on for the said debentures.
16. The Company operates in a single business segment i.e., lending Micro Finance Loan (including Self Help Group & Joint Liability Group members), having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e., domestic.
17. As at the year end, the aggregate shareholding of CAGL stands at 76.32% in MMFL. The Amalgamation of the Company with CA Grameen is in the process. Based on the Order by the Hon'ble National Company Law Tribunal (NCLT), Bengaluru dated February 25, 2022, a Meeting of the equity shareholders of CA Grameen is being convened on April 25, 2022, for obtaining the approval to the Scheme of Amalgamation and the meetings of the secured and unsecured creditors has been dispensed with. Similarly, based on the Order by the NCLT Chennai dated March 29, 2022, a meeting of the equity shareholders of the Company is being convened on May 04, 2022, and the secured and unsecured creditors' meeting have been dispensed with. The above Scheme, if approved by the equity shareholders of both the Companies, will be subject to the subsequent approvals of the NCLT Bengaluru and Chennai.
18. The financial results of the Company for the quarter and year ended March 31, 2021, were audited by the previous auditors PKF Sridhar and Santhanam LLP, who have expressed an unqualified opinion vide report dated April 26, 2021.
19. Disclosures in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended March 31, 2022 is attached as Annexure-I.
20. The figures for the last quarter of the current and previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the current and previous financial year which were subjected to limited review by statutory auditors.
21. The figures for the previous period have been regrouped / rearranged, wherever considered necessary, to conform with current period's classification

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


Udaya Kumar Hebbar
Director
DIN 07235226
Bengaluru
May 02, 2022





MADURA MICRO FINANCE LIMITED

(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Annexure I - Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for quarter and the year ended March 31, 2022

Sr. No.	Particulars	For the quarter ended March 31, 2022	For the year ended March 31, 2022
1	Debt- Equity Ratio: *	6.66	6.66
2	Net worth (₹ in cr): **	387.71	387.71
3	Net Profit after tax (₹ in cr)	15.19	(13.89)
4	Earnings per equity share ~~		
	Basic (₹)	21.11	(19.31)
	Diluted (₹)	21.11	(19.31)
5	Total debts to total assets: \$	0.86	0.86
6	Net profit margin: ##	11.31%	-3.00%
7	Sector specific equivalent ratios		
(i)	Gross stage 3	5.62%	5.62%
(ii)	Net stage 3	2.84%	2.84%
(iii)	Provision coverage : ###	51.82%	51.82%
8	Capital risk adequacy ratio (CRAR) % - Total &	19.99%	19.99%
9	Current ratio: #	Not Applicable	Not Applicable
10	Debt service coverage ratio :#	Not Applicable	Not Applicable
11	Inventory Turnover Ratio #	Not Applicable	Not Applicable
12	Interest service coverage ratio: #	Not Applicable	Not Applicable
13	Outstanding redeemable preference share (quantity) ^^	Not Applicable	Not Applicable
14	Outstanding redeemable preference share (₹ . In cr) ^^	Not Applicable	Not Applicable
15	Capital redemption reserve (₹ . in cr) #	Not Applicable	Not Applicable
16	Debenture redemption reserve (₹ in cr) #	Not Applicable	Not Applicable
17	Long term debt to working Capital: #	Not Applicable	Not Applicable
18	Bad debts to account receivable ratio: #	Not Applicable	Not Applicable
19	Current liability ratio #	Not Applicable	Not Applicable
20	Debtors turnover: #	Not Applicable	Not Applicable
21	Inventory turnover: #	Not Applicable	Not Applicable
22	Operating margin: #	Not Applicable	Not Applicable

Notes:

- * Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Networth.
- ** Networth is calculated as defined in section 2(57) of Companies Act 2013.
- The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable
- # generally not applicable
- \$ Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/total assets.
- ## Net profit margin = Net profit after tax/ Total income.
- ### Provision coverage = Total impairment loss allowance Stage III/Gross Stage III loan EAD
- & Capital ratio = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guideline
- ~~ Not annualised for the quarter ended March 31, 2022
- ^^ The Company has not issued preference share as on March 31, 2022 and hence not applicable



Chaturvedi & Company

Chartered Accountants

KOLKATA

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INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF MADURA MICRO FINANCE LIMITED

Opinion

We have audited the accompanying standalone financial results of The Madura Micro Finance Limited for the quarter ended March 31, 2022 and the year-to-date results for the period from April 01, 2021 to March 31, 2022 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 ("Listing Regulations"), which has been initiated by us for identification.

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 SEBI (the Listing Obligation and Disclosure Requirements) including the manner in which it is to be presented and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Accounting Standards, RBI guidelines and other accounting principles generally accepted in India of the net loss, total Comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 as well as the year-to-date results for the period from April 01, 2021 to March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. ("the Act") issued by the Institute of Chartered Accountants of India. 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 Madura Micro Finance Limited in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results for the quarter and year ended March 31, 2022, 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 Paragraph

We draw your attention to

- i. Note 4 to the standalone financial results about the uncertainties prevailing on the balance sheet date on the recoverability of the company's loans and advances on account of the COVID-19 impact. The estimates and assumptions made by management in determining the impairment provision required for these loans are subject to matters that are outside the control of the Company and hence the actual results may vary from these estimates.



- ii. Note 6 to the standalone financial results about the change in accounting estimate with regard to Expected Credit loss model from 90 days to 60 days past due as Stage 3 credit impaired assets. This change in estimate resulted in higher provisioning to the extent of ₹ 14.15 crore (including management overlay of ₹ 9.73 crore) for the year ended March 31, 2022 compared to the estimates made using the older method.
- iii. Note 8 to the standalone financial results about the change in accounting estimate with regard to the write off of loan assets from 180 days to 270 days. This change in estimate resulted in lower write off of ₹ 28.99 crores for the year ended March 31, 2022 compared to the estimates made using the older method.
- iv. Note 9 to the standalone financial results about the change in accounting policy on interest accrual on NPA Loans. Interest accrual on credit impaired assets which was previously recognised on actual realization is now recognised on net carrying value as per Ind AS 109 Financial Instruments. This change in policy resulted in higher interest income of ₹ 6.01 crore for the year ended March 31, 2022 compared to the earlier method.

Our opinion is not modified in respect of these matters.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. These standalone financial results have been compiled from the related audited interim condensed standalone financial statements for the three months and year ended March 31, 2022.

The Madura Micro Finance Limited's Board of Directors are responsible for the preparation of these standalone Financial Results that give a true and fair view of the net loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard specified under section 133 of the Act read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in Compliance with Regulation 52 of the Listing Regulation, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act/ for safeguarding of the assets of Madura Micro Finance Limited 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 results that give a true and fair view and are free from material misstatement whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Madura Micro Finance Limited financial reporting process.



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

Our objectives are to obtain reasonable assurance about whether the standalone Financial Results 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 results. 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 results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Madura Micro Finance Limited's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Madura Micro Finance Limited'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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

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

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



Other Matters

1. We confirm that the review report on the Standalone Financial Results for the quarter ended December 31, 2021 & year ended March 31, 2022 has been carried out by us. The standalone financials for the quarter and year ended March 31, 2021 included in the statement were carried out by the predecessor auditor who expressed an unmodified opinion on these financial results / financial statements. Accordingly, our conclusion on the Statement is not modified in respect of the above matter.
2. The statement includes the results for the quarter ended March 31, 2022 being the balancing figures between audited figures in respect of full financial year ended March 31, 2022 and the published unaudited year to date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review, as required under the Listing Regulations.

For Chaturvedi & Co
Chartered Accountants
FRN 302137E

S. Ganesan

S. Ganesan FCA
Partner
Membership No: 217119
UDIN 22217119AIHRXW7121



Place: Chennai
Date: 02-05-2022

MADURA MICRO FINANCE LIMITED

(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Audited Consolidated Financial Results for the fourth quarter and the year ended March 31, 2022

(₹ in crores unless otherwise stated)

Sl No	Particulars	Quarter ended			Year ended	
		31-Mar-2022 (Audited)	31-Dec-2021 (Unaudited)	31-Mar-2021 (Audited)	31-Mar-2022 (Audited)	31-Mar-2021 (Audited)
(I)	Revenue from operations					
(a)	Interest income	127.75	109.18	101.39	446.09	412.62
	- Interest on loans	126.05	107.98	97.57	437.16	392.25
	- Income on securitisation	-	(0.13)	0.99	0.56	12.96
	- Income from portfolio purchased under assignment	0.01	0.03	0.30	0.11	0.75
	- Interest on deposits with banks and financial institutions	1.69	1.30	2.53	8.26	6.66
(b)	Fees and commission	-	-	-	-	0.01
(c)	Dividend income	0.14	-	-	0.14	-
(d)	Net gain on fair value changes	0.26	0.12	0.29	1.43	2.26
(e)	Bad debt recovery	3.80	2.37	1.53	9.18	4.45
(f)	Others	-	-	13.59	0.28	13.59
	Total Revenue from operations (I)	131.95	111.67	116.80	457.12	432.93
(II)	Other Income	2.38	1.44	1.12	5.68	2.36
(III)	Total Income (I+II)	134.33	113.11	117.92	462.80	435.29
(III)	Expenses					
(a)	Finance costs	54.92	46.52	52.19	201.15	190.32
	- On borrowings	54.91	46.51	51.74	200.91	185.76
	- On financial liability towards securitisation	-	-	0.41	0.17	4.39
	- On finance lease obligation	0.01	0.01	0.04	0.07	0.17
(b)	Impairment of financial instruments	22.72	44.18	50.20	147.31	124.46
(c)	Employee benefits expenses	20.88	21.23	19.45	84.13	80.39
(d)	Depreciation, amortisation and impairment	1.06	1.15	0.99	4.63	4.27
(e)	Other expenses	12.67	11.97	12.70	42.57	35.32
(IV)	Total Expenses (IV)	112.25	125.05	135.53	479.79	434.76
(V)	Profit / (loss) before exceptional items and tax (III-IV)	22.08	(11.94)	(17.61)	(16.99)	0.53
(VI)	Exceptional items	-	-	-	-	-
(VII)	Profit/(loss) before tax (V +VI)	22.08	(11.94)	(17.61)	(16.99)	0.53
(VIII)	Tax Expense:					
	(1) Current Tax					
	Current year	2.79	(3.33)	2.73	8.22	13.00
	Pertaining to earlier years	0.18	-	-	2.16	-
	(2) Deferred Tax					
	Current year	5.50	0.40	(6.76)	(11.89)	(12.27)
	Pertaining to earlier years	(1.55)	-	-	(1.55)	-
	Total tax expense (VIII)	6.92	(2.93)	(4.03)	(3.06)	0.73
(IX)	Profit/(Loss) for the period from continuing operations (VII-VIII)	15.16	(9.01)	(13.58)	(13.93)	(0.20)
(X)	Profit/(loss) from discontinued operations	-	-	-	-	-
(XI)	Tax Expense of discontinued operations	-	-	-	-	-
(XII)	Profit/(loss) from discontinued operations (After Tax) (X-XI)	-	-	-	-	-
(XIII)	Profit/(loss) for the period (IX+XII)	15.16	(9.01)	(13.58)	(13.93)	(0.20)
(XIV)	Other Comprehensive Income					
	(A) (i) Items that will not be reclassified to profit or loss	(0.02)	0.23	0.07	0.38	(0.05)
	(Remeasurement (losses) and gains on defined benefit obligations (net))					
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.06)	(0.02)	(0.10)	0.01
	Subtotal (A)	(0.02)	0.17	0.05	0.28	(0.04)
	(B) (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 (A + B)	(0.02)	0.17	0.05	0.28	(0.04)
(XV)	Total Comprehensive Income for the period (XIII+XIV)	15.14	(8.84)	(13.53)	(13.65)	(0.24)
(XVI)	Earnings per equity share (for continuing operations)					
	Basic (₹)	21.07	(12.52)	(18.87)	(19.36)	(0.28)
	Diluted (₹)	21.07	(12.52)	(18.87)	(19.36)	(0.28)
(XVII)	Earnings per equity share (for discontinued operations)					
	Basic (₹)	-	-	-	-	-
	Diluted (₹)	-	-	-	-	-
(XVIII)	Earnings per equity share (for continuing and discontinued operations)					
	Basic (₹)	21.07	(12.52)	(18.87)	(19.36)	(0.28)
	Diluted (₹)	21.07	(12.52)	(18.87)	(19.36)	(0.28)

* The EPS and DPS for quarters ended March 31, 2022, December 31, 2021 and March 31, 2021 are not annualised.

For Madura Micro Finance Limited

Place: Bengaluru
Date: May 02, 2022




 Udaya Kumar Hebbar
 Director
 DIN 07235226

MADURA MICRO FINANCE LIMITED**(Subsidiary of CreditAccess Grameen Limited)**

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Audited Consolidated Statement of Assets and Liabilities as at March 31, 2022

(₹ in crores unless otherwise stated)

SI No	Particulars	As at	As at
		March 31, 2022	March 31, 2021
		(Audited)	(Audited)
ASSETS			
Financial assets			
(1)			
(a)	Cash and cash equivalents	179.35	485.50
(b)	Bank balance other than cash and cash equivalents	47.68	52.91
(c)	Loans		
	- Loan portfolio (excluding securitised assets)	2,713.31	1,989.54
	- Securitised assets	-	13.12
(d)	Investments	0.34	0.34
(e)	Other financial assets	8.49	22.05
Non-financial assets			
(a)	Current tax assets	2.36	2.36
(b)	Deferred tax assets (net)	37.87	24.52
(c)	Property, plant and equipment	5.63	5.78
(d)	Right to use assets	0.14	0.84
(e)	Other intangible assets	2.87	1.94
(f)	Other non-financial assets	0.17	0.37
Total assets		2,998.21	2,599.27
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(1)			
(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	9.05	24.83
	(II) Other payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7.24	7.73
(b)	Borrowings		
	- Debt securities	44.82	168.85
	- Borrowings (other than debt securities)	2,312.55	1,902.86
	- Subordinated liabilities	224.54	74.93
	- Financial liability towards securitisation	-	9.15
(c)	Other financial liabilities	0.18	0.98
Non-financial liabilities			
(a)	Current tax liabilities	3.56	0.99
(b)	Provisions	6.13	5.85
(c)	Other non-financial liabilities	2.43	1.74
EQUITY			
(a)	Equity share capital	7.19	7.19
(b)	Other equity	380.52	394.17
Total liabilities and equity		2,998.21	2,599.27

For Madura Micro Finance Limited

Place: Bengaluru
Date: May 02, 2022

Udaya Kumar Hebbbar
 Director
 DIN 07235226

MADURA MICRO FINANCE LIMITED

(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Statement of Consolidated cash flows for the year ended March 31, 2022

₹ in crores

Particulars	Year ended	
	March 31, 2022	March 31, 2021
	(Audited)	(Audited)
Cash flow from operating activities:		
Profit before tax	(16.99)	0.53
Adjustments to reconcile profit before tax to net cash flows:		
Interest income on loans	(437.83)	(405.96)
Depreciation and amortisation expenses	4.63	4.27
Finance costs	201.15	190.32
Impairment on financial instruments	23.17	60.22
Net gain on financial instruments at fair value through profit or loss	(1.43)	(11.95)
Dividend Income	(0.14)	-
	(210.45)	(163.10)
Operational cash flows from interest:		
Interest received on loans	459.15	382.34
Dividend Received	0.14	-
Finance costs	(207.98)	(186.52)
	251.31	195.82
Working capital changes:		
(Increase)/decrease in loans	(755.13)	(103.00)
Decrease / (increase) in other financial assets	13.57	(9.45)
(Increase) / decrease in other non-financial assets	0.20	0.39
(Decrease) / increase in trade and other payables	(17.09)	2.95
Increase in provisions	0.66	1.51
Increase / (decrease) in other non-financial liabilities	0.69	(0.45)
Cash generated from Operations	(757.10)	(108.05)
Income tax paid	(7.81)	(9.85)
Net cash generated from / (used in) Operating activities	(741.04)	(84.65)
Investing activities		
Purchase of property, plant and equipment	(2.98)	(1.45)
Purchase of Intangible assets	(1.74)	(1.32)
Decrease / (increase) in bank balance other than cash and cash equivalents	5.23	4.03
Purchase of investments at fair value through profit and loss	(556.00)	(1,006.30)
Sale of investments at fair value through profit and loss	557.43	1,053.58
Net cash generated from / (used in) investing activities	1.94	48.54
Financing activities		
Debt securities issued / (repaid) (net)	(119.35)	27.58
Borrowings other than debt securities issued (net)	411.45	485.33
Subordinated liabilities repaid (net)	150.00	-
Financial liability towards securitisation (repaid) (net)	(9.15)	(71.53)
Net cash generated from / (used in) Financing activities	432.95	441.38
Net (increase) / decrease in cash and cash equivalents	(306.15)	405.27
Cash and cash equivalents as at the beginning of the year	485.50	80.23
Cash and cash equivalents as at the end of the year	179.35	485.50

For Madura Micro Finance Limited

Place: Bengaluru
Date: May 02, 2022

 Udaya Kumar Hebbar
 Director
 DIN 07235226

Madura Micro Finance Limited

Karumuttu Centre, 6th Floor, No.634, Anna Salai, Nandanam, Chennai – 600035
CIN: U65929TN2005PLC057390

Explanatory Notes to the audited Consolidated financial results for the quarter and the year ended March 31, 2022

Notes:

1. The above Consolidated financial results for the quarter and year ended March 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 02, 2022 respectively and reviewed/audited by Independent auditors in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").
3. During the year, the Company had extended Moratorium to certain segments in the months of May and June 2021 due to severity of second wave of Covid-19 to help borrowers to overcome the impact of Covid. The Board had approved restructuring scheme for its borrowers and the Company has implemented restructuring scheme in September 2021.
4. The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities over the past 2 years. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial performance which are dependent on emerging factors, which are highly uncertain. The Company has used indicators of moratorium and delayed repayment metrics, and based on the policy approved by the board, determined the provision for impairment of financial assets including the additional overlay, if any, for uncertainty over the potential macro-economic impact of the pandemic.
5. The Company has provided ₹ 1.31 crore for the quarter and carries ₹ 130.02 crore as at March 31, 2022 respectively, as part of its expected credit loss estimate, to reflect, among other things, an increased risk of deterioration in the macro-economic factors caused by COVID-19 pandemic.
6. In view of the behaviour of loans during the covid pandemic time, the Company has changed its estimate of credit impairment and Staging of financial assets for the purpose of determining Expected Credit Loss for Impairment of Financial Assets effective from July 1, 2021 by shifting Stage 3 (Credit impaired) from 90 Days past due (DPD) to 60 days past due (DPD). This has resulted in moving loans outstanding for 60 to 90 days to Stage 3 (credit impaired) from stage 2 (Loans with significant increase in credit risk) and thereby causing significant change in Probability of Default (PD) and Loss Given Default (LGD). Hence, the Company's ECL provision is higher by ₹ 14.15 crores (including management overlay provided ₹ 9.73 Crores) when compared to the estimates made using the older method.
7. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.



8. Financial assets are written off only when the Company has stopped pursuing the recovery or no further amounts are recoverable. The company has increased their efforts to follow-up on recovery of loans from 180 DPD to 270 DPD in view of the pandemic, considering the manner in which the company is able to recover the overdue amounts. Hence the company has revised the estimated time of write off from 180 DPD to 270 DPD. Total loan book as on March 31, 2022 in bucket of 180 to 270 days is ₹ 60.19 Crores. As of now the Company is carrying a provision of ₹ 31.13 crores against this, resulting in lower write off by ₹ 28.99 Crores in the current year.
9. The Company has changed its accounting policy on interest accrual on NPA loans. Previously interest income on credit impaired assets were recognised on actual realization in line with IRAC norms. However, now the accounting policy has been changed to recognise income on the net amortised cost on credit impaired assets as per Ind AS 109. The company has recognised ₹ 6.01 crores as interest income.
10. As the company has decided to recognise interest income on Stage 3 financial assets since September-2021, during the September quarter the interest income has been calculated for all the loans in the Stage 3. This includes loans which have moved to Stage 3 in earlier periods and continue to be in Stage 3 in as of March-2022. A significant amount of these loans have been written off during the half year and the remaining amount is not material. Hence retrospective effect of interest income in the financial statements is not material and hence not given effect to.
11. Further, in view of the matters as mentioned in Note 3, 4 & 5 above, the Company has assessed the impact of the Novel Coronavirus (COVID-19) pandemic on its liquidity and ability to repay its obligations as and when they are due. The Company has sufficient liquidity to pay off its debts and the Company has widened its funding sources while retaining existing lenders. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, the Consolidated financial statements have been prepared on a going concern basis.

The Subsidiary Company does not have any operations or business activity post March 31, 2020. As decided by the Board of Directors of Madura Micro Finance Limited (MMFL) at their meeting held on January 22, 2021, the Subsidiary Company, after complying all the applicable pre-conditions, is initiating the process to file an application for Striking -Off of its name before the Registrar of Companies, Chennai as provided under Section 248(2) of the Companies Act, 2013. Based on the decision of the Board of Directors of MMFL, the financial statements of the subsidiary company are prepared on a "not for going concern" basis.

12. The Company operates in a single business segment i.e. lending to Self Help Group & Joint Liability Group members, having similar risks and returns for the purpose of IndAS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.
13. As at the year end, the aggregate shareholding of CAGL stands at 76.32% in MMFL. The Amalgamation of the Company with CA Grameen is in the process. Based on the Order by the Hon'ble National Company Law Tribunal (NCLT), Bengaluru dated February 25, 2022, a Meeting of the equity shareholders of CA Grameen is being convened on April 25, 2022 for obtaining the approval to the Scheme of Amalgamation and the meetings of the secured and unsecured creditors has been dispensed with. Similarly, based on the Order by the NCLT Chennai dated March 29, 2022, a meeting of the equity shareholders of the Company is being convened on May 04, 2022 and the secured and unsecured creditors' meeting have been dispensed with. The above Scheme, if approved by the equity shareholders of both the Companies, will be subject to the subsequent approvals of the NCLT Bengaluru and Chennai.

(Handwritten signature)



14. The Consolidated Financial Results includes the results of Madura Micro Education Private Limited having 100% voting rights
15. The financial results of the Company for the quarter and year ended March 31, 2021, were audited by the previous auditors PKF Sridhar and Santhanam LLP, who have expressed an unqualified opinion vide report dated April 26, 2021.
16. Disclosures in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended March 31, 2022 is attached as Annexure-I.
17. The figures for the last quarter of the current and previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the current and previous financial year which were subjected to limited review by statutory auditors.
18. The figures for the previous period have been regrouped / rearranged, wherever considered necessary, to conform with current period's classification

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



Udaya Kumar Hebbbar
Director
DIN 07235226
Bengaluru
May 02, 2022



MADURA MICRO FINANCE LIMITED

(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Annexure I - Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for quarter and the year ended March 31, 2022

Sr. No	Particulars	For the quarter ended March 31, 2022	For the year ended March 31, 2022
1	Debt- Equity Ratio: *	6.66	6.66
2	Net worth (₹ in cr): **	387.71	387.71
3	Net Profit after tax (₹ in cr)	15.16	(13.93)
4	Earnings per equity share ~~		
	Basic (₹)	21.07	(19.36)
	Diluted (₹)	21.07	(19.36)
5	Total debts to total assets: \$	0.86	0.86
6	Net profit margin: ##	11.29%	-3.01%
7	Sector specific equivalent ratios		
(i)	Gross stage 3	5.62%	5.62%
(ii)	Net stage 3	2.84%	2.84%
(iii)	Provision coverage : ###	51.82%	51.82%
8	Capital risk adequacy ratio (CRAR) % - Total &	19.99%	19.99%
9	Current ratio: #	Not Applicable	Not Applicable
10	Debt service coverage ratio :#	Not Applicable	Not Applicable
11	Inventory Turnover Ratio #	Not Applicable	Not Applicable
12	Interest service coverage ratio: #	Not Applicable	Not Applicable
13	Outstanding redeemable preference share (quantity) ^^	Not Applicable	Not Applicable
14	Outstanding redeemable preference share (₹ . In cr) ^^	Not Applicable	Not Applicable
15	Capital redemption reserve (₹ . in cr) #	Not Applicable	Not Applicable
16	Debenture redemption reserve (₹ in cr) #	Not Applicable	Not Applicable
17	Long term debt to working Capital: #	Not Applicable	Not Applicable
18	Bad debts to account receivable ratio: #	Not Applicable	Not Applicable
19	Current liability ratio #	Not Applicable	Not Applicable
20	Debtors turnover: #	Not Applicable	Not Applicable
21	Inventory turnover: #	Not Applicable	Not Applicable
22	Operating margin: #	Not Applicable	Not Applicable

Notes:

- * Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Network.
- ** Network is calculated as defined in section 2(57) of Companies Act 2013.
- The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable
- # generally not applicable
- \$ Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/total assets.
- ## Net profit margin = Net profit after tax/ Total income.
- ### Provision coverage = Total impairment loss allowance Stage III/Gross Stage III loan EAD
- & Capital ratio = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guideline
- ~~ Not annualised for the quarter ended March 31, 2022
- ^^ The Company has not issued preference share as on March 31, 2022 and hence not applicable

h



Chaturvedi & Company

Chartered Accountants

KOLKATA

LUCKNOW - DELHI - MUMBAI

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89-92, Dr. Radhakrishnan Salai, Mylapore,
Chennai - 600 004.

☎ : 2811 1055 / 2055 / 3055 / 4055 / 5055

E-mail : chaturvedi.chennai@gmail.com

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF MADURA MICRO FINANCE LIMITED

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of MADURA MICRO FINANCE LIMITED (the "Company") and its subsidiary (the Company and its subsidiary together referred to as the "Group"), for the quarter and year ended March 31, 2022 (the "Statement"), 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"). which has been initialed by us for identification.

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

- i. includes the results of the Company's subsidiary "Madura Micro Education Private Limited";
- ii. is presented in accordance with the requirements of Regulation 52 of the Listing Regulations; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net loss and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of 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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter Paragraph

We draw your attention to

1. Note 4 to the consolidated financial results about the uncertainties prevailing on the balance sheet date on the recoverability of the company's loans and advances on account of the COVID-19 impact. The estimates and assumptions made by management in



determining the impairment provision required for these loans are subject to matters that are outside the control of the Company and hence the actual results may vary from these estimates.

2. Note 6 to the consolidated financial results about the change in accounting estimate with regard to Expected Credit loss model from 90 days to 60 days past due as Stage 3 credit impaired assets. This change in estimate resulted in higher provisioning to the extent of ₹ 14.15 crore (including management overlay of ₹ 9.73 crore) for the year ended March 31, 2022 compared to the estimates made using the older method.
3. Note 8 to the consolidated financial results about the change in accounting estimate with regard to the write off of loan assets from 180 days to 270 days. This change in estimate resulted in lower write off of ₹ 28.99 crores for the year ended March 31, 2022 compared to the estimates made using the older method.
4. Note 9 to the consolidated financial results about the change in accounting policy on interest accrual on NPA Loans. Interest accrual on credit impaired assets which was previously recognised on actual realization is now recognised on net carrying value as per Ind AS 109 Financial Instruments. This change in policy resulted in higher interest income of ₹ 6.01 crore for the year ended March 31, 2022 compared to the earlier method.
5. Note 11 to the consolidated financial results about the preparation of subsidiary company's financial statements, which does not have any operations or business activity post March 31, 2020. As decided by the Board of Directors of the Company at their meeting held on January 22, 2021, the Subsidiary Company, after complying with all the applicable pre-conditions, is initiating the process to file an application for Striking -Off of its name with the Registrar of Companies, Chennai as provided under Section 248(2) of the Companies Act, 2013. Based on the decision of the Board of Directors of the Company, the financial statements of the subsidiary company has been prepared on a "non-going concern" basis.

Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Consolidated Financial Results

This Statement which includes Consolidated financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the audited interim condensed consolidated financial statements for the three months and year ended March 31, 2022.

This responsibility includes preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net loss and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS, 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 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective 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 this Consolidated Financial Results by the Directors of the Company, as aforesaid.



In preparing the Consolidated Financial Results, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results 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 this Consolidated Financial Results.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the 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 Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 Results, including the disclosures, and whether the Consolidated Financial Results 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 of the Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters:

1. The consolidated annual financial results include the audited financial results of a subsidiary, whose financial statements reflects total assets of Nil as at March 31, 2022, total revenue of Nil crore and total net loss after tax of ₹0.04 crore and net cash inflows of Nil for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditor.
2. The independent auditors report on the financial statements results of above-mentioned subsidiary has been furnished to us by the management and our opinion on the statement in so far as it relates to the amounts and disclosures included in the respect of these subsidiary is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.
3. We confirm that the review report on the Consolidated Financial Results for the quarter ended December 31, 2021 & year ended March 31, 2022 has been carried out by us. The consolidated financials for the quarter and year ended March 31, 2021 included in the statement were carried out by the predecessor auditor who expressed an unmodified opinion on these financial results / financial statements.
4. The statement includes the results for the quarter ended March 31, 2022 being the balancing figures between audited figures in respect of full financial year ended March 31, 2022 and the published unaudited year to date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review, as required under the Listing Regulations.

Our conclusion on the Statement is not modified in respect of these matters.

For Chaturvedi & Co
Chartered Accountants
FRN 302137E



S. Ganesan, FCA
Partner
Membership No. 217119
UDIN. 22217119AIHSGP2228

Place: Chennai
Date: 02-05-2022

