

Annual Report 2024



Agora Microfinance
India Limited



Board of Directors

Tanmay Chetan, Chairperson
Asit Mehta, Independent Director
Pradeep Sarin, Independent Director
Frances Sinha, Independent Director

Board Committees

Audit & Finance Committee

Asit Mehta, Chairperson
Tanmay Chetan, Member

Senior management

Manoj Naval, Chief Executive Officer
Amandeep Singh, Head of Operations

Grievance Redressal Officer

Vijay Sonkar, Internal Audit Manager

Lenders

Moringaway Ltd.

Principal Bankers

HDFC Bank
Axis Bank
Kotak Bank
Federal Bank

Auditors

Shah & Taparia

Company Secretary

Chandini M Patel



Contents

Vision and Mission	5
Message from the Chair	6
Report from CEO	8
Operational and Financial Highlights	10
Key Initiatives	14
Directors' Report, Independent Auditors' Report and Audited Financial Statements	16



Vision & Mission

Vision: An urban society in which low-income communities have sufficient opportunities to improve their well-being.

Mission: To provide affordable, convenient & timely financial services to low-income urban clientele in a financially sustainable manner.

दृष्टीकोन

शहरी समाजव्यवस्था जेथेकमी उत्पन्न असलेल्या समाजाला त्यांच राहणीमान सुधारण्याची पुरेशी संधी मिळेल.

हेतू

कमी उत्पन्न गटातील शहरी ग्राहकांना त्यांची आर्थिक स्थिती सुधारण्याच्या दृष्टीने योग्य दरात, सोईस्कर आणि वेळेवर अशी आर्थिक सेवा निरंतर पुरविणे.

Message from the Chair



Tanmay Chetan
Chairperson

According to IMF and Trading Economics data, GDP growth for India in 2024-25 was around 6.4%, its slowest since the 2020/21 COVID year, despite being one of the fastest growing large economies globally. Different parts of India showed different paces of growth, and the state of Maharashtra outperformed the national average with a GDP growth of 7.4% for 2024-25. Mumbai, where most of our branches are located, is the largest Indian city by GDP size (\$368 billion) and a population of 21.2 million.

I am pleased to note AMIL's continued progress in this market, as well as its geographical expansion into northern Karnataka and other parts of Maharashtra during the year. We now work in 4-5 separate but contiguous regions, from Mumbai to Nasik and Pune, as well as further south in Karnataka. The year was marked by our conscious strategy to expand our geographic footprint, and AMIL was able to add more than 10 branches to its operations while remaining financially strong during the year. It registered a reasonable financial return while expanding the branch network from 12 to 28 during the year.

The later part of the year, however saw a slowdown in operations, marked by a general stress in the financial sector, especially amongst microfinance clients. Presumably, this is a result of multiple lending resulting in high non-performing loans in the industry, especially during periods of economic slowdowns. Additionally, specific unrelated incidents in Karnataka led to an administrative clampdown and impacted collections for all microfinance players substantially. They also impacted two of our new branches negatively. These trends have prompted us at AMIL to rethink our positioning in the market and carefully consider how best we can add value. As a starting point, it will be important to determine the less banked segments in the areas where we work, and then understand their financial aspirations and where we might be able to contribute.

Message from the Principals



The year was marked by our conscious strategy to expand our geographic footprint, and AMIL was able to add more than 10 branches to its operations.

At present, it appears that most microfinance institutions are working with the same set of clients, which limits the value of financial services, and can lead to more financial distress rather than stability amongst client segments.

As a result of the events of 2024, we expect 2025 to be a challenging year. However, it can also be a year of rediscovery for AMIL.

India, and indeed Mumbai, can be a picture of contrasts. In such widely varying levels of economic well-being, AMIL will continue to try and find its niche, in a way that adds value to its customers and increases their chances of advancing their livelihoods. In particular, we will be looking more deeply into the financially excluded segments of the market and determine their demand and livelihood characteristics. We expect to come back with a revamped strategy and more purpose on what we want to achieve in the varied market.

In conclusion, I want to thank the management and team at AMIL, led by our CEO Manoj Naval, for navigating a tricky year well and returning strong results despite the challenges. Thanks also, in no small measure, to our directors for providing us with a sounding board and guiding the Company through its ups and downs. Lastly, our gratitude to over 25,000 of our clients whose trust in us keeps us advancing financial inclusion under all circumstances.

With Regards
Tanmay Chetan

Different parts of India showed different paces of growth, and the state of Maharashtra outperformed the national average with a GDP growth of 7.4% for 2024-25.

Report from CEO



Naval Manoj
Chief Executive Officer

We achieved healthy growth in our portfolio to INR 60.47 Crores, an impressive 12 % growth YoY

The year gone by has witnessed a series of new developments in the regulation of microfinance in response to increasing stress in the industry that went from moderate to severe by the end of the year. To make matters worse, the last quarter witnessed a series of state level interventions in the state of Karnataka in response to financial frauds perpetrated by some groups in some districts of the state. While the interventions were targeted to prevent the defrauding and harassment of customers by finance companies, a side effect of this was that the repayments of several unrelated microfinance institutions such as AMIL collapsed as a consequence.

During the year AMIL was aiming of increasing the branch infrastructure and creating a commercially viable business model that provides people at the bottom of the pyramid access to financial services and to foster financial inclusion.

Last year was a momentous growth phase of the company creating a branch infrastructure of 27 branches spread across two states covering 8 districts. The last financial year also marked a significant milestone for the company, as during the year it touched highest AUM since inception. In spite of all the odds, I am happy to report that we have made a net profit of INR 94 Lakhs for the year, and I believe there is huge market opportunity available for long-term growth of the company.

Performance Highlights

We have always stood by our clients, especially during the seemingly unending pandemic, and this helped us in stabilizing and ramping up our business during the year. We achieved healthy growth in our portfolio to INR 60.47 Crores, an impressive 12 % growth YoY. We could disburse around INR 56 Crores to our 26,175 active clients during the year.

The average interest income per month rose by around 20% compared to the previous year.

- Average Disbursements of around Rs 5 Cr a month during the year.
- The portfolio showed healthy growth from 53.6Cr to 60.47 Cr by December '24.
- The company could maintain good operating efficiency during the year at around 12%.
- The average yield throughout the year was above 25%.

However, the last quarter witnessed increased political activities in Karnataka as mentioned earlier, and the state government introduced a new ordinance to regulate the microfinance institutions. Collection efficiencies in the regions dropped drastically and new disbursements were put on hold. Though the situation has not worsened, normalcy is only expected by the middle of the current financial year.

People, Process and Technology

We have been continuously working on optimizing our people, processes, and technology. Our operating model was developed based on a lean management structure coupled with low CAPEX model branches to enhance profitability. We have expanded geographically from 16 branches to 27 branches during the year. Subsequently, our employee strength increased to 160 from 115 the previous year. AMIL recognizes employee retention as of prime importance and has developed employee engagement programs

and training specifically aimed at employee development. Many middle management employees were given external training offered by Bankers Institute of Rural Development. We are also in the process of offering long-term performance bonus options for long-standing employees.

We have created a three-level monitoring and control system to build a resilient operating model. The three level system comprising of field officers and Internal Audit Team collectively strengthens our processes. To ensure optimum quality during sourcing and disbursement we have strengthened the Internal Audit function with further human resources. Moreover, a separate back-end support team was formed to ensure all loan documentation and related checks are carried out diligently. The backend team ensures 100% pre-disbursement checks of documentation for all new branches.

We have successfully developed and operationalized Customer Service Points model of expansion and the CSPs, once reaching a sizeable client number, get converted to full-fledged branches. We had previously transitioned to a risk-based pricing model across all the branches that differentiates clients on the previous payment history with AMIL. On the product front, we successfully piloted a mutual guarantee product that is now ready for launch across all the branches.

We have made continuous investment in technology, including the upgradation of our core banking system. The new version has introduced a business rule engine that helps identifying and differentiating clients based on various

parameters. In addition to this, we have automated the disbursement process through an API integration with banks. The field officers have been equipped with a mobile application that enables field level data entry. We have streamlined several digital modes for payment collection, primarily through client specific QR codes, and have scaled up the digital collections substantially to more than 40% of the total collection. We will continue to invest in technology to create a strong digital ecosystem that would be a strong platform for financial inclusion.

Finally, let me thank all our stakeholders for the continued support extended over the years. I sincerely thank all the Board Members for their active participation throughout the year with a special mention to the Board Chair for his regular interaction and guidance. We are also thankful to the shareholders, Agora Microfinance NV for their continued commitment and support. Last but not least, the dedication and teamwork of our entire team at AMIL is the backbone of all achievements and advancements.

Let us hope 2025 would be a year of stabilization, together we push the boundaries and continue our journey to make a positive impact on the communities we serve.

Operational and Financial Highlights

98%
Women Borrowers

27
No of Field Offices

₹23,100
Average Loan Size (INR)

Operational and Financial Highlights

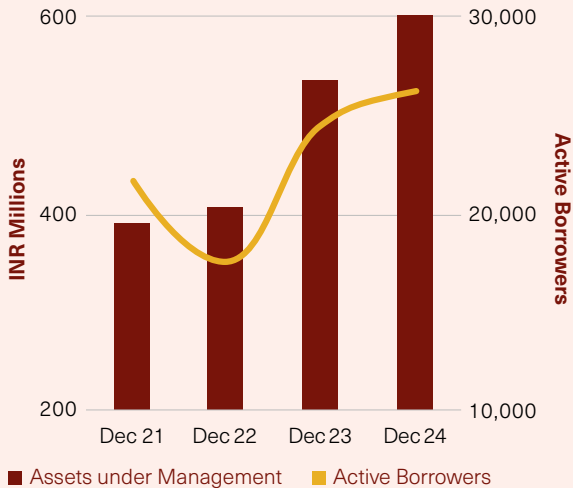
	2022	2023	2024
No of Field Offices	16	24	27
Number of Active Borrowers	17,576	24,382	26,175
• Women Borrowers (%)	96%	97%	98%
Assets Under Management (USD)	4,908,421	6,434,195	7,072,669
Assets Under Management (INR)	406,056,953	536,182,876	604,651,228
PAR30 Days	15%	5%	9%
Average Loan Size (USD)	312	297	312
Average Loan Size (INR)	23,103	21,991	23,100
Average Loan Size / Estimated GNI per capita	15.01%	13.70%	13.93%



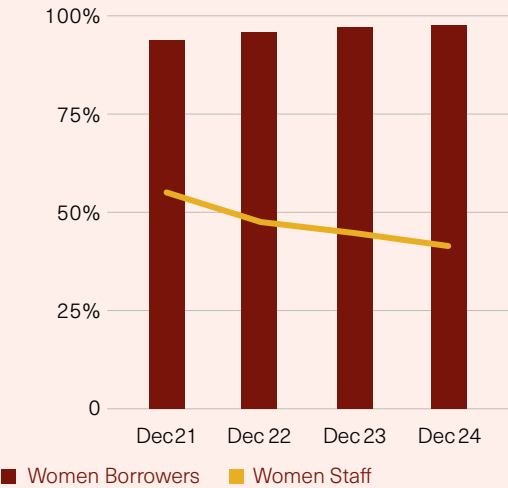
AMIL
604.6m
Loan Portfolio

AMIL
26,175
Active Borrowers

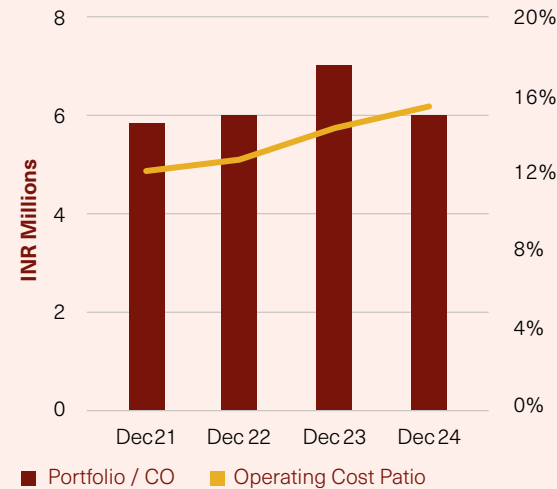
Loan Portfolio vs No. of Active Borrowers



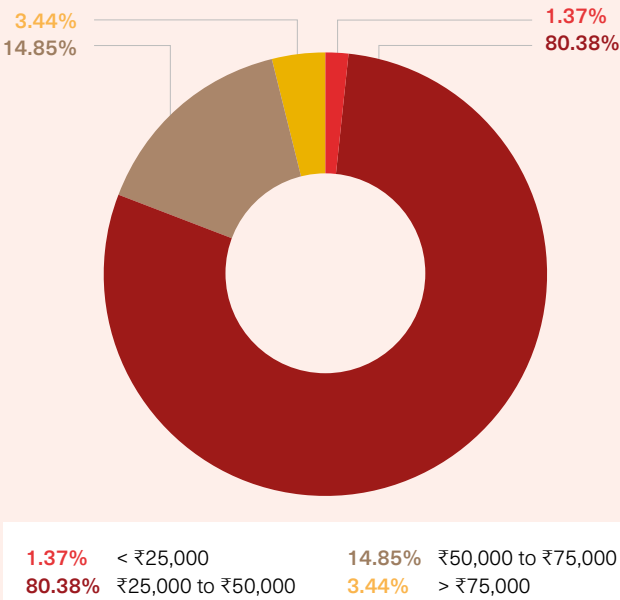
Gender Distribution



Operating Cost & Efficiency



Loan Portfolio by Size



Operational and Financial Highlights

105.28%

Operating Self Efficiency

15.46%

Operating Cost Ratio

4%

Return on Equity

	2022	2023	2024
Margin Analysis (as a % of Assets under Management)			
a) Operating Income	17.69%	23.17%	25.38%
b) Cost of Funds	12.74%	8.03%	7.82%
c) Net Interest Margin (a-b)	4.95%	15.14%	17.56%
d) Loan Loss Provision	-2.86%	-1.41%	2.84%
e) Net Margin before Operating Expenses (c-d)	7.81%	16.55%	14.72%
f) Personnel Cost	7.87%	8.34%	8.22%
g) Admin Cost	4.72%	6.02%	7.24%
h) Total Operating Cost (f+g)	12.59%	14.36%	15.46%
Net Margin	-4.79%	2.20%	-0.74%

Financial Ratios

Operating Self Sufficiency	85.22%	132.31%	105.28%
Solvency Ratio (Equity/Assets)	25.38%	38.13%	37.11%
Debt/Equity	2.37	1.59	1.62
Operating Cost Ratio	12.74%	14.36%	15.46%
Return on Equity	-13.90%	18%	4%





Key Initiatives for 2025

AMIL's geographical expansion plans that were put on hold after the onset of the pandemic have been completed during the year 2024 and the company now service the clients through a network of 27 branches. However, the year 2024 has witnessed stress in the microfinance markets coupled with political interference in the state of Karnataka and, hence, many of the newly started branches are yet to reach a breakeven point. AMIL's operating plans for the year 2025 would have an immediate focus on new customer segment identification, product diversification, technology initiatives and employee development while maintaining the long term strategy of being a preferred financial services provider for the under banked population.

Key Initiatives

Focused Research on New Customer segment

The immediate focus of AMIL from a strategic point is to identify unique customer segments that fall within the vision and mission of the company. As a preliminary step we shall be organizing research to better understand existing client profile, client needs and requirements from segments that are financially excluded. The key activities of the research will include studying the current financial inclusion status of clients, identifying key financially excluded segments and to carry out one to one interaction with clients / non-clients

Diversification into NBFC activities

AMIL is having an NBFC -MFI license that allows to carry out microfinance activities in India Non-Banking Financial Companies (NBFCs) play a crucial role in India's financial sector by providing services that traditional banks often overlook. As the Indian economy continues to grow, the demand for NBFCs has surged, making them a lucrative business opportunity. AMIL is planning to upgrade the license to NBFC so as to have the following competitive advantage.

- **Wider Market Access:** NBFCs can cater to a broader market, including underserved segments like MSMEs and the unbanked population.
- **Flexible Operations:** NBFCs have fewer operational restrictions compared to MFI's allowing them to offer customized financial products.

- **Growth Potential:** With India's growing economy, NBFCs have significant growth opportunities, especially in lending, asset management, and microfinance.
- **High Returns:** Given the high demand for financial services, especially in rural and semi-urban areas, NBFCs can generate substantial returns on investment.

Technology Initiatives

We have made continuous investment in technology for the upgradation of our core banking system, introduction of business rules engine and process automation. In line with our conviction that technology is a key driver of financial inclusion, AMIL will continue to invest in creating a seamless core banking solutions integrating all aspects of business. The company has already identified a technology partner to design, develop and implement this strategic project that, we believe, is going to be the backbone of our growth engine. Our goal is to stay ahead and remain relevant with changing times.

Training & Employee Development

Attrition has always been a challenge for Microfinance companies in India. In addition to the direct hit on employee's productivity and profitability attrition also affects the customer experience. AMIL works through its Training department to focus on the upskilling of each employee and the new recruits and plans to expand the function to cater to the growing needs of the company. In addition to the in-house trainings, AMIL plans to engage with national agencies for external training programmes relevant to our area of operation.

a. Structured training program

The structured training program proposed would focus on getting a cadre of buffer staff ready. It is important in view of the new branches that are opened at various locations. Such training would use in-house as well as from outside resources to provide the maximum possible exposure to trainees. In addition to the inhouse trainings, AMIL plans to engage with national agencies, like BIRD for external training programmes relevant to our area of operation.

A draft training manual is already in place and will be further refined to strengthen the department. Efforts will also be made to attract good trainers into the department from within and outside the organisation.

The company is in discussions with skill-based training institutes to explore the possibility of group trainings to employees.

b. Recruitment

AMIL will recruit young professionals as an active strategy and groom them for higher roles. Ultimately this will create a combination of experienced and fresh talent pool.

Directors' Report

Dear Members,
Your Director's are pleased to present the 29th Directors Report on the business and operations of your company along with the audited financial statement for the financial year ended 31st December, 2024.

1 Financial Performance and Operational Review:

The Company financial performance, for the year ended December 31, 2024

(Amount in Indian Rupees)		
Particulars	For the year ended 31 Dec 2024	For the year ended 31 Dec 2023
Income		
Revenue from operations	15,00,77,271	12,42,58,122
Other income	68,13,795.17	65,15,000
Total Income	15,68,91,066.17	13,07,73,122
Expenses		
Less: Employee Benefit Expense	4,68,63,992.32	3,92,80,886
Less: Finance Cost	5,77,10,327.34	4,45,25,851.28
Less: Other Expense	2,60,74,192.67	1,98,51,299.22
Less: Depreciation and amortization expense	9,17,253	7,03,177
Less : Provisions and write-offs	1,62,16,728	(66,56,787)
Total Expenses	14,77,82,493.33	9,77,04,426.50
Profit/(Loss) before Tax	91,08,572.84	3,30,68,695.50
Tax Expenses		
Current Tax	-	24,23,071
Deferred Tax	-	-
MAT Credit	-	(24,23,071)
Add: Excess provision for current tax in respect of earlier year	-	-
Profit/ Loss after Tax	91,08,572.84	3,30,68,695.50

2 Overview (financial highlights):

During the year under review, the Total Income of the Company is Rs. 15,68,91,066.17 against Rs. 13,07,73,122/- in the previous year. I.e. the total income has increased by Rs. 2,61,17,944.17. The gross expenses incurred by the Company during the current financial year have also gone up to Rs. 14,77,82,493.33 as compared to gross expenses incurred during the previous financial year which amounted to Rs. 9,77,04,426.50.

The Company has earned a net profit of Rs. 91,08,572.84 during the current financial year 2024 whereas in previous financial year 2023 the company incurred a net profit of Rs. 3,30,68,695.50 Due to profits earned, earning per share has changed positively from 0.43 to 1.57.

3 Dividend

With intent to build up the net worth for future expansion and growth plans, your directors do not recommend any dividend for the year under review.

4 Transfer to reserves in terms of section 134 (3) (j) of the companies act, 2013:

During the year, the Company has not transferred any amount to general reserves.

However, as per Section 45-IC of The Reserve Bank of India Act, 1934 (the "RBI Act"), the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared.

The company has earned a profit of Rs. 91,08,572.84 during the year. Therefore, the Company has transferred an amount of Rs 45,79,577/- to statutory reserve as per Section 45-IC of The Reserve Bank of India Act, 1934 (the "RBI Act").

5 Quality initiatives

The Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management.

6 Changes in share capital

There has been no change in the Share Capital of the Company during the year under review

7 Material changes and commitments affecting the financial position of the company

During the year under review, there has been no material Changes in the Company affecting the financial Position of the Company.

8 Details of subsidiary/ joint ventures/associate companies

The Company does not have any Subsidiary, Joint venture or Associate Company.

9 Directors' responsibility statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors confirm that:

- a. In the preparation of the annual financial statements for the year ended December 31st, 2024 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. Appropriate accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31st, 2024 and of the profit of the company for the year ended December 31st, 2024.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts have been prepared on a going concern basis.
- e. Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

10 Directors and key managerial personnel

During the year under review, there was no change in the constitution of the Board of Directors.

11 Meetings of the board

A. Board meetings:

As required under section 134 (3)(b) of the Companies Act, 2013, during the financial year ended 31st December, 2024 the Board of Directors duly met for 5 times as per the details of board meeting given below. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

S. No.	Date of meeting	Total number of directors as on the date of meeting	Number of directors attended
1.	27.02.2024	4	3
2.	14.05.2024	4	4
3.	28.08.2024	4	3
4.	08.10.2024	4	4
5.	18.12.2024	4	3

(i) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM) held on 15.05.2024 during the year under review.

S. No.	Name of the Director	Designation	No of Meetings which were entitled to attend	No. of Meetings attended	Last AGM Attendance (Yes/No)
1.	Tanmay Chetan	Nominee Director	5	5	Yes
2.	Frances Mary Elizabeth Sinha	Director	5	4	No
3.	Asit Prabhudas Mehta	Director	5	4	No
4.	Pradeep Narinder Sarin	Director	5	3	No

B. General Meetings

Type of meeting	Date of Meeting	Total Number of Members entitled to attend meeting	No. of Members Attended
Annual General Meeting	15.05.2024	8	4

12 Internal financial control system

Your Company continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies. As a means to further strengthen the control environment, during the year, the processes were benchmarked with industry practices to identify the gaps, if any and remedial measures were taken. Financial policies, standards and delegations of authority have been disseminated to senior management to cascade within their departments. Procedures to ensure conformance with the policies, standards and delegations of authority have been put in place covering all activities.

13 Statutory auditor and board's comment on the auditors' report

M/s. Shah & Taparia, Chartered Accountants, having FRN Number: 109463W was appointed as Statutory Auditor from the conclusion of the 26th Annual General Meeting till the conclusion of 30th Annual General Meeting to be held for the financial year 2026.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

14. Risk management policy

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Board monitors and reviews the implementation of various aspects of the Risk Management policy through meeting of Board of Directors. The Risk Management Policy assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework. The Company follows well established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

15 Particulars of loans, guarantees and investments

The Company has not made / given / advance any Investments, Loans and Guarantee given under section 186 of the Companies Act, 2013 for the financial year ended 31st December 2024.

16 Particulars of contracts or arrangements with related parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, there were no Related Party Transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of the Companies Act, 2013. There being no details to be disclosed in Form AOC-2 in that regard.

17 Corporate social responsibility

The provisions of Corporate Social Responsibility are not applicable to the company.

18 Extracts of annual return

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at <https://www.amil.co.in/>

19 Particulars of employees

None of the employee during the year under review had exceed a prescribe limit specified under the Rules 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

20 Deposit

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

21 Conservation of energy, technology absorption

A. Conservation of Energy: NIL

- (i) The steps taken or impact on conservation of energy: Although energy is not a major element of the cost for the company, constant endeavors have been made to conserve energy and consequently minimize power and diesel costs.
- (ii) The steps taken by the Company for utilizing alternate sources of energy: Power requirement of company is too low to utilize alternate sources of energy.
- (iii) The Capital investment on energy conservation equipment: NIL

B. Technology Absorption: NIL

- (i) Efforts made towards Technology Absorption:
- (ii) Benefits derived:
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - a. **Technology imported:** The Company has not imported any technology in the last 3 years;
 - b. **Year of Import:** Not Applicable;
 - c. **Has technology been fully absorbed:** Not Applicable.
 - d. **If not fully absorbed, areas where this has not taken place, and the reasons thereof:** Not Applicable; and
- (iv) Expenditure incurred on Research and Development: NIL.

22 Foreign exchange earnings and outgo:

There are no earnings, but there is expenditure of Rs. 16,51,948/- in foreign currency for current financial year towards consultancy fees for Service Agreement and expenditure of Rs. 4,35,34,350/- in foreign currency for current financial year towards interest on ECB in foreign currency.

23 Transfer of unclaimed dividend to investor education and protection fund:

Since there was no unpaid/ unclaimed dividend declared during the year, the provisions of Section 125 of the Companies Act, 2013 do not apply to the Company.

24 Prevention of sexual harassment at workplace

Following the enactment of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company has constituted a committee to prevent discrimination and sexual harassment against women, by promoting gender amity among employees, deal with cases of discrimination and sexual harassment against women, in a time bound manner, aiming at ensuring support services to the victimized and termination of the harassment and to recommend appropriate punitive action against the guilty party.

Also, The Company had filed the POSH return for F.Y 2023.

25 Significant and material orders passed by the regulators or courts:

There have been no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operation in future.

26 Borrowing by the company

During the Financial Year, Company had borrowed Money sum of Rs. 8,00,00,000/-.

27 Compliance with secretarial standards on board and annual general meetings

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings in the best possible manner under the guidance of the management.

28 Secretarial audit report

The provisions of Secretarial Audit Report are not applicable to the company.

29 General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- 1 Details relating to deposits covered under Chapter V of the Act.
- 2 Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3 Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- 4 Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- 5 No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

30 Appreciation

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the cooperation and assistance provided to your company by its bankers, financial institutions, and government as well as non-government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. The Company has achieved impressive growth through the competence, hard work, solidarity, cooperation and support of employees at all levels. Your Director's thanks the customers,

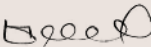
clients, vendors and other business associates for their continued support in the Company's growth.

The Board also takes this opportunity to express its deep gratitude for the continued cooperation and support received from its valued shareholders.

By order of the Board of Directors
Agora Microfinance India Limited



Pradeep Sarin
Director
(DIN: 07965853)



Asit Mehta
Director
(DIN: 01640935)

Date: 24/04/2025
Place: Mumbai

The information required to be disclosed under the provisions of the said Act are as follows:

Sr. No.	Particulars	Status
(a)	number of complaints received during FY 2023	Nil
(b)	number of complaints disposed off during the FY 2023	Nil
(c)	number of cases pending for more than ninety days	Nil

Independent auditors' report

To the Members of
Agora Microfinance India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Agora Microfinance India Limited** ("the Company"), which comprise the balance sheet as at 31st December 2024, the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our Information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st December 2024, **and profit** and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the financial statements and our auditors report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the audit or otherwise appears to be materially misstated.

When we will read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act. 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA's 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

Independent Auditors' Report

We also:

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.

- Conclude on the appropriateness of management'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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021.
 - e) On the basis of the written representations received from the directors as on 31st December, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st December, 2024 from **being appointed as a director in terms of Section 164 (2) of the Act.**
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 24 to the financial statements;

- ii) The Company is not required to make provision under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts - Refer Note 38 to the financial statements.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 39 to the financial statements.
- iv)
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the ultimate beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material mis-statement.

- v) The company has neither declared nor paid any dividend during the year, hence reporting in respect of compliance under section 123 of the Act is not applicable.

- vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.
4. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the company is in accordance with the provisions of Section 197 of the Act.

For Shah & Taparia
Chartered Accountants
FRN: 109463W



Bharat Joshi
(Partner)
M. No: 130863
UDIN:

Date: 27/02/2025
Place: Mumbai

Annexure A” to the Independent Auditors Report

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the financial statements of the Company for the year ended 31st December, 2024.)

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- B. The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company did not have any immovable properties. Accordingly, reporting under para 3(i)(c) of the Order is not applicable to the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder.

- (ii) (a) According to the information and explanations given to us, the company does not have any inventories. Accordingly, reporting under para 3(ii)(a) of the Order is not applicable to the company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, reporting under para 3(ii)(b) of the Order is not applicable to the company.

- (iii) (a) The company is engaged in principal business of lending loans. Accordingly, reporting under para 3(iii)(a) of the Order is not applicable to the company.

(iii) (b) According to the information and explanations given to us, there are no investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided by the company are not prejudicial to the interest of the company.

(c) In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular except for certain instances as shown below:

Particulars – Days past due	Principal Amount due as on 31 December 2024 (Rs. in thousands)	No of Cases
1-30 Days	18,237.29	702
31-60 Days	7,667.91	412
61-90 Days	5,985.19	348
90 or more days	37,024.90	2173

(d) The total amount which is overdue for more than 90 days as at 31st December, 2024 in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties aggregates to Rs. 37,024.90 thousand's. According to the information and explanations given to us and on the basis of our examination of the records of the Company, reasonable steps have been taken by the Company for recovery of such principal and interest amounts overdue.

(e) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under para 3(iii)(e) of the Order is not applicable to the Company.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances during the year in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, reporting under para 3(iii)(f) of the Order is not applicable to the company.

- (iv) In our opinion, and according to the information and explanations given to us, the Company has not made any investment where the provisions of section 186 of the Act would be applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans, guarantees and security.



- (v)

According to the information and explanation given to us and based on our examination of the books and records of the Company, the Company has not accepted any deposits or any amount deemed to be deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly reporting under para 3(v) of the Order is not applicable to the Company.
- (vii)

According to the information and explanations given to us, maintenance of cost records under Section 148(1) of the Companies Act, 2013 as prescribed by the Central Government is not required for the services provided by the Company. Accordingly, reporting under para 3(vi) of the Order is not applicable to the company.
- (vi)

According to the information and explanations given to us, the management, term loans were applied for the purpose for which the loans were obtained.
- (vii)

According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company did not utilize funds raised on short-term basis for long-term purpose.
- (viii)

According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, reporting under para 3(ix)(e) of the Order is not applicable to the company.
- (ix)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.
- (x)

According to the information and explanations given to us, there were no whistle blower complaints received during the year. Accordingly, reporting under para 3(xi)(c) of the Order is not applicable to the company.
- (xi)

Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (xii)

According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under para 3(xii) of the Order is not applicable to the company.
- (xiii)

In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv)

(a) Based on information and explanation provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv)

In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(Rs. in thousands)

Name of the Statute	Nature of Dues	Amount (including accrued interest)	Period to which the amount relates	Forum where dispute is Pending
Income Tax Act, 1961	Tax payable	Rs. 12,590.27/-	AY 2017-18	Commissioner of Income Tax Appeals, Mumbai
Income Tax Act, 1961	Tax payable	Rs. 9,385.34/-	AY 2016-17	Commissioner of Income Tax Appeals, Mumbai



- (xvi) (a) According to the information and explanations given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has a valid certificate of Registration (CoR) from the Reserve Bank of India (RBI) conducting Non – Banking Financial activities and no business has been conducted by the company without a valid CoR.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under para 3(xvi)(c) of the Order is not applicable to the company.
- (d) According to the information and explanations provided to us during the course of audit, the company does not have any CIC. Accordingly, reporting under para 3(xvi)(d) of the Order is not applicable to the company.
- (xvii) According to the information and explanations given to us, the **Company has not incurred cash losses in the current year and in the immediately preceding financial year.** Accordingly, the reporting under para 3(xvii) of the Order is not applicable to the Company and hence not reported upon.

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under para 3(xviii) of the Order is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Independent Auditors' Report

- (xx) In our opinion and according to the information and explanations given to us, sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable to the company. Accordingly, reporting under para 3(xx) of the Order is not applicable to the company.
- (xxi) In our opinion the company does not have any subsidiaries or associates or joint ventures. Accordingly, the company is not required to prepare consolidated financial statements. Accordingly, reporting under para 3(xxi) of the order relating to qualifications or adverse remarks in the CARO reports by the respective auditors of companies included in the consolidated financial statements is not applicable to the company.

For Shah & Taparia
Chartered Accountants
FRN NO: 109463W

Bharat Joshi
Partner
M NO. 130863
UDIN:
Place: Mumbai
Date:

Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the financial statements of the company for the year ended 31st December, 2024.

We have audited the internal financial controls over financial reporting of Agora Microfinance India Limited ("the Company") as of 31st December, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st December, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**For Shah & Taparia
Chartered Accountants
FRN: 109463W**



Bharat Joshi
(Partner)
M. No: 130863
UDIN:
Place: Mumbai
Date:

Independent Auditors' Report



Balance Sheet
as at 31 December 2024 (Amount in Indian Rupees ‘000)

(Amount in Indian Rupees)

	Notes	2024	2023
Equity and Liabilities			
Shareholders' funds			
Share capital	3	210,266	210,266
Reserves and surplus	4	46,156	37,048
		256,422	247,313
Non-current liabilities			
Long-term borrowings	5	345,447	317,423
Long-term provisions	6	4,217	3,089
		349,664	320,512
Current liabilities			
Short Term Borrowings	7	55,282	60,932
Trade Payables			
a total outstanding dues to micro, small and medium enterprises		-	-
b total outstanding dues to creditors other than micro, small and medium enterprises		-	-
Other current liabilities	8	11,468	12,362
Short-term provisions	6	18,233	7,533
		84,982	80,827
Total		691,068	648,652

Balance Sheet

(Amount in Indian Rupees)

	Notes	2024	2023
Assets			
Non-current assets			
Property, Plant, Equipment and Intangible assets			
Property, Plant and Equipment	9	1,212	814
Intangible assets		510	704
Deferred tax assets (net)	10	-	-
Long-term loans and advances	11	166,210	159,219
Other non-current assets	12	3,613	3,209
		171,544	163,945
Current assets			
Cash and cash equivalents	13	64,432	87,240
Short-term loans and advances	11	444,993	387,425
Other current assets	12	10,099	10,042
		519,524	484,707
Total		691,068	648,652
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Shah & Taparia
Chartered Accountants
Firm Registration number: 109463W

Bharat Joshi
Partner
Membership No.: 130863

Date 24 April, 2025
Place: Mumbai

For and on behalf of the Board of Directors
of Agora Microfinance India Limited

Pradeep Sarin
Director

DIN 07965853
Date: 24 April, 2025
Place: Mumbai

Asit Mehta
Director

DIN 01640935
Date: 24 April, 2025
Place: Mumbai

Statement of Profit and Loss
for the year ended December 31, 2024 (Amount in Indian Rupees ‘000)

	Notes	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
(Amount in Indian Rupees)			
Income			
Revenue from operations	14	150,077	124,258
Other income	15	6,814	6,515
Total revenue (I)		156,891	130,773
Expenses			
Employee benefits expense	16	46,864	39,281
Finance costs	17	57,710	44,526
Other expenses	18	26,074	19,851
Depreciation and amortization expense	19	917	703
Provisions and write-offs	20	16,217	(6,657)
Total expenses (II)		147,782	97,704
(Loss)/Profit before tax (III)=(I)-(II)		9,109	33,069
Tax expenses			
Current tax		-	2,423
Deferred tax		-	-
MAT Credit		-	(2,423)
Excess provision for current tax in respect of earlier year		-	-
Total tax expense (IV)		-	(560)
(Loss)/Profit for the year (III)-(IV)		9,109	33,069
Earnings per equity share			
[Nominal value of share Rs.10 (December 31, 2023: Rs.10)]	27		
Basic (Computed on the basis of total (loss)/profit for the period)		0.43	1.57
Diluted (Computed on the basis of total (loss)/profit for the period)		0.43	1.57
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			



As per our report of even date attached

For Shah & Taparia
Chartered Accountants
Firm Registration number: 109463W

Bharat Joshi
Partner
Membership No.: 130863

Date 24 April, 2025
Place: Mumbai

For and on behalf of the Board of Directors
of Agora Microfinance India Limited

Pradeep Sarin
Director

DIN 07965853
Date: 24 April, 2025
Place: Mumbai

Asit Mehta
Director

DIN 01640935
Date: 24 April, 2025
Place: Mumbai

(Amount in Indian Rupees)

Cash Flow Statement

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

(Amount in Indian Rupees)

	Notes	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Cash flow from operating activities			
(Loss) / Profit before tax		9,109	(13,306)
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		917	612
Provision for employee benefits		2,119	1,313
Loss / (profit) on sale of property, plant and equipment		-	(6)
Income Tax		-	-
Interest Income		(4,355)	(2,202)
Interest cost		49,130	22,935
Foreign Exchange Fluctuations		8,130	1,897
Provision for standard assets and non-performing assets		16,217	(11,369)
Operating Profit before working capital changes		81,267	(127)
Movements in working capital:			
Increase / (decrease) in other current liabilities		(895)	2,221
Increase / (decrease) in provisions		(6,508)	(91,059)
Decrease / (increase) in loans and advances		(63,857)	(26,986)
Decrease / (increase) in other current & non current assets		(462)	2,226
Cash generated from /(used in) operations		(71,722)	(113,597)
Direct taxes paid (net of refunds)		(701)	(1,012)
Net cash flow from / (used in) operating activities (A)		8,844	(114,737)
Cash flows from investing activities			
Interest income		4,355	2,202
Purchase of fixed assets		(1,121)	(1,029)
Proceeds from sale of assets/written off		-	102
Net cash flow (used in)/from investing activities (B)		3,234	1,275

Notes	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	80,000
Share issue expenses	-	(788)
Interest cost	(49,130)	(22,935)
Foreign Exchange Fluctuations	(8,130)	(1,897)
Proceeds from Long term borrowings ECB	59,466	111,480
Repayment of long term borrowings ECB	(63,809)	59,466,190
Proceeds from Long term borrowings Term Loan	30,000	
Repayment of long term borrowings Term Loan	(3,282)	(29,789)
Net cash flow (used in)/from financing activities (C)	(34,885)	59,602,261
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(22,808)	59,488,799
Cash and cash equivalents at the beginning of the year	87,240	57,376
Cash and cash equivalents at the end of the year	64,432	59,546,176
Components of cash and cash equivalents (Note- 13)		
Cash in hand	429	307
Balances with banks		
in current account	4,239	2,933
in deposit account*	59,763	84,000
Total cash and cash equivalents	64,432	87,240

* Note: Deposits with maturity less than 12 months

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements 2.1

As per our report of even date attached

For Shah & Taparua
Chartered Accountants
Firm Registration number: 109463W

Bharat Joshi
Partner
Membership No.: 130863

Date 24 April, 2025
Place: Mumbai

For and on behalf of the Board of Directors
of Agora Microfinance India Limited

Pradeep Sarin
Director

DIN 07965853
Date: 24 April, 2025
Place: Mumbai

Asit Mehta
Director

DIN 01640935
Date: 24 April, 2025
Place: Mumbai

Notes to the Financial Statements

for the year ended December, 31 2024

(Amount in Indian Rupees ‘000)

3 Share Capital

	As at 31 Dec 2024	As at 31 Dec 2023
Authorized capital		
22,000 (December 31, 2023: 22,000) equity shares of Rs.10 each	220,000	220,000
Issued, subscribed and fully paid-up shares		
21,027 (December 31, 2023: 21,027) equity shares of Rs.10 each fully paid up	210,266	210,266
Total issued, subscribed and fully paid-up share capital	210,266	210,266

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31 Dec 2024		As at 31 Dec 2023	
	No. of Shares in ‘000	Amount in ‘000	No. of Shares in ‘000	Amount in ‘000
Equity shares				
At the beginning of the year	21,027	210,266	21,027	210,266
Issued during the year	-	-	-	-
Outstanding at the end of the year	21,027	210,266	21,027	210,266

3 Share Capital (continued)

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend declared and paid would be in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company*

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at 31 Dec 2024	As at 31 Dec 2023
Agora Microfinance N.V		
Number of equity shares of Rs.10 each fully paid up (in ‘000)	20,970	20,970
% Shareholding	99.73%	99.73%

*Company has identified its holding company as promoter in accordance with definition provided in the Companies Act 2013

(d) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 Dec 2024	
	No. of Shares in ‘000	% holding in the class
Equity shares of Rs.10 each fully paid		
Agora Microfinance N.V	20,970	99.73%

Name of Shareholder	As at 31 Dec 2023	
	No. of Shares in ‘000	% holding in the class
Equity shares of Rs.10 each fully paid		
Agora Microfinance N.V	20,970	99.73%

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

4 Reserves and surplus

	As at 31 Dec 2024	As at 31 Dec 2023
Securities premium account		
Balance as per the last financial statements	218,566	208,224
Add: Additions during the year	-	11,053
Less: Share issue expenses	-	(711)
Closing Balance	218,566	218,566
Statutory reserve (*)		
Balance as per the last financial statements	2,263	1,554
Add: Amount transferred from surplus balance in the statement of profit and loss	4,580	710
Closing Balance	6,843	2,263
(Deficit) in the statement of profit and loss		
Balance as per last financial statements	(183,780)	(216,139)
Add: (Loss)/Profit for the year	9,109	33,069
Less: Transferred to Statutory Reserve [@20% of profit after tax as required by Section 45-IC of Reserve Bank of India Act,1934]	(4,580)	(710)
Net (deficit) in the statement of profit and loss	(179,251)	(183,780)
Total reserves and surplus	46,156	37,048

(*) Note: Statutory reserve has been created as per Section 45-IC of Reserve Bank of India Act, 1934

5 Long-term borrowings

	As at 31 Dec 2024	As at 31 Dec 2023
Term loans		
a) Indian rupee loan from non banking financial companies (secured)*	26,718	-
(-) Current maturities of above (Refer Note 7)	(14,437)	-
b) External commercial borrowing from related party (unsecured)	-	50,360
(-) Current maturities of above (Refer Note 7)	-	(50,360)
c) External commercial borrowing from related party (unsecured, sub-debt)	374,012	327,994
(-) Current maturities of above (Refer Note 7)	(40,845)	(10,571)
	345,447	317,423

*Indian rupee loans from non banking financial companies and banks are secured by first pari passu charge over loan receivables created out of those funds.

The Company has outstanding unsecured term loan as sub-debt of USD 1878 thousand (Previous year USD 1989 thousand) at interest rate of 4.5% + last 6 months SOFR. Borrowing is hedged through option contracts.

The Company has outstanding unsecured term loan as sub-debt of USD 976 thousand (Previous year USD 992 thousand) at interest rate of 5% + last 6 months SOFR. Borrowing is hedged through option contracts.

The Company has outstanding unsecured term loan as sub-debt of INR 130000 thousand at interest rate of 4.5% + Latest 5-year Government of India securities.

Terms of repayment of borrowings as on December 31, 2024

Nature	Interest Rate	No of instalments	Due within 1 year	Due within 1 to 3 years	Due beyond 3 years	Total
			Amounts			
Term secured loan from NBFC (0-3 years)	15.00%	21	1,4437.13	12,280.41		26,717.53
ECB in INR from related party (0-7 years)	Latest 5-year Government of India securities + 4.5% margin	14	2,800.00	85,850.00	41,350.00	130000.00
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month SOFR+ 5% margin	5	1,796.97	81,719.35	0.00	83,516.32
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month SOFR+ 4.5% margin	8	36,247.62	124,247.64	0.00	160495.26
Total			55,281.72	304,097.40	41,350.00	400729.11

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

5 Long-term borrowings (continued)

Terms of repayment of borrowings as on December 31, 2023

Nature	Interest Rate	No of instalments	Due within 1 year	Due within 1 to 3 years	Due beyond 3 years	Total
Amounts						
ECB in INR from related party (0-7 years)	Latest 5-year Government of India securities + 4.5% margin	7	-	15,800	64,200	80,000
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month SOFR+ 5% margin	7	1,331.84	3,912.28	77,330	82,574
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month LIBOR+ 4.5% margin	16	59,599.84	156,179.72	-	215,780
Total			60,931.68	175,892.00	141,529.96	378,354



Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

6 Provisions

	Long Term		Short Term	
	As at	As at	As at	As at
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Provision for employee benefits				
Provision for gratuity (Refer note 23 B)	3,018	2,440	418	162
Provision for leave benefits (Refer note 23 C)	578	535	193	340
	3,596	2,975	610	502
Other provisions				
Contingent provisions against standard assets. (Refer note 28)	71	28	109	2
Provision for Non-performing assets. (Refer note 28)	550	86	17,514	7,030
	621	114	17,622	7,301
	4,217	3,089	18,233	7,533

7 Short term Borrowings

	As at 31 Dec 2024	As at 31 Dec 2023
Current maturities of long-term borrowings	55,282	60,932
	55,282	60,932

8 Other current liabilities

	As at 31 Dec 2024	As at 31 Dec 2023
Interest accrued but not due on borrowings	10	-
Statutory dues payable	1,557	3,669
Employee dues payable	4,759	4,453
Other Current liability	3,399	2,560
Insurance Payable	1,742	1,680
	11,468	12,362

9 Property, Plant and Equipments

	Furniture	Computers	Office equipments	Total
Cost				
At January 1, 2023	491	1,155	755	2,401
Additions	100	259	113	472
Disposals/written off	-	-	-	-
At December 31, 2023	592	1,414	867	2,873
Additions	405	486	134	1,026
Disposals/written off	-	-	-	-
At December 31, 2024	997	1,900	1,001	3,899
Depreciation				
At January 1, 2023	310	895	416	1,621
Charge for the year	58	205	175	438
Disposals/written off	-	-	-	-
At December 31, 2023	368	1,100	591	2,059
Charge for the year	111	328	189	628
Disposals/written off	-	-	-	-
At December 31, 2024	479	1,428	781	2,687
Net Block				
At December 31, 2023	224	314	276	814
At December 31, 2024	518	472	221	1212

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

9 Intangible assets

	Software	Total
Gross block		
At January 1, 2023	963	963
Additions	557	557
Deletions/Write off	-	-
At December 31, 2023	1,520	1,520
Additions	95	95
Deletions/Write off	-	-
At December 31, 2024	1,615	1,615
Amortization		
At January 1, 2023	551	551
Charge for the year	265	265
Deletions/Write off	-	-
At December 31, 2023	815	815
Charge for the year	289	289
Deletions/Write off	-	-
At December 31, 2024	1,105	1,105
Net Block		
At December 31, 2023	704	704
At December 31, 2024	510	510

10 Deferred tax

	As at 31 Dec 2024	As at 31 Dec 2023
Deferred tax asset/(liability)		
Difference due to depreciation impact	(208)	(178)
Difference due to provision for leave encashment	214	244
Difference due to provision for gratuity	956	724
Difference due to disallowance of provision against standard assets and non performing assets	5,075	1,988
Deferred tax on carried forward tax losses and unabsorbed depreciation	31,756	31,847
Deferred tax asset not recognized	(37,794)	(34,624)
Deferred tax asset/(liability) - Net	-	-

11 Loans and advances

	Non Current		Current	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
A. Portfolio Loans				
Joint liability group loans				
Unsecured, considered good*	150,322	139,857	374,812	350,095
Unsecured, considered doubtful**	574	89	35,877	9,093
	150,895	139,946	410,689	359,188
Individual loans				
Unsecured, considered good*	8,326	7,905	20,782	13,126
Unsecured, considered doubtful**	23	19	551	292
	8,349	7,924	21,333	13,418
(A)	159,244	147,870	432,022	372,606

* Represents standard assets as per the asset classification policy for loan portfolio.

** Represents non-performing assets as per the asset classification policy for loan portfolio.

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

11 Loans and advances (continued)

	Non Current		Current	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
B. Other loans and advances				
Employee loans (unsecured, considered good)	589	589	77	97
Other receivables	-	-	445	696
GST input Credit	-	-	175	31
MAT			-	2,423
Advance tax	-	-	11,767	11,066
Prepaid expenses	6,376	10,760	507	507
(B)	6,965	11,349	12,970	14,819
Total (A+B)	166,210	159,219	444,993	387,425

12 Other assets

	Non Current		Current	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
Security Deposits	2,233	1,288	452	840
Interest accrued on fixed deposits	40	79	378	552
Interest accrued on other deposits	-	-	29	27
Interest accrued and not due on portfolio loans	-	-	8,413	6,934
Interest accrued and due on portfolio loans	-	-	179	179
Margin and fixed deposits placed with parties**	1,340	578	649	1,510
Non current bank balances (refer note below)*	-	1,263	-	-
	3,613	3,209	10,099	10,042

* Represents standard assets as per the asset classification policy for loan portfolio.

** Represents non-performing assets as per the asset classification policy for loan portfolio.

12 Other assets (continued)

	Non Current		Current	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
*Fixed deposit lien marked in favour of Financial institution and bank to avail term loan	-	1,263	-	-
**Represents margin money deposit placed to avail term loan from financial institutions and Bank	-	-	-	-
**Represents margin money deposit placed against Business Correspondence arrangement	1,340	578	649	1,510

13 Cash and cash equivalent

	As at 31 Dec 2024	As at 31 Dec 2023
Cash and cash equivalents		
Cash in hand	429	307
Balances with banks:		
in current accounts	4,239	2,933
Fixed deposits maturing within 12 months	59,763	84,000
	64,432	87,240
Other bank balances		
Deposits with remaining maturity for more than 12 months	-	1,263
(-) presented under other assets (Refer Note 12)	-	(1,263)
	-	-
	64,432	87,240

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

14 Revenue from operations

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Interest income		
Interest on portfolio loans	134,471	109,450
Other operating revenue		
Loan processing feesw	8,786	8,290
Recovery against loans written off	6,820	6,518
	150,077	124,258

15 Other income

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Interest on fixed deposits	4,231	2,846
Interest on other deposits	-	-
Interest on employee loans	124	119
Interest on income tax refund	-	133
Insurance brokerage and commission	2,441	2,597
Income from business correspondence	18	822
Miscellaneous income	-	-
Profit on sale of fixed asset	-	-
	6,814	6,515

16 Employee benefits expense (Amount in Indian Rupees '000)

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Salaries and bonus / incentive	40,462	34,338
Leave encashment (Refer Note 23 C)	1,037	1,062
Contribution to Provident Fund	3,103	2,179
Contribution to Employee State Insurance Corporation	628	487
Gratuity expenses (Refer Note 23 B)	1,082	774
Staff welfare expense	553	441
	46,864	39,281

17 Finance costs

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Interest expense		
On term & ECB loans	44,627	37,848
Foreign exchange loss	8,130	1,897
Other finance costs/processing fees	450	-
Option Premium	4,503	4,782
	57,710	44,526

18 Other expenses

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Lease Rent	6,147	4,506
Server Rent	471	540
Rates and taxes	1,110	908
Insurance	138	145
Repairs and maintenance	1,511	908
Membership fees	177	27
Electricity charges	638	511
Travelling and conveyance	4,828	3,128
Communication expenses	905	638
Printing and stationery	1,574	1,362
Legal and professional fees	3,344	2,950
Directors' sitting fees & remuneration	325	338
Auditors' remuneration (Refer Note 18.1)	722	696
Amounts not receivable written off (Refer Note 30)	223	346
Technical services	853	490
Commission and brokerage	153	27
Bank charges	1,238	1,135
Credit Bureau Fee	901	665
Miscellaneous expenses	817	532
	26,074	19,851

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

18.1 Payment to auditors

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
As auditor:		
Audit fee	626	600
In other capacity:		
Other services (certification fees)	96	96
	722	696

19 Depreciation and amortization expense

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
Depreciation on Property, Plant and Equipment	628	438
Amortization of intangible assets	289	265
	917	703

20 Provisions and write-offs

	For the period ended 31 Dec 2024	For the period ended 31 Dec 2023
(Write-back)/Contingent provisions against standard assets (Refer Note 28)	150	25
Provision against Non performing assets (Refer Note 28)	10,948	(40,551)
Portfolio loans and other balance written off	5,118	33,869
	16,217	(6,657)

21 Segmental reporting

The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of Accounting Standard (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 the Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in single geographical segment, i.e. domestic. Hence, no separate disclosure is required under AS 17.

22 Related Party Transactions

i. Name of related parties under AS18 as well as related party relationship.

Nature of relationship	Name of the related party
Parent Company	Agora Microfinance NV
Subsidiary for Agora Microfinance NV	Moringaway
Key management Personnel (CEO)	Mr. Naval Manoj

ii. Transaction with related party during the period

	Transactions during the year		Balances	
	For the year ended 31 Dec 2024	For the year ended 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
Agora Microfinance NV				
Issue of Share Capital	0	78,947	-	-
Securities Premium	0	11,053	-	-
Service Fees Payable	1,625	1,625	-	-
Reimbursement of expenses	1,439			
Moringaway				
External Commercial Borrowing	50,000	80,000	400,729	378,354
Principal of external commercial borrowing paid	61,961	13,642	-	-
Interest paid on external commercial borrowing	43,534	37,848	-	-
Mr. Naval Manoj				
Salaries and perquisites	5,059	4,468	-	-
Reimbursement of expenses	-	-	-	-
Leave Encashment	200	188	-	-

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

23 Employee Benefits

	31 Dec 2024	31 Dec 2023
A Defined Contribution Plan		
During the year, the company has recognised the following amounts in the Statement of Profit and loss:		
Employer's contribution to provident fund	3,103	2,179
Other funds	628	487

B The company has defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for Gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of Rs. 2000 thousand as per The Payment of Gratuity Act, 1972 (Amendment) Bill, 2018.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan.

Statement of Profit and loss:

Net employees benefit expense recognised in employee benefit expense:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Current Service cost	620	521
Interest cost on benefit obligation	188	169
Net actuarial (gain) / loss recognized in the period	275	84
Net Employee benefit expense	1,082	774

Details of provision for gratuity:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Defined benefit obligation	3,436	2,602
Plan liability	3,436	2,602

23 Employee Benefits (continued)

Changes in the present value of the defined benefit obligation are as follows:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Opening defined benefit obligation	2,602	2,310
Interest cost	188	169.331
Current service cost	620	520.693
Benefits paid	(248)	(482)
Actuarial (gains) / losses on obligation	275	84
Closing defined benefit obligation	3,436	2,602

The principal assumptions used in determining gratuity:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Discount rate	6.81%	7.21%
Salary escalation rate per annum for next 1 year	9%	9%
Salary escalation rate per annum from 2nd year	9%	9%
Rates of leaving service	29%	21%

Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets

	Jan 24 to Dec 24	Jan 23 to Dec 23	Jan 22 to Dec 22	Apr 20 to Dec 20
Particulars				
Closing benefit obligation	(3,436)	(2,602)	(2,310)	(1,854)
Plan assets	-	-	-	-
Net assets/(liability)	(3,436)	(2,602)	(2,310)	(1,854)
Experience gain/(loss) on PBO	475	63	(230)	37
Experience gain/(loss) on plan assets	-	-	-	-

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

23 Employee Benefits (continued)

C Provision for leave benefits

The company has defined benefit leave encashment plan. Every employee who has completed probation period is eligible for leave encashment maximum accumulation and encashment days are 42, excess over maximum accumulation.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan.

Net employees benefit expense recognised in employee benefit expense:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Net Employee benefit expense	1037	1062

Details of provision for leave encashment:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Defined benefit obligation	770	875
Plan liability	770	875

Details of provision for gratuity:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Opening defined benefit obligation	875	740
Benefits paid	(1,142)	(927)
Expense during the period	1037	1062
Closing defined benefit obligation	770	875
Due but unpaid benefit	Nil	Nil

23 Employee Benefits (continued)

The principal assumptions used in determining Leave encashment:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Discount rate	6.81%	7.21%
Salary escalation rate per annum for next 1 year	9%	9%
Salary escalation rate per annum from 2nd year	9%	9%
Rates of leaving service	29%	21%

Amounts for the current year are as follows:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Defined benefit obligation	(770)	(875)
Closing Liability	(770)	(875)
Projected Benefit Obligation due but not paid liability	-	-

24 Contingent liability and Capital Commitments

	As at 31 Dec 2024	As at 31 Dec 2023
Capital commitments	-	-
Contingent liabilities		
Income tax demand for AY 17-18, under dispute	12,590	12,583
Income tax demand for AY 16-17, under dispute	9,385	10,401
(* Above demand for AY 16-17 include the accrued interest amount)		
Portfolio originated on behalf of NBFC	-	-

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

25 Earning and expenditure in foreign currency

	31 Dec 2024	31 Dec 2023
Foreign Earnings	-	-
Expenditure in foreign currency		
Consultancy fees \$18 thousand towards Service Agreement	1,625	1,625
Interest on External Commercial Borrowing \$432 thousand (PY- \$221 thousand)	43,534	37,848

26 Hedged foreign currency exposure

	31 Dec 2024	31 Dec 2023
Hedged foreign currency exposure		
External Commercial Borrowing	374,012	378,354

27 Earnings per share (EPS)

	As at 31 Dec 2024	As at 31 Dec 2023
(Loss)/Profit and number of shares data used in computation of basic and diluted EPS:		
(Loss)/Net profit for the year	9,109	33,069
Weighted average number of equity shares – basic / diluted EPS	21,027	21,027
Basic EPS/Diluted EPS	-₹ 0.43	-₹ 1.57
Nominal Value of shares	₹ 10.00	₹ 10.00

28 Loan portfolio and provision for standard and substandard assets

As at 31-Dec-24

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and substandard assets		Portfolio loans outstanding (Net)		
	31 Dec 2024	31 Dec 2023	31 Dec 2023	Movement	31 Dec 2024	31 Dec 2024	31 Dec 2023
Standard	554,242	510,983	30	150	180	554,062	510,953
Sub- standard	37,025	9,493	7,115	10,948	18,064	18,961	2,378
Total	591,267	520,476	7,145	11,098	18,243	573,023	513,331

As at 31-Dec-23

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and substandard assets		Portfolio loans outstanding (Net)		
	31 Dec 2023	31 Dec 2022	31 Dec 2022	Movement	31 Dec 2023	31 Dec 2023	31 Dec 2022
Standard	510,983	328,540	31	25	30	510,953	328,536
Sub-standard	9,493	44,431	148,675	(40,551)	7,115	2,378	(3,235)
Total	520,476	372,971	148,706	(40,526)	7,145	513,331	325,300

29 Leases

Head office and branch office premises are acquired on operating lease. The branch office premises are generally rented on cancellable term for less than twelve months with no escalation clause and renewable at the option of the Company.

There are no restrictions imposed by lease arrangements. There are no subleases. Lease payments during the period charged to statement of profit and loss were as follows:

	As at 31 Dec 2024	As at 31 Dec 2023
Particulars		
Operating lease payments recognised during the period	6,147	4,506

Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

30 Amounts not receivable written off

Invocation of FLDG towards NPA of ESAF Business correspondence Rs.223..

31 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises. For the year ended December 31, 2024 no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

32 The Company has received approval from the Ministry of Corporate Affairs, Mumbai on 3 December 2020 to change its financial year from 1 April to 31 March of the following year to 1 January to 31 December of each year, to align the Company's financial year with that of its parent company. In view of this, the financial statements for the current period are for a 12 month period from 1 January 2024 to 31 December 2024.

The Company had intimated this change to Reserve Bank of India ('RBI') on 11 December 2020 and has not received any correspondence from RBI regarding the same to date.

33 Pricing of Loans

Disclosure as required under DoR.FIN. REC.95/03.10.038/2021-22 dated March 14, 2022.

Board-approved policy regarding pricing of microfinance loans which shall, inter alia, cover the following:

- i A well-documented interest rate model/ approach for arriving at the all-inclusive interest rate;
- ii Delineation of the components of the interest rate such as cost of funds, risk premium and margin, etc. in terms of the quantum of each component based on objective parameters;
- iii. The range of spread of each component for a given category of borrowers; and
- iv. A ceiling on the interest rate and all other charges applicable to the microfinance loans.

34 Net Owned Funds

	31 Dec 2024	31 Dec 2023
Details of computation of Net Owned Fund is as follows;		
Share cap	210,266	210,265.67
Reserves & surplus	46,156	37,048
Less: Deferred revenue expenses	(6,883)	-11,266
Less: Intangible Assets	(510)	-704
Tier 1 Capital	249,029	235,343
Add: Tier II Capital - capped at 50% of Tier I Capital	124,515	117,671
Total	373,544	353,014



Notes to the Financial Statements

for the year ended December 31, 2024 (Amount in Indian Rupees '000)

35 Capital to Risk Asset ratio is as follows:

	31 Dec 2024	31 Dec 2023
CRAR%		
CRAR - Tier I Capital %	39.10%	41.28%
CRAR - Tier II Capital to Tier I capital	41.96%	42.53%

Ratio	Formula	2024	2023	Variance
1. Current Ratio	Current assets/Current Liabilities	6.11	6.00	2%
2. Debt Equity Ratio	Total Debt/Shareholder's Equity	1.56	1.53	2%
3. Debt Service coverage ratio	EBITDA / Total debt service	0.55	0.73	-25%
4. Return on equity Ratio	PAT/ Shareholder's Equity	0.04	0.13	-73%
5. Inventory Turnover Ratio	COGS/Avg Inventory	NA	NA	-
6. Trade Receivables turnover ratio	Sales/Avg Trade Receivables	NA	NA	-
7. Trade Payables turnover Ratio	Purchases/Avg Trade Payables	NA	NA	-
8. Net Capital Turnover Ratio	Sales/Working Capital	0.36	0.32	12%
9. Net Profit Ratio	Net Profit /Sales	0.06	0.25	-77%
10. Return on capital employed	EBIT/Capital Employed	0.08	0.11	-28%

Reasons for Variance of 25%:

Ratio	Formula
1. Debt Service coverage ratio	Due to increase in revenue and profit
2. Return on equity Ratio	Due to increase in revenue and profit
3. Net Profit Ratio	Due to increase in interest income
4. Return on capital employed	Due to increase in interest income

36 Qualifying Assets

As specified in the RBI Master Direction- Non Banking Financial Company - Non Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued with reference number DoR.FIN.REC.95/03.10.038/2021-22 dated March 14, 2022 and as amended from time to time, the company has maintained the qualifying asset percentage as stated below.

	As at 31 Dec 2024	As at 31 Dec 2023
Total Assets (less intangible assets)	691,068	648652
Less : cash and bank balances and money market instruments	-	-
Net assets (A)	691,068	648,652
Receivables under Financing Activities		
Gross Portfolios	591,267	520,476
Less : Non-qualifying assets	(73,205)	(11,875)
Qualifying assets (B)	518,062	508,601
Qualifying assets/Net assets : (B) / (A)	74.97%	78.41%

As per the RBI vide "Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022" dated March 14, 2022 has reduced the limit to 75% from current 85% w.e.f. April 1, 2022.

37 Details of penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and other regulators on the company during the year ended December 2024.

38 There are no material foreseeable losses on long-term contracts which requires provision to be made under the applicable law or accounting standards.

39 For the year ended December 31, 2024, the company has transferred Rs. Nil (previous year: Rs. Nil) to the Investor Education & Protection Fund.

40 Previous year's figures have been regrouped where necessary to conform to current period's classification.

For Shah & Taparia
Chartered Accountants
Firm Registration number: 109463W

Bharat Joshi
Partner
Membership No.: 130863

Date 24 April, 2025
Place: Mumbai

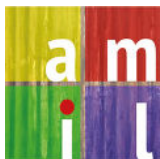
For and on behalf of the Board of Directors
of Agora Microfinance India Limited

Pradeep Sarin
Director

DIN 07965853
Date: 24 April, 2025
Place: Mumbai

Asit Mehta
Director

DIN 01640935
Date: 24 April, 2025
Place: Mumbai



Agora Microfinance
India Limited

Agora Microfinance India Limited

Office No.404, 4th Floor, A wing,
Technocity Premises Co-op Society Ltd,
Plot No. X-4/1 & X-4/2, Shil Phata Mahape Road,
Navi Mumbai – 400710

Tel: +91 8655010063

info@amil.co.in

www.amil.co.in

Office Locations



The Mumbai slums present a vast microfinance market in the form of households engaged in informal and formal employment. They operate from their own homes/shops or rented premises. The segment does not have access to formal sources of financing as they are unable to provide any collateral in lieu of funds. Most of the microenterprises have low cash conversion cycles, which leads to frequent capital requirements. AMIL primarily caters to the microfinance clients by providing unsecured small ticket credit. It is headquartered in Navi Mumbai and currently operates 15 branches in the Mumbai metropolitan region and Nashik district.

**AMIL branches
March 2024**

- Kalvan
- Gokak
- Belgavi

