

TO WHOM IT MAY CONCERN

We have verified the books of accounts and other relevant documents of Uttrayan Financial Services Private Limited, (UFSPL) having its registered office at CF-32, Sector-1, Salt Lake, Kolkata -700064 (here-in-after referred to as the MFI) as have been produced to us and certify the following as per the balance sheet as at 31st March, 2019.

1. Assets of the MFI are in the nature of 'Qualifying Assets' as defined in the RBI Notification No. **RBI/2010-11/505 RPCD. CO. Plan BC. 66/04.09.0112010-11 dated May 3, 2011** to be read with **RBI/2012-13/161 DNBS (PD) CC No. 300/03.10.038/2012-13 dated August 03, 2012** and **RBI/2015-16/20 DNBR (PD) CC No. 047/03.10.119/2015-16 dated July 01, 2015 (as amended on April 20, 2016)** satisfying the following characteristics:
 - a. The annual household income of each of the borrowers of MFI do not exceed Rs.1,00,000 in rural areas and Rs.1,60,000 in non-rural areas.
 - b. The loans provided by the MFI do not exceed Rs. 60,000 for first cycle and Rs. 1,00,000 for subsequent cycles.
 - c. The total indebtedness of each of the borrowers of the MFI does not exceed Rs.1,00,000.
 - d. Tenure of loan is not less than 24 months when the loan size is above Rs.30,000 with right to the borrowers to prepay without penalty.
 - e. The loans provided by the MFI are not backed by any collateral security.
 - f. The aggregate amount of loans, given for income generation is 96.08% of total loans which is not less than the required 50 percent.
 - g. The loans provided by the MFI are repayable by weekly or fortnightly or monthly installments of choice of the borrowers, the provision has been included in the loan application and agreement.



2. **Pricing of Credit**

that the MFI deals in three products and collects the following charges from its borrowers:

- a Interest rate of 23.85% p.a. on reducing balance basis.
- b Processing fees of 1% of the loan sanctioned.
- c The MFI had tied up with DHFL Pramerica Life Insurance Co. Ltd. (here-in-after referred to as 'insurance service provider') and provides insurance facilities to its clients, whereby it collects 0.70% of insurance amount as administrative charges from the clients on behalf of the insurance service provider and deposits the entire amount with the insurance service provider. The facility covers life of the clients and their spouses for the tenure of the loan.

3. The loan funds availed from different funding agencies are on lent to groups of individuals in the form of JLGs for non-farming income generating activities, consumption and construction of new / renovation, expansion of dwelling units as well as for dwelling unit-cum work sheds etc.

4. As on 31st March, 2019, 89.26% of its net assets are in the nature of "qualifying assets." As against the required 85% as specified in RBI/2015-/20 DNBR (PD) CC No.047/03.10.119/2015-16 dated July 01, 2015 (as amended on April 20, 2016)

5. The MFI is complying with the margin norms as prescribed in the RBI notification **RBI/2015-16/20 DNBR (PD) CC No. 047/03.10.119 /2015-16 dated July 01, 2015 (as amended on April 20, 2016) and the margin for the MFI is 9.32% (annualized) for the period ended 31st March, 2019. Details are as follows:**

Sl. No.	Details	Figures
1.	Average monthly balance of outstanding borrowings	Rs. 174,38,40,920
2.	Average monthly interest expenses (including upfront fees and other charges by bank borrowings)	Rs. 2,11,17,680
3.	Interest cost on borrowings (2 as percentage of 1)	14.53%

4.	Average monthly balance of outstanding loan portfolio	Rs. 167,97,84,822
5.	Average monthly interest income	Rs. 3,33,91,335
6.	Interest income on average loan portfolio (5 as a percentage of 4)	23.85%
7.	Monthly Margin	0.78

6. The MFI also complies with all the guidelines laid down by RBI vide Notification No. RBI/2010-11/505 RPCD. CO. Plan BC. 66/04.09.011 2010-11 dated May 3, 2011 to be read with RBI/2012-13/161 DNBS (PD) CC No. 300/ 03.10.038/2012-13 dated August 03, 2012 and RBI/2015-16/20 DNBR (PD) CC No. 047/03.10.119/2015-16 dated July 01, 2015 (as amended on April 20, 2016)
7. The Leverage Ratio as represented by (Debt/Capital) for the year ended 31st March, 2019 is 7.29.

The above certificate has been issued on specific request from the MFI for onward submission to the banks and financial institutions. We have obtained and perused all the records considered by it as necessary and adequate to provide the certificate.

Place: Kolkata

For Ray & Ray
Chartered Accountants
Firm Registration No.301072E

Date : 6th June, 2019



A handwritten signature in blue ink, appearing to read "Jyoti N. Yalagoud".

Jyoti N. Yalagoud
Partner
Membership No 064897
UDIN: 19064897AAAABW4102