

CASPIAN IMPACT INVESTMENTS PRIVATE LIMITED

(FORMERLY BELLWETHER MICROFINANCE FUND PRIVATE LIMITED)

CIN: U65993AP1991PTC013491

Registered Office: 3rd Floor, 8-2-596/5/B/1, Road No. 10, Banjara Hills, Hyderabad - 500034, Telangana, India
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Audited Financial Results for the period ended 31 March 2015

(All amounts are in ₹ Lakhs)

Particulars	6 months ended 31 March 2015 Audited	Corresponding 6 months ended in the previous year 31 March 2014 Audited	Year ended 31 March 2015 Audited	Previous accounting year ended 31 March 2014 Audited
1 Income from operations (a)+(b)+(c)+(d)				
(a) Interest income from loans	685.32	1,441.80	2,333.16	2,605.45
(b) Income on investments	638.56	264.29	1,077.65	363.68
(c) Interest on balances with Reserve Bank of India and other Inter-Bank Funds	0.00	1,053.99	1,067.90	2,022.14
(d) Others	-	-	-	-
2 Other income	46.76	123.52	187.61	219.63
3 Total income (1+2)	57.19	27.86	99.45	59.11
4 Interest expended (Incl. finance charges)	742.51	1,469.66	2,432.61	2,664.56
5 Operating expenses (i)+(ii)+(iii)+(iv)+(v)+(vi)	289.91	0.28	376.65	0.28
(i) Employees Cost	196.28	182.45	350.07	684.04
(ii) Investment Advisory Fees	4.64	0.00	5.33	0.00
(iii) Legal and Professional Expenses	121.35	91.29	229.49	182.02
(iv) Investments written off	11.92	33.63	31.45	46.66
(v) Other Operating Expenses	0.00	0.00	0.00	390.70
(vi) Depreciation and amortisation	41.98	57.53	67.41	64.66
6 Total Expenditure (4+5) excluding provisions and contingencies	16.39	0.00	16.39	0.00
7 Operating profit before provisions and contingencies (3-6)	486.19	182.73	726.72	684.32
8 Provisions (other than tax) and contingencies	256.32	1,286.93	1,705.89	1,980.24
9 Exceptional items	49.56	22.40	76.30	55.56
10 Profit from ordinary activities before tax (7-8-9)	-	-	-	-
11 Tax expense (including deferred tax)	206.76	1,264.53	1,629.59	1,924.68
12 Net profit from ordinary activities after tax (10-11)	79.93	(90.47)	298.25	59.78
13 Extraordinary items (net of tax expense)	126.83	1,355.00	1,331.34	1,864.90
14 Net profit for the period/year (12-13)	-	-	-	-
15 Paid-up equity share capital (face value of ₹10 per equity share)	126.83	1,355.00	1,331.34	1,864.90
16 Reserves excluding revaluation reserves	526.83	702.44	526.83	702.44
17 Analytical Ratios	6,867.80	7,524.24	6,867.80	7,524.24
(a) Capital adequacy ratio (%)				
(b) Earnings Per Share (EPS) - 6 months figures (not annualized)				
Basic (₹)	60.47%	131.13%	60.47%	131.13%
Diluted (₹)	2.35	19.33	21.09	26.46
(c) Return on Assets - Not annualised (% of profit after tax to average total assets)	2.28	19.23	21.06	26.38
18 NPA Ratios	0.98%	15.52%	10.26%	21.36%
a) Gross NPA				
b) Net NPA				
c) % of Gross NPA to receivables under financing activity	0.00%	0.00%	0.00%	0.00%
d) % of Net NPA to receivables under financing activity	0.00%	0.00%	0.00%	0.00%

Notes:

- The above financial results for the Half Year Ended 31 March 2015 and for the Year Ended 31 March 2015 were reviewed by the Audit Committee at its meeting held on 27 May 2015 and approved by the Board of Directors at its meeting held on 27 May 2015.
- The Company operates in a single reportable segment i.e. providing finance to Companies engaged in impact investment sectors, which have similar risks and returns for the purpose of AS-17 "Segment Reporting". The Company does not have any reportable geographic segment.
- The Company had approved a proposal for buy-back of its equity shares at a price of ₹122.838 per equity share of ₹10 each for an aggregate amount of ₹215,714,461. The buyback had commenced on 29 September 2014 and closed on 28 October 2014. Owing to the completion of buy-back, the Company on 3 November 2014 bought back and extinguished 1,756,089 equity shares of ₹10 each for the agreed consideration which accounted for 100% of its maximum buy-back size.
- Previous period / year figures have been regrouped/reclassified wherever necessary to correspond with the current period classification/disclosure.

For Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)



S. Viswanatha Prasad
Managing Director
DIN: 00574928

Place: Hyderabad
Date: 27 May 2015

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
7th Floor, Block III, White House
Kundan Bagh, Begumpet
Hyderabad 500016
India

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Independent Auditor's Report

To the Members of Caspian Impact Investments Private Limited
(Formerly known as Bellwether Microfinance Fund Private Limited)

Report on the Financial Statements

1. We have audited the accompanying financial statements of Caspian Impact Investments Private Limited ("the Company"), which comprise of the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the guidelines issued by the Reserve Bank of India (RBI) as applicable to a Non-Banking Financial Company (NBFC). This responsibility also include maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

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Auditor's Responsibility

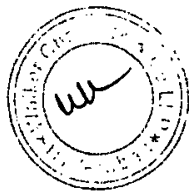
3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. 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 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.



Walker Chandiok & Co LLP

10. 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 purpose 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 financial statements 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 Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
 - f. with respect to the other matters to be included in the Auditor's 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 does not have any pending litigations which would impact its financial position.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

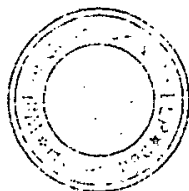
per Sanjay Kumar Jain

Partner

Membership No.: 207660

Place: Hyderabad

Date: 27 May 2015



Walker, Chandniok & Co LLP

Annexure to the Independent Auditor's Report of even date to the members of Caspian Impact Investments Private Limited, on the financial statements for the year ended 31 March 2015.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details of fixed assets.
- (b) The Company does not have any tangible fixed assets; accordingly the provisions of clause 3(i)(b) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sell any goods. Further, there are no new transactions pertaining to purchase of fixed assets. Accordingly, clause 3(iv) of the Order with respect to purchase of inventories and fixed assets and sale of goods is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.



Walker Chandiok & Co LLP

Annexure to the Independent Auditor's Report of even date to the members of Caspian Impact Investments Private Limited, on the financial statements for the year ended 31 March 2015.

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.
- (viii) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- (ix) The Company has no dues payable to a financial institution. In our opinion the Company has not defaulted in repayment of dues to any bank or debenture-holders during the year.
- (x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.
- (xi) In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle funds which were not required for immediate utilization have been invested in liquid investments, payable on demand.
- (xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner

Membership No.: 207660

Place: Hyderabad

Date: 27 May 2015



Walker Chandiook & Co LLP

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Auditor's Report

[Pursuant to the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008]

To

The Board of Directors

Caspian Impact Investments Private Limited

(Formerly known as Bellwether Microfinance Fund Private Limited)

8-2-596/5/B/1, III Floor

Road No. 10, Banjara Hills

Hyderabad – 500 034.

1. We have audited the financial statements of Caspian Impact Investments Private Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information and have issued a unqualified opinion vide our report dated 27 May 2015.
2. As required by the paragraphs 3 and 4 of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, issued by the Reserve Bank of India ("the RBI") vide Notification No. DNBS. 201/DG(VL)-2008 dated 18 September 2008, as amended and based on our audit, we report on the matters specified in paragraphs 3 and 4 of the said directions:
 - a. The Company is engaged in the business of Non-Banking Financial Institution (without accepting or holding public deposits) and pursuant to the provisions of Section 45(1A) of the Reserve Bank of India Act, 1934 (as amended) it has obtained a certificate of registration vide certificate no. B-09.00365 dated 5 November 2005.
 - b. In our opinion, and in terms of the Company's assets and income pattern for the year ended and as at 31 March 2015, the Company is entitled to continue to hold the certificate of registration issued by the RBI.



Chartered Accountants

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- c. The Company is not an asset finance company as defined under the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998, as amended.
- d. The Company is not a micro finance institution as defined under the Non-Banking Financial Company- Micro Finance Institutions (Reserve Bank) Directions, 2011, as amended.
- e. The board of directors of the Company in their meeting held on 4 June 2014 has passed a resolution for non-acceptance of any public deposits during the financial year 1 April 2014 to 31 March 2015.
- f. The Company has not accepted any public deposits during the year ended 31 March 2015.
- g. In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the prudential norms issued by the RBI in relation to recognition of income, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2015.

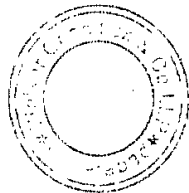
Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N / N500013

Sanjay
per Sanjay Kumar Jain
Partner

Membership No.: 207660



Place: Hyderabad

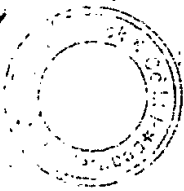
Date: 27 May 2015

Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)
Balance Sheet as at 31 March 2015
(All amounts in ₹ unless otherwise stated)

	Notes	31 March 2015	31 March 2014
Equity and Liabilities			
Shareholders' funds			
Share capital	3	57,882,670	75,443,560
Reserves and surplus	4	686,780,251	752,423,961
		<u>744,662,921</u>	<u>827,867,521</u>
Non Current Liabilities			
Long-term borrowings	5	786,500,000	-
Long-term provisions	6	5,893,466	3,687,500
		<u>792,393,466</u>	<u>3,687,500</u>
Current Liabilities			
Short-term borrowings	7	75,000,000	-
Trade payables		-	1,595,137
Other current liabilities	8	12,745,119	118,787,159
Short-term provisions	6	7,455,594	10,071,745
		<u>95,200,713</u>	<u>130,454,041</u>
	Total	<u><u>1,632,257,100</u></u>	<u><u>962,009,062</u></u>
Assets			
Non-current assets			
Fixed assets			
- Intangible assets		1,637,015	-
- Intangible assets under development		-	3,162,323
Non-current investments	9	111,618,211	111,618,211
Deferred tax assets (net)	10	12,060,060	15,093,164
Long-term loans and advances	11	501,720,203	279,601,865
Other non current assets	12	15,903,893	-
		<u>642,939,382</u>	<u>409,475,563</u>
Current Assets			
Current investments	9	-	78,816,746
Cash and cash equivalents	13	386,181,559	275,360,357
Short term loans and advances	11	596,447,525	192,508,011
Other current assets	12	6,688,634	5,848,385
		<u>989,317,718</u>	<u>552,533,499</u>
	Total	<u><u>1,632,257,100</u></u>	<u><u>962,009,062</u></u>

The accompanying notes to the financial statements are an integral part of the Balance Sheet.

Walker Chandish & Co LLP
 For Walker Chandish & Co LLP
 Chartered Accountants
Sanjay
 per Sanjay Kumar Jain
 Partner



For and on behalf of the Board of Directors of
 Caspian Impact Investments Private Limited

S. Viswanatha Prasad
 S. Viswanatha Prasad
 Managing Director
 DIN: 00574928

P.B. Lakshmitant
 Lakshmitant PB
 Chief Financial Officer

KP Ramesh Menon
 KP Ramesh Menon
 Director
 DIN: 06606111

Rimpa Sarkar
 Rimpa Sarkar
 Company Secretary

Place: Hyderabad
 Date: 27 May 2015

Place: Hyderabad
 Date: 27 May 2015



Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)
Statement of Profit and Loss for the year ended 31 March 2015
(All amounts in ₹ unless otherwise stated)

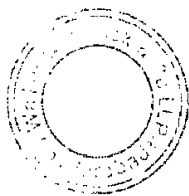
	Notes	31 March 2015	31 March 2014
Revenue			
Revenue from operations	14	242,891,639	265,620,004
Other income	15	369,674	835,682
Total revenue		243,261,313	266,455,686
Expenses			
Investment advisory fee		22,949,164	18,202,351
Finance cost	16	37,664,522	27,636
Provision for standard assets		7,630,310	5,556,250
Investments written-off		-	39,069,539
Employee benefit expenses		533,171	-
Amortization charge		1,639,015	-
Other expenses	17	9,886,570	11,132,272
Total expenses		80,302,752	73,988,048
Profit before tax		162,958,561	192,467,638
Tax Expense			
Current tax		36,740,000	35,672,790
MAT credit entitlement		(14,055,022)	(14,601,864)
Tax for earlier years		22,684,978	21,070,926
Deferred tax expense		4,106,644	-
Profit for the year		133,133,835	186,489,876
Earning per equity share			
Nominal value per share	25		
- Basic EPES		10	10
- Diluted EPES		21.09	26.46
		21.06	26.38

The accompanying notes to the financial statements are an integral part of the Statement of Profit and Loss.

Walker Chandok & Co LLP
For Walker Chandok & Co LLP

Chartered Accountants

per Sanjay Kumar Jain
Partner



For and on behalf of the Board of Directors of
Caspian Impact Investments Private Limited

S. Viswanatha Prasad
Managing Director
DIN: 00574928

P.B. Lakshnikant
Lakshnikant PB
Chief Financial Officer

KP Ramesh Menon
Director
DIN: 06606111

Rimpa Sarkar
Company Secretary

Place: Hyderabad
Date: 27 May 2015

Place: Hyderabad
Date: 27 May 2015

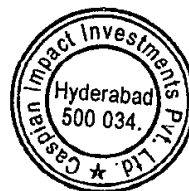
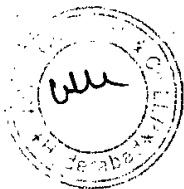


Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)
Cash Flow Statement for the year ended 31 March 2015

(All amounts in ₹ unless otherwise stated)

	31 March 2015	31 March 2014
Cash flows from operating activities		
Profit before tax	162,958,561	192,467,638
Adjustments :		
Allowances for		
- standard assets	7,630,310	5,556,250
- doubtful advances	504,229	1,730,943
Investments written-off	-	39,069,539
Amortization expense	1,639,015	-
Provision no longer required, written back	-	(833,920)
Operating profit before working capital changes	172,732,115	237,990,450
Increase in loans to customers	(610,424,800)	(444,500,002)
Decrease in investments	78,816,746	136,528,874
Unamortized portion of discount on non-convertible debentures	(18,823,832)	-
Decrease in other current assets	2,079,690	2,267,846
Decrease in short-term loans and advances	(496,219)	(1,529,205)
Decrease in trade payables	(1,595,137)	(3,608,126)
Increase in other current liabilities	9,191,407	1,706,142
Cash used in operating activities	(368,520,030)	(71,144,021)
Income taxes paid	(50,473,179)	(24,103,332)
Net cash used in operating activities	A (418,993,209)	(95,247,353)
Cash flows from investing activities		
Purchase of intangible assets	(113,707)	(3,162,323)
Net cash used in investing activities	B (113,707)	(3,162,323)

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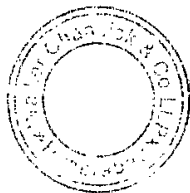
Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)
Cash Flow Statement for the year ended 31 March 2015
(All amounts in ₹ unless otherwise stated)

	31 March 2015	31 March 2014
Cash flows from financing activities		
Buy-back of equity share capital	(215,714,461)	-
Dividend paid, including dividend distribution tax	(115,857,421)	-
Proceeds from issue of non-convertible debentures	786,500,000	-
Proceeds from short-term borrowings	125,000,000	-
Repayment of short-term borrowings	(50,000,000)	-
Net cash flow from financing activities	C 529,928,118	-
Net (decrease) / increase in cash and cash equivalents (A+B+C)	110,821,202	(98,409,676)
Cash and cash equivalents as at the beginning of the year	275,360,357	373,770,033
Cash and cash equivalents at the end of the year	386,181,559	275,360,357
Note 1: Proceeds from sale of investments	185,608,638	337,652,182
Note 2: Interest received on loans	108,798,619	36,144,126
Note 3: Interest received on fixed deposits	19,909,212	24,454,264

Walker Chandio & Co LLP

For Walker Chandio & Co LLP
Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 27 May 2015

For and on behalf of the Board of Directors of
Caspian Impact Investments Private Limited

S. Viswanatha Prasad
S. Viswanatha Prasad
Managing Director
DIN: 00574928

Lakshmikant PB
Lakshmikant PB
Chief Financial Officer

KP Ramesh Menon
KP Ramesh Menon
Director
DIN: 06606111

Rimpa Sarkar
Rimpa Sarkar
Company Secretary

Place: Hyderabad
Date: 27 May 2015



Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

1. Company overview

Caspian Impact Investments Private Limited (formerly Bellwether Microfinance Fund Private Limited) ("the Company") is a company domiciled in India and registered under the provisions of the Companies Act, 1956 ("the Act"). The Company operates as a Loan Company and consequently is registered as a Non-Banking Financial Institution (Non-Deposit taking) ("NBFC") with the Reserve Bank of India ("the RBI").

The Company is engaged in making investments in the form of equity and debt in social impact sectors including micro finance, small business financing, affordable housing and food & agriculture. The Company has engaged Caspian Impact Investment Adviser Private Limited (formerly Caspian Advisors Private Limited), as its investment advisor which manages the fund.

2. Significant accounting policies

a. Basis of preparation of financial statements

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India ("Indian GAAP"), including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), pronouncements of The Institute of Chartered Accountants of India ("ICAI") and guidelines issued by the RBI as applicable to non-banking financial company. The financial statements have been prepared on an accrual basis except for interest on non-performing loan assets which have been accounted on cash basis based on the RBI Guidelines. The accounting policies applied by the Company are consistent with those used in the prior period.

Pursuant to the enactment of the Act, effective 1 April 2014, the Company has adopted Schedule III of the Act, for preparation and presentation of the financial statements. In relation to the Company, the adoption of Schedule III neither impact recognition and measurement principles followed in preparation nor presentation and disclosures made in the financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of business, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

b. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful loans and advances, investments and classification of assets and liabilities into current and non-current.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c. Investments

Investments that are readily realizable and intended to be held for not more than a year from the date of the investment and current maturities of long-term investments is classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long-term investments.



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d. Investment in Trust

The Company has set up Bellwether Microfinance Trust ('the Trust') with the objective of making investments in companies, ventures or enterprises engaged in the activities that are in line with the Company's objectives. The Company is the sole contributor and beneficiary of the Trust. The contributions / redemption transactions with the Trust are accounted as "Investment in Trust" in accordance with AS 13 and the profit / losses realized by the Trust is accounted accordingly.

c. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the collectability is reasonably assured.

- Interest on loans is recognised on accrual basis, except in the case of Non-Performing Assets ("NPA"), where interest is recognised upon realisation, in accordance with the directives of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended).
- Loan processing fee is accounted as revenue up-front when it becomes due.
- Dividend income on shares is recognized when right to receive payment is established.
- Profit / loss on sale of investments are recognized on the contract date. Cost of investments is determined using the weighted average cost.
- Interest income on fixed deposits is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

f. Asset classification and provision for loan portfolio

Asset classification and provisioning

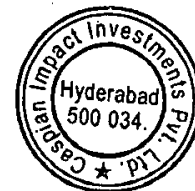
Asset classification	Criteria	Provisioning rate
Standard assets	Overdue =< 90 days	1.25%
Non-performing assets		
Sub-standard	Overdue for 91 days or more to 180 days	25%
Doubtful	Overdue for 181 days or more to 360 days	50%
Loss	Overdue > 360 days or assets identified as Loss Assets	100%

Note: Effective 1 April 2015, the Company has changed the asset classification and provision policy as under:

Asset classification	Criteria	Provisioning rate
Standard assets	Overdue =< 3 months	1%
Non-performing assets		
Sub-standard	Overdue for 3 months to 6 months	25%
Doubtful	Overdue for 6 months to 12 months	50%
Loss	Overdue > 12 months or assets identified as loss assets	100%

g. Borrowing Costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with borrowing of funds. Ancillary borrowing costs in the nature of discount on securities are amortized over the tenure of the loan on straight line basis.



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h. Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

Unrecognized deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain or virtually certain, as the case may be that future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date.

The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Investment in Trust is regarded as "pass through" for computation of tax liability and accordingly the Company accrues the tax liability in respect of the income earned by the Trust in the capacity of the sole beneficiary in accordance with the provisions of Income Tax Act, 1961.

i. Earnings per equity share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

j. Intangible assets:

Intangible assets are carried at cost less accumulated amortisation and impairment, if any. Direct costs are capitalised until the asset is ready to use. Intangible assets are in the nature of Software and are amortized over a period of 2 years.

k. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.



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3 Share Capital

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
Authorised share capital:				
Equity shares of ₹10 each	7,500,000	75,000,000	7,500,000	75,000,000
Preference shares of ₹10 each	41,000,000	410,000,000	41,000,000	410,000,000
Issued, Subscribed and Paid up				
Equity shares of ₹10 each	5,268,267	52,682,670	7,024,356	70,243,560
10% Compulsorily Convertible Cumulative Preference Shares ("CCCPS") of ₹10 each	520,000	5,200,000	520,000	5,200,000
	5,788,267	57,882,670	7,544,356	75,443,560

(a) Reconciliation of Shares:

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
Equity shares of ₹10 each				
Balance at the beginning of the year	7,024,356	70,243,560	7,024,356	70,243,560
Less:- Buy-back of Equity shares [Refer (f) below]	(1,756,089)	(17,560,890)	-	-
Balance at the end of the year	5,268,267	52,682,670	7,024,356	70,243,560
CCCPS of ₹10 each				
Balance at the beginning of the year	520,000	5,200,000	520,000	5,200,000
Add: Issued during the year	-	-	-	-
Balance at the end of the year	520,000	5,200,000	520,000	5,200,000

(b) Terms and rights attached to equity shares

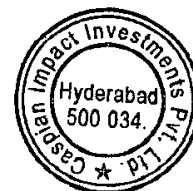
The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion of their shareholding.

(c) Terms and rights attached to CCCPS

The Company has issued 520,000 CCCPS of ₹10 each fully paid-up at par value on 4 December 2012. The holders of CCCPS are entitled to voting rights in proportion to their shareholding in the fully diluted equity share capital of the Company. In the event of liquidation of the Company, the holders of CCCPS are entitled to receive, in preference to all other shareholders of the Company, an amount equal to the CCCPS investment amount along with all accrued and unpaid dividends, if any, declared by the board. Holders of CCCPS can be converted into equity shares at any time before ten years from the date of allotment at a price which is higher of (i) face value of share or (ii) fair market value as determined using valuation method agreed between investor, key shareholders and the Company.

(d) Shareholders holding more than five percent shares in the Company

	31 March 2015		31 March 2014	
	Number	%	Number	%
Equity shares of ₹10 each				
Gray Ghost Microfinance Fund, LLC	1,671,493	31.73%	2,289,674	32.60%
Stichting Hivos-Triadodos Fonds	1,144,979	21.73%	1,568,436	22.33%
Caspian Impact Investment Adviser Private Limited	1,103,938	20.95%	1,319,800	18.79%
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.	851,074	16.15%	1,165,834	16.60%
CCCPS of ₹10 each				
Caspian Impact Investment Adviser Private Limited	520,000	100.00%	520,000	100.00%



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(e) Buy-back of shares during 5 years immediately preceding the Balance Sheet:

	Number of shares	
	1 April 2010 to 31 March 2015	1 April 2009 to 31 March 2014
Aggregate number of buy-back of equity shares	1,756,089	-

(f) Share buy back programme

Pursuant to the approval of the Board of Directors and Shareholders in their meeting held on 2 September 2014 and 5 September 2014, the Company under the equity buy-back programme has extinguished 1,756,089 equity shares (representing 25% of the equity capital) at a price of ₹122.838/- per equity share aggregating to ₹215,714,461. Accordingly: (i) the face value of issued, subscribed and paid-up equity share capital is reduced to ₹52,682,670, (ii) ₹17,560,890 has been transferred from the Surplus in Statement of Profit and Loss to Capital Redemption Reserve as per the provision of Section 69(1) the Companies Act, 2013 and (iii) ₹198,153,571 has been adjusted from the Securities Premium Reserve.

(g) Shares reserved for issue under contracts/commitments

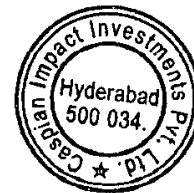
As explained in note (c) above, pursuant to the terms of the CCCPS allotment, the Company would be required to issue equity shares in accordance with the terms of the agreement.

4 Reserves and Surplus

	31 March 2015	31 March 2014
Reserve fund	40,680	40,680
Securities Premium Reserve		
Balance at the beginning of the year	707,468,634	707,468,634
Less: Premium on buy-back of equity shares [Refer Note 3(f)]	(198,153,571)	-
Balance at the end of the year	509,315,063	707,468,634
Statutory Reserve		
Balance at the beginning of the year	43,729,584	6,431,609
Add: Transfer from Surplus in Statement of Profit and Loss	26,626,767	37,297,975
Balance at the end of the year	70,356,351	43,729,584
Capital Redemption Reserve		
Balance at the beginning of the year	-	-
Add: Transfer from Surplus in Statement of Profit and Loss [Refer Note 3(f)]	17,560,890	-
Balance at the end of the year	17,560,890	-
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	1,185,063	(32,149,417)
Add: Profit for the year	133,133,835	186,489,876
Less: Dividend on CCCPS	(520,000)	(686,685)
Less: Dividend on equity shares	-	(98,340,984)
Less: Tax on distributed profits	(103,974)	(16,829,752)
Less: Transfer to Capital Redemption Reserve	(17,560,890)	-
Less: Transfer to Statutory Reserve	(26,626,767)	(37,297,975)
Balance at the end of the year	89,507,267	1,185,063
Total	686,780,251	752,423,961

a) Statutory Reserve

In accordance with the provision of Section 45 IC of the Reserve Bank of India Act, 1934 the Company being an NBFC, has transferred 20% of net profit after tax for the year to the statutory reserve.



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5 Long-term borrowings

Secured	31 March 2015	31 March 2014
Debentures		
Non-convertible debentures - 12% Series 1 BMFPL 2014	166,000,000	-
Non-convertible debentures - 10% Series 1 CIPL 2022	620,500,000	-
	<u>786,500,000</u>	<u>-</u>

(a) Non Convertible Debentures - 12% Series 1 BMFPL 2014

The Company issued 1,660 secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of ₹100,000 each fully paid up at a discount of 1% of face value. The debentures carry an interest rate of 12%, net of taxes (including tax deducted at source). The debentures are issued on 9 May 2014, for tenure of 60 months and will be redeemed through a bullet repayment at maturity, however there is a put and call option at the end of 2.5 years from the date of allotment. Interest repayment to be done half-yearly on 01 July and 01 January of every year till the date of maturity. The debentures along with gross interest payable on the next coupon date are secured by way of hypothecation / charge on the book debts of the Company in favour of the trustee for the benefit of the debenture holders.

(b) Non Convertible Debentures - 10% Series 1 CIPL 2022

The Company issued 6,205 secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of ₹100,000 each fully paid up at a discount of 2.85% of face value. The debentures carry an interest rate of 10%, net of taxes (including tax deducted at source). The debentures are issued on 2 March 2015 and are redeemable through a bullet repayment at maturity on 22 January 2022, however there is a call option at the end of 3 years from the date of allotment. Interest repayment to be done half-yearly on 30 May and 30 November of every year till the date of maturity. The debentures along with gross interest payable on the next coupon date are secured by way of hypothecation / charge on the book debts of the Company in favour of the trustee for the benefit of the debenture holders.

6 Provisions

Long-term	31 March 2015	31 March 2014
Contingent provisions against standard assets	5,893,466	3,687,500
	<u>5,893,466</u>	<u>3,687,500</u>
Short-term		
Contingent provisions against standard assets	7,455,594	2,031,250
Provision for taxes	-	8,040,495
	<u>7,455,594</u>	<u>10,071,745</u>

7 Short-term borrowings

Unsecured	31 March 2015	31 March 2014
From banks	75,000,000	-
	<u>75,000,000</u>	<u>-</u>

(a) The Company has availed a short-term working capital loan of ₹75,000,000, from State Bank of Mauritius, India which is repayable on 30 April 2015 and carries an interest rate of 11.25% p.a. The loan facility is secured against 110% value of cash collateral standing in the name of Caspian Capital Partners.

8 Other Current Liabilities

Statutory liabilities	31 March 2015	31 March 2014
Proposed dividend on CCCPS	108,946	17,055,459
Proposed dividend on equity shares	520,000	686,685
Interest accrued but not due on borrowings	-	98,340,984
Expenses payable	9,957,202	-
	<u>2,158,971</u>	<u>2,704,031</u>
	<u>12,745,119</u>	<u>118,787,159</u>



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(All amounts in ₹ unless otherwise stated)

9 Investments

	31 March 2015		31 March 2014	
	Non-current	Current	Non-current	Current
In equity shares, Trade, Unquoted				
2,142,858 (31 March 2014: 2,142,858) equity shares of ₹10 each fully paid in A Little World Private Limited	60,000,000	-	60,000,000	-
466,850 (31 March 2014: 466,850) equity shares of ₹10 each fully paid in Sonata Finance Private Limited	28,408,501	-	28,408,501	-
692,057 (31 March 2014: 2,130,000) equity shares of ₹10 each fully paid in Mimoza Enterprises Finance Private Limited ("Mimoza")#	-	-	-	-
NIL (31 March 2014: 1,317,765) equity shares of ₹10 each fully paid in Equitas Holdings Private Limited #	-	-	-	78,816,746
Total investments in equity instruments (A)	88,408,501	-	88,408,501	78,816,746
Others, Trade, Unquoted				
Bellwether Microfinance Trust ("Trust") [Refe (b) below]	23,209,710	-	23,209,710	-
Total other investments (B)	23,209,710	-	23,209,710	-
Total investments (A+B)	111,618,211	-	111,618,211	78,816,746

a) Additional disclosure

Unquoted investments

Investments written-off (including provisions made during the earlier year)

	31 March 2015	31 March 2014
Unquoted investments	111,618,211	190,434,957
Investments written-off (including provisions made during the earlier year)	58,604,309	58,604,309

b) Disclosure of assets held by the Trust

1,071,871 (31 March 2014: 1,071,871) equity shares of ₹10 each fully paid in Sonata Finance Private Limited

Balances with banks in current accounts

Total assets held by the Trust

Investments written-off (including provisions made during the earlier year)

	31 March 2015	31 March 2014
1,071,871 (31 March 2014: 1,071,871) equity shares of ₹10 each fully paid in Sonata Finance Private Limited	22,733,836	22,733,836
Balances with banks in current accounts	475,874	475,874
Total assets held by the Trust	23,209,710	23,209,710
Investments written-off (including provisions made during the earlier year)	17,304,309	17,304,309

Represents current maturities of long-term investments which is classified as 'current investments'

10 Deferred tax assets

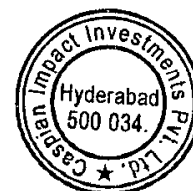
On account of provision for standard assets

On account of provision for doubtful advances

On account of investment written-off

	31 March 2015	31 March 2014
On account of provision for standard assets	4,537,346	1,855,448
On account of provision for doubtful advances	759,735	561,604
On account of investment written-off	6,762,979	12,676,112
Total	12,060,060	15,093,164

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11 Loans and advances

Non-current

Secured, considered good
Loans to customers (Refer note:20)

31 March 2015 31 March 2014

419,488,640 265,000,001

Unsecured, considered good
Loans to customers (Refer note:20)

51,988,637

Income tax (net of provisions)

1,586,040

MAT credit entitlement

28,656,886

14,601,864

501,720,203

279,601,865

Current

Secured, considered good
Loans to customers (Refer note:20)

527,811,160

162,500,001

Unsecured, considered good
Loans to customers (Refer note:20)

68,636,365

30,000,000

Advance for expenses and others

8,010

596,447,525

192,508,011

Unsecured, considered doubtful

Balances with government authorities

2,235,172

1,730,943

Less: Provision for doubtful advances

2,235,172

1,730,943

Total Loans and advances

1,098,167,728

472,109,876

12 Other assets

Non-current

Unamortized portion of discount on non-convertible debentures

31 March 2015 31 March 2014

15,903,893

15,903,893

Current

Unamortized portion of discount on non-convertible debentures

2,919,939

Interest earned but not due on loans

2,477,262

3,510,478

Interest accrued on fixed deposits

1,189,477

2,337,907

Other current assets

101,956

6,688,634

5,848,385

13 Cash and Cash equivalents

Balances with banks
- on current accounts
- on deposit accounts

31 March 2015 31 March 2014

16,681,559

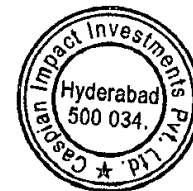
31,760,357

369,500,000

243,600,000

386,181,559

275,360,357



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(All amounts in ₹ unless otherwise stated)

14 Revenue from operations

	<u>31 March 2015</u>	<u>31 March 2014</u>
I. Loan portfolio		
Interest income	107,765,403	36,367,980
Loan processing fee	9,575,000	5,075,000
	<u>117,340,403</u>	<u>41,442,980</u>
II. Investment portfolio		
Dividend income	-	1,091,280
Profit on sale of investment, net	106,790,454	201,123,180
	<u>106,790,454</u>	<u>202,214,460</u>
III. Other operating income		
Interest income from fixed deposits	18,760,782	21,962,564
	<u>18,760,782</u>	<u>21,962,564</u>
	<u>242,891,639</u>	<u>265,620,004</u>

15 Other Income

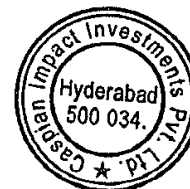
	<u>31 March 2015</u>	<u>31 March 2014</u>
Provision no longer required, written back	-	833,920
Other income	369,674	1,762
	<u>369,674</u>	<u>835,682</u>

16 Finance cost

	<u>31 March 2015</u>	<u>31 March 2014</u>
Interest expense	26,384,672	-
Other borrowing costs	11,279,850	27,636
	<u>37,664,522</u>	<u>27,636</u>

17 Other expenses

	<u>31 March 2015</u>	<u>31 March 2014</u>
Meeting expenses	1,145,518	2,715,972
Legal and professional charges	3,145,136	4,666,462
Contribution towards Corporate Social Responsibility	1,299,750	-
Rates and Taxes	35,000	-
Software maintenance expenses	402,953	-
Insurance	232,136	262,703
Directors remuneration	856,745	663,626
Directors sitting fee	685,396	287,304
Payment to auditors (including service tax)		
- As auditor	1,016,212	583,979
- For certification work	75,000	-
- For reimbursement of expenses	8,814	1,392
Provision for balances with government authorities	504,229	1,730,943
Interest on late payment of statutory dues - earlier years	128,500	-
Bank charges	70,262	10,472
Miscellaneous expenses	280,919	209,419
	<u>9,886,570</u>	<u>11,132,272</u>



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18 Additional disclosures pursuant to Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 issued by the RBI

	As at 31 March 2015	
	Amount outstanding	Amount overdue
Liabilities side :		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures		
Secured	786,500,000	-
Unsecured	-	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Other Loans (specify nature)	75,000,000	-
		As at
		31 March 2015
Assets side :		
(2) Break up of loans and advances including bills receivables [other than those included in (4) below]:		
a) Secured, gross		947,299,800
b) Unsecured, gross		120,625,002
(3) Break up of leased assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors:		
(a) finance lease		-
(b) operating lease		-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) assets on hire		-
(b) repossessed asset		-
(iii) Other loans counting towards AFC activities		
(a) loans where assets have been repossessed		-
(b) loans other than (a) above		-
(4) Breakup of investments		
Current Investments :		
1. Quoted		
(i) Shares :		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
2. Unquoted		
(i) Shares :		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-



Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

As at
31 March 2015

Long Term investments :

1. Quoted		
(i) Shares :		-
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
2. Unquoted		
(i) Shares:		
(a) Equity		88,408,501
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others - investment in trust		23,209,710
		<u>23,209,710</u>

Net of provision as at 31 March 2015

(5) Borrower group-wise classification of assets financed as in (2) and (3)

Category	Secured	Unsecured	Total
1. Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) other related parties	-	-	-
2. Other than related parties	947,299,800	120,625,002	1,067,924,802
Total	<u>947,299,800</u>	<u>120,625,002</u>	<u>1,067,924,802</u>

(6) Investor group-wise classification of all investments (currents and long term) in shares and securities (both quoted and unquoted)

Category	Market value / Breakup or fair value or NAV	Book value (net of provisions)
1. Related parties	23,209,710	23,209,710
2. Other than related parties	88,408,501	88,408,501
Total	<u>111,618,211</u>	<u>111,618,211</u>

All investments are in unquoted companies whose market value is not ascertainable.

(7) Other information

As at
31 March 2015

(i) Gross non-performing assets		
(a) Related parties		-
(b) Other than related parties		-
(ii) Net non-performing assets		
(a) Related parties		-
(b) Other than related parties		-
(iii) Assets acquired on satisfaction of debt		-



Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)
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 (All amounts in ₹ unless otherwise stated)

19. Additional disclosures pursuant to circular no. RBI/2014-15/299 (" the notification") dated 10 November 2014 issued by the RBI

(i) Capital to Risk-Assets ratio (CRAR)

	31 March 2015
CRAR (%)	60.47%
CRAR - Tier I capital (%)	59.39%
CRAR - Tier II capital (%)	1.08%

(ii) Company's exposure to the real estate sector directly as on 31 March 2015 is ₹Nil

(iii) Asset liability management

Maturity within	As at 31 March 2015			
	Assets		Liabilities	
	Investments	Loans and advances	Secured loans	Unsecured loans
Up to 1 month	-	26,586,304	-	75,000,000
1-2 months	-	59,954,209	-	-
2 to 3 months	-	79,477,893	-	-
3 to 6 months	-	160,732,149	-	-
6 months to 1 year	-	269,696,970	-	-
1 to 3 years	-	471,477,277	-	-
Over 3 to 5 years	-	-	166,000,000	-
Above 5 years	111,618,211	-	620,500,000	-
Total	111,618,211	1,067,924,802	786,500,000	75,000,000

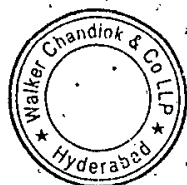
(iv) In accordance with Para 9.6 of the notification, the Company has voluntarily adopted to disclose the above information in the financial statements.

(v) Owing to the classification of the Company as an Non-Systemically Important NBFC as per the RBI Directives, as at 31 March 2014, no comparative information is disclosed.

20. Loans to customers

Loans to customers portfolio has been classified in accordance with the directives issued by the RBI vide the Non-Systemically Important Non-Banking Financial (Non-deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, read with accounting policy mentioned in note 2(f). The necessary provisions as per the RBI norms have been made. The details are as follows:

	31 March 2015	31 March 2014
Standard assets		
Classification criteria	0-90 Days	0-90 Days
Amount outstanding	1,067,924,802	457,500,002
Provision made against the standard assets	13,349,060	5,718,750
Current year addition to provisions	7,630,310	5,556,250



Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)

Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

21. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
Caspian Impact Investment Adviser Private Limited	Entity in which a Director has control or has significant influence
Caspian Capital Partners ("CCP")	
Mimoza Enterprises Finance Private Limited	Subsidiary till 17 July 2014
Bellwether Microfinance Trust	Sole Beneficiary of the Trust
S. Viswanatha Prasad	Key Managerial personnel

(b) Transactions with related parties

	31 March 2015	31 March 2014
Caspian Impact Investment Adviser Private Limited		
Investment advisory fee		
Unsecured loan	22,949,164	18,202,351
Interest expenses	50,000,000	-
	661,507	-
Mimoza Enterprises Finance Private Limited		
Loan disbursed		
Interest income	-	30,000,000
Bellwether Microfinance Trust	510,729	246,575
Refund of contribution		
		35,131,100

(c) Balances receivable / (payable):

	31 March 2015	31 March 2014
Caspian Impact Investment Adviser Private Limited	69,846	(1,595,137)
Mimoza Enterprises Finance Private Limited (including interest receivable)	-	30,246,575

Note: CCP, has extended 110% value of cash collateral in connection with the short-term working capital limit availed by the Company. Refer note 7.

22. Segment reporting

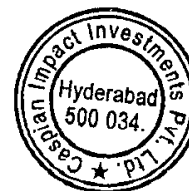
The Company operates in a single reportable segment i.e. providing finance to companies engaged in impact investment sectors, which have similar risks and returns for the purpose of AS 17 on 'Segment Reporting'. The Company does not have any reportable geographical segment.

23. Expenditure in Foreign Currency:

	31 March 2015	31 March 2014
Travel and related expenses	621,362	1,929,464
Guarantee fee paid	229,107	-
	850,469	1,929,464

24. Earnings in foreign currency

	31 March 2015	31 March 2014
Proceeds from sale of investments	185,607,200	337,652,182
	185,607,200	337,652,182



Caspian Impact Investments Private Limited
(Formerly Bellwether Microfinance Fund Private Limited)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

25. Earnings per equity share [EPES]

	<u>31 March 2015</u>	<u>31 March 2014</u>
a) Computation of profit for the year		
Profit for the year	133,133,835	186,489,876
Less: Dividend on CCCPS (including dividend distribution tax)	623,974	608,374
Profit attributable to equity shareholders	<u>132,509,861</u>	<u>185,881,502</u>
Profit attributable to equity shareholders for computation of basic EPES	132,509,861	185,881,502
Profit attributable to equity shareholders for computation of diluted EPES	133,133,835	186,489,876
b) Computation of weighted average number of equity shares in computation of basic and diluted EPES		
Weighted average number of shares considered for computation of basic EPES	6,283,431	7,024,356
Add: Effect of potential dilutive shares	37,047	44,121
Weighted average number of shares considered for computation of diluted EPES	<u>6,320,478</u>	<u>7,068,477</u>
c) EPES		
Basic	21.09	26.46
Diluted	<u>21.06</u>	<u>26.38</u>

26 Based on information available with the Company, as on balance sheet date, there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

27 Additional information as required under paragraph 5 of the part II of the Schedule VI to the Act to the extent either "Nil" or "Not Applicable" has not been furnished.

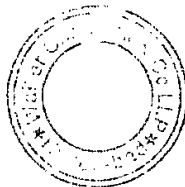
28 Comparatives

Previous year figures have been reclassified / regrouped wherever necessary, to confirm to current year presentation.

Walker Chandok & Co LLP

For Walker Chandok & Co LLP
Chartered Accountants

per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 27 May 2015

For and on behalf of the Board of Directors of
Caspian Impact Investments Private Limited

S. Viswanatha Prasad
Managing Director
DIN: 00574928

P. B. Lakshmi Kant
Lakshmi Kant PB
Chief Financial Officer

Place: Hyderabad
Date: 27 May 2015

KP Ramesh Menon
Director
DIN: 06606111

Rimpa Sarkar
Company Secretary

