ACHIIEVERS QUICK GOLD LOAN

AN ISO 9001:2008 CERTIFIED COMPANY

# BUSINESS OVERVIEW

## March 2019

**ACHIIEVERS QUICK GOLD LOAN**

# INDUSTRY OVERVIEW

*The following information includes extracts from publicly available information, data and statistics derived from reports prepared by third party consultants, including the IMaCS Industry Report 2012/2015, private publications, and industry reports prepared by various trade associations, as well as other sources, which have not been prepared or independently verified by the Company, the Lead Managers or any of their respective affiliates or advisors. Such information, data and statistics may be approximations or may use rounded numbers. Certain data has been reclassified for the purpose of presentation and much of the available information is based on best estimates and should therefore be regarded as indicative only and treated with appropriate caution.*

## Overview of the Indian Economy:

The Indian economy is one of the fastest growing economies in the world and in terms of purchasing power parity (PPP), it ranks third largest in the world, after the United States and China. In terms of PPP, it has moved up by one rank during 2012 (ahead of Japan) from its fourth position during 2011 and has maintained the same since then (*Sourc*e: *Central Statistics Office, Govt. of India)*. Its GDP stood at approximately US $7.375 trillion in 2014-15 (*Source: International Monetary* Fund). It's GDP grew at a real growth rate of 7.3% in 2014-2015. *(Source: Central Statistics Office, Govt. of India).*

***India is the largest consumer of gold jewellery in the world; together with China, it makes up over half the global consumer demand for gold.*** (Source: World Gold Council).

According to the ASSOCHAM India, gold imports accounted for 9.6% of India's total imports in 2011 and along with silver was the second most imported commodity during this period.

# Overview of the Indian Consumer Credit Market:

A variety of financial intermediaries in the public and private sectors participate in India's consumer lending sector, including commercial banks and NBFCs.

## *Commercial Banks:*

As of March 2015, there were 148 scheduled commercial banks ("**SCBs**"), (including regional rural banks ("**RRBs**") in India. (*Source: RBI, Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks)*. As of March 2015, the number of banked centres served by SCBs was 45,175 of which 34,372 were single office centres and 83 centres had 100 or more bank offices (*Source: RBI, Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks, 2014- 15:Q4)*. Scheduled commercial banks are banks that are listed in a schedule to the Reserve Bank of India Act, 1934, and may be further categorised as public sector banks, private sector banks and foreign banks.

## *Non-Banking Finance Companies:*

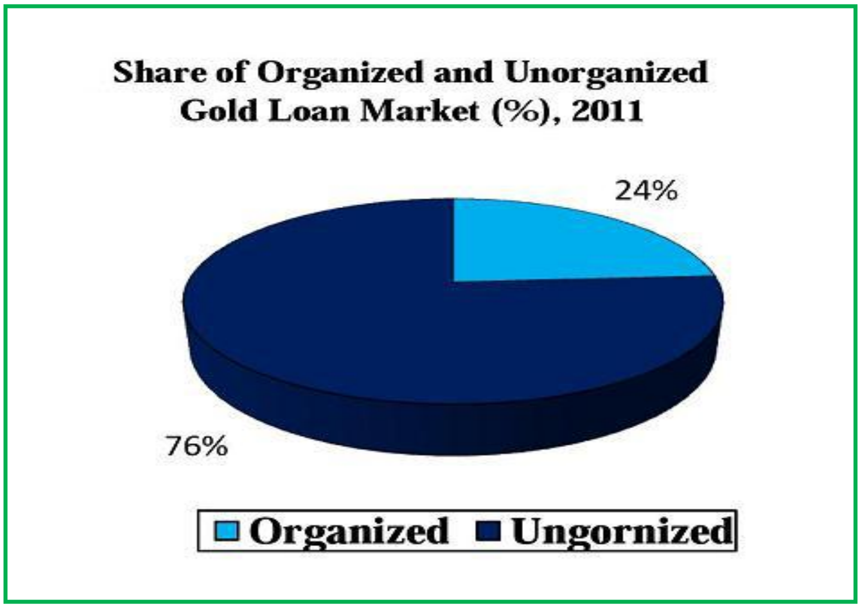
A non-banking finance company ("NBFC") is a company registered under the Companies Act, 1956 and is engaged in the business of loans and advances, acquisition of shares/stock/bonds/debentures/securities issued by Government or local authority or other securities of like marketable nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, sale/purchase/construction of immovable property. A non-banking institution which is a company and which has its principal business of receiving deposits under any scheme or arrangement or any other manner, or lending in any manner is also a non-banking financial company (Residuary non -banking company).

It is mandatory that every NBFC should be registered with RBI to commence or carry on any business of non-banking financial institution as defined in clause (a) of Section 45 I of the RBI Act, 1934. All NBFCs are not entitled to accept public deposits. Only those NBFCs holding a valid Certificate of Registration with authorisation to accept public deposits can accept/hold public deposits. NBFCs authorised to accept/hold public deposits besides having minimum stipulated net owned fund should also comply with the directions such as investing part of the funds in liquid assets, maintain reserves, rating etc. issued by the Bank *(Source: RBI)*. As of June 30, 2015, there were 218 NBFCs in India permitted to accept public deposits (*Source:* http://www.rbi.org.in/scripts/NBFC_Pub_lic.aspx ). Further, as of June 30, 2015, there were 11,582 NBFCs in India that do not accept public deposits (*Source:* http://www.rbi.org.in/scripts/bs_nbfclist.aspx)

## Gold Finance Industry in India:

Gold has unique properties as an asset class. Investors of all levels of experience are attracted to gold as a solid, tangible and long-term store of value that historically has moved independently of other assets.* Our analysis shows that gold can be used in portfolios to protect global purchasing power, reduce portfolio volatility and minimise losses during periods of market shock. It can serve as a high quality, liquid asset to be used when selling other assets would cause losses.

Gold as an asset is liquid and can be readily exchange for cash even in the informal market that is called unorganized sector which manly comprises of pawnbrokers, money lenders etc.

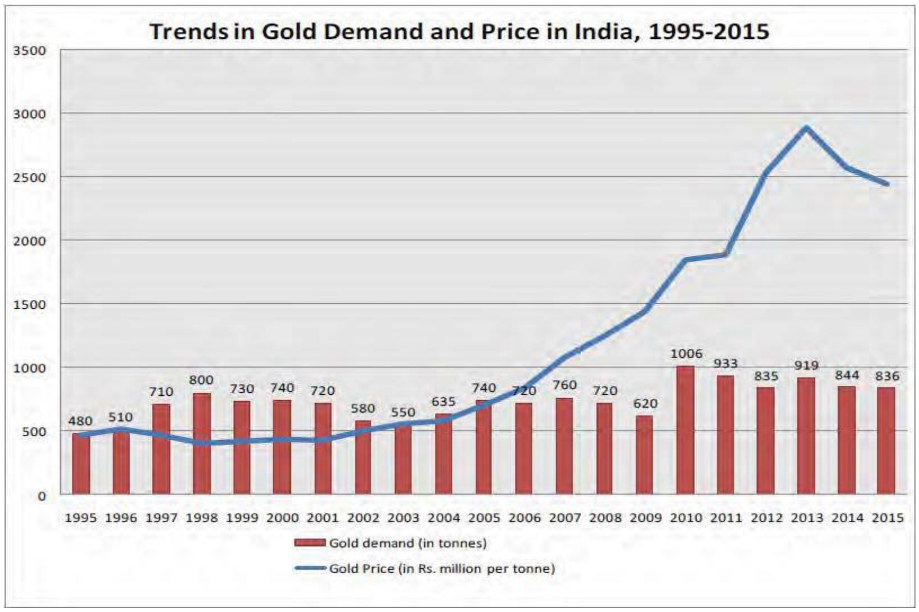



With the gold market getting more organized within a formal setup, in recent years there has been rapid growth in the gold loans market particularly in gold loans disbursed by Banks and NBFCs. Both demand and supply side factors have played important roles in bringing about this growth. From the demand side, holders of gold were able to get cash in lieu of their gold in a formal setup and at higher loan to value ratios at relatively lower rate of interest under more favourable terms and conditions when compared with the informal segment. From the supply side, banks and NBFCs were able to disburse loans against collateral whose market value was going up or stable even in times of financial turmoil.

According to the World Gold Council, India is one of the largest markets for gold. For the year 2013, Indian investment in gold bars increased by 16% and demand for jewellery, the other component of consumer demand, increased by 11% from 552t to 613t. In 2014, however demand for gold bars decreased by 50% at 180.6t largely be explained by a downward shift in price expectations together with the near-record levels of buying in 2013. The demand for jewellery in 2014 increased by 8% at a record high of 662t despite restrictions aimed at cooling import of gold. *(Source: World Gold Council).*

The World Gold Council expects that by 2020, India (together with China) will have one billion new urban consumers of gold jewellery. In 2014, India accounted for 26.2% of the global demand of gold jewellery and bars and coins (Source: World Gold Council.

Indian consumers have an affinity for gold that emanates from various social and cultural factors. Furthermore, the low level of financial inclusion and poor access to financial products and services make gold a safe and attractive investment proposition. Gold Loans in India, have largely been concentrated in southern India, which holds the largest proportion of India's gold portfolio, and is typically more open to borrowing against gold as compared to consumers in the northern and western regions of India. *(Source: Report of the Working Group to Study the Issues Related to Gold Imports and Gold Loans NBFCs in India, February 2013)*




## Gold Demand in India:

**Continued growth:** Despite several import related curbs during 2013, gold demand remained buoyant, with a full-year total of 975 tons compared to 864 tons in 2012. The World Gold Council estimates that unofficial imports almost doubled compared with 2012, to compensate for the decline in official imports. The demand declined by 14% in 2014 at 843tons , inspite of increase in gold jewellery demand segment by 8% , due to fall in demand for gold bars and coins by 50%*( (Source: World Gold Council)*

**South India constitutes the largest market for gold**: Southern India has been the largest market accounting for approximately 40% of the gold demand, followed by the western region at approximately 25%, the northern region at 20-25%, and the eastern region at approximately15% of India's annual gold demand. *(Source: Report of the Working Group to Study the Issues Related to Gold Imports and Gold Loans NBFCs in India, February 2013)*

**Demand is further concentrated in rural pockets of India**: Rural India is estimated to hold around 65% of total gold stock as this section of the population views gold as a secure and easily accessible savings vehicle along with its consumption purpose. *(Source: Report of the Working Group to Study the Issues Related to Gold Imports and Gold Loans NBFCs in India, February 2013).*

In addition to a growing organized Gold Loans market in India, there is a large long-operated, unorganised Gold Loans market which includes numerous pawnbrokers, money lenders and cooperative societies, operating primarily in rural areas of India, and providing loans against jewellery to families at interest rates in excess of 30%. These operators have a strong understanding of the local customer base and offer an advantage of immediate liquidity to customers in need, without requiring elaborate formalities and documentation.
The southern region of India accounts for the largest share of the Gold Loans market in India. It was also realized that there is potential to expand gold loans market to the Northern and Western regions of India, provided the branch network is expanded and the loans are available easily with flexible options. Several large finance companies started expanding their branches in these regions and the response appears to be favourable.
*(Source: Report of the Working Group to Study the Issues Related to Gold Imports and Gold Loans NBFCs in India, February 2013).*

i. **Regulatory incentives to lenders**: RBI in January 2014, released regulation, mandating 75% loan to value (LTV) cap (an increase from the 60% LTV cap mandated in September 2013 and which gold loan NBFCs were yet to implement). Revised **LTV** of 75% would provide a level-playing field to gold loan NBFCs compared with banks and lowers the risk of competition and loss of market share.

ii. **Increasing need for liquidity:** As gold loans are issued solely on the basis of gold jewellery as collateral, the high growth rates observed for gold loans in recent years could be reflecting the emergence of a liquidity motive apart from the conventional saving motive to acquire gold. The rapid growth in gold loans in recent years indicates unleashing the latent demand for liquidity from significant proportion of the population who faced severe borrowing constraints in the past. *(Source: Report of the Working Group to Study the Issues Related to Gold Imports and Gold Loans NBFCs in India, February 2013).*

iii. **Changing consumer attitudes and preferences:** Indian customers have demonstrated a change in their traditionally debt-averse psychology. A quiet swing in savings from financial products to assets, showing propensity for further growth, is visible in the Indian economy. *(Source: Report of the Working Group to Study the Issues Related to Gold Imports and Gold Loans NBFCs in India, February 2013).*

## Growth and Size of the Organised Gold Loan Market (FY12-15):

During the last three years FY12-15, gold loans market has experienced a significant slowdown, with a marginal annual growth of 4 per cent during the period. The total gold loan portfolio in FY15 is estimated at Rs. 1,350 billion. During this period, market was hit by series of adverse events which include stricter RBI regulations, funding constraints and slowdown in expansion plans of NBFCs, exit of several new entrants from the market and a decline in gold prices

## Competition:

### Specialised Gold Loan NBFCs lose ground to banks, but regain share in FY15

During the last three years, Specialised Gold Loan NBFCs lost significant market share to public sector banks and the unorganised sector. The market share of Specialised Gold NBFCs came down to 31 per cent in FY13 from a high of 36.5 per cent in FY12 and further declined to 27.6 per cent in FY14. The phase marked a turbulent period for Specialised Gold Loans NBFCs as they struggled to come to terms with the changed regulatory environment. The NBFCs focussed and spent their resources in consolidating their operations, diversifying their risks, improving productivity from their existing branch network and managing/retaining their employees. As a result, they could regain some of their lost ground in FY15 with a market share of 29.4per cent and are now poised for a healthy growth as they enter into a stable regulatory regime.

*(Source: IMaCS Industry Report 2015)*

New NBFC entrants into the market were the worst affected by the regulatory uncertainty and their inability to manage their asset quality in the scenario of declining gold prices. Several players exited the market while a few others significantly reduced their exposure in the segment. *(Source: IMaCS Industry Report 2015)*

## Banks could not capture and hold much of the ground vacated by the Gold Loan NBFCs.:

Banks held a competitive advantage vis-à-vis NBFCs during the period FY13-15. They could grow at a much faster pace than that of NBFCs in FY13 and FY14. However, they could not sustain the rate of growth and expansion owing to concerns related to asset quality on account of the decline in gold prices.

*(Source: IMaCS Industry Report 2015)*

Public Sector Banks were a significant beneficiary of the decline in the growth of NBFCs, and they could increase their market share from 35 per cent in FY12 to 44 per cent in FY15. However, barring FY13, when their total portfolio grew by 43 per cent, their portfolio in absolute terms was almost stagnant during the period FY13-15, thus demonstrating that they could not attract and retain any significant number of gold loan customers from specialized gold loan NBFCs during this period.

Similarly, Private Sector Banks could not capitalize the opportunity available from a retreat of NBFCS, thus reflecting their inadequate focus and lack of ability to take larger exposure in the gold loans sector. After an initial growth of 23 per cent in the FY13, the portfolio of these banks declined by around 5 per cent during FY13-15.

Similar to new NBFC entrants, new private sector banks that entered the gold loans segment also reduced their focus on the segment. During this phase, the relative inexperience of the new entrants to operate in the gold loans segment was exposed.

Going forward, the strategic stance of each category of gold loans provider will depend on its focus, specialised capabilities to operate in the segment and the regulatory environment impacting their operations.
*(Source: IMaCS Industry Report 2015)*

It can be concluded that competition for Specialised Gold Loan NBFCs can be expected to be subdued in the medium term and they would get adequate opportunity to regain a part of their lost market share. With a reversal in gold loan prices and concerns on asset quality, new bank and NBFC entrants into the market are expected to be cautious and go slow in the segment. South Based Private sector banks are already high on their exposure in the gold loan segment. High exposure to gold loans coupled with declining gold loan prices and low expected growth in overall balance sheet, these banks are expected to reduce or restrict their overall gold loan exposure. Hence, the real competition for Specialised Gold Loan NBFCs is limited and is primarily from South India based public sector banks. Again, these banks are not expected to eye aggressive growth in the medium term with concerns emanating from falling asset prices along with RBI directives on stricter monitoring on end-use of agricultural loans including agricultural gold loans. *(Source: IMaCS Industry Report 2015)*

## Outlook of the Gold Loans Market in India:

Going forward, the gold loans market is expected to regain some of its lost sheen even as the growth rate is expected to be much slower than that experienced during the period of rapid expansion (FY 07 -12). The organised gold loans market is expected to grow at the rate of 13 -15 per cent over the next 3years to reach a market size of Rs 1,900-2,100 billion in FY18. The key enabling factors are a stable and neutral regulatory regime for Specialised Gold Loan NBFCs, a reduced but sustained focus of commercial banks in the sector, successful geographical expansion of gold loans market to Non South geographies and an attractive risk adjusted returns on Gold Loans. The key risks to our growth projections remain any abrupt and large downward revision in gold prices and any further tightening of the regulatory environment for NBFCs.
*(Source: IMaCS Industry Report 2015)*

It is expected that in the medium term (for the next 2 years), Specialised Gold Loan NBFCs are well poised to grow and reclaim their lost customer base from banks and the unorganised sector. The overall regulatory environment is currently neutral for Specialised Gold Loan NBFCs and expected to continue to be stable. Further, competition from banks can be expected to be subdued as public sector banks grapple with a weak credit demand and stress in their asset quality. In this scenario, banks may avoid to increase their exposure in the gold loans segment in a scenario of downward movement of gold prices, which can give rise to default risk for banks. Going forward, the market share of gold loan NBFCs is expected to increase steadily for the next two years.

*(Source: IMaCS Industry Report 2015)*

Profitability of the Specialised Gold Loan NBFCs has been trimmed down due to muted growth, lower yields due to low LTV products and higher competition coupled with an increase in operating expense ratio due to lower productivity of their branches and employees. The NBFCs have also registered a continuous increase in their Gross and Net NPA ratios, even as the eventual losses are expected to be low due to recovery from gold auctions. Return on Assets has come down to 2.6 from 2.8 per cent of advances compared to the pre regulation RoA of 4 per cent which is comparable to returns for the banks from the sector. Going forward, the profitability of Specialised Gold Loan NBFCs is expected to be stable or improve marginally as they again target growth in volumes and improvement in their productivity and operating expense ratios.

*(Source: IMaCS Industry Report 2015)*

# NBFCs in the Indian Gold Loans market:

In the current phase of the gold loans market, traditional gold loan providers have again re-emerged at the centre of the competitive field with new entrants having retreated significantly from the sector.

*(Source: IMaCS Industry Report 2015)*

Specialised Gold Loan NBFCs have a single minded focus on the gold loan segment and view it as their bread and butter segment. This unified focus has enabled these NBFCs to develop processes and systems tailored for catering to the gold loans segment which is small ticket size, requires quick turnaround and demands expertise in a host of operational aspects such as valuation of gold, safeguarding the pledged gold and ability to recover adequate value on gold auctioned to contain any possible credit losses. One of the key strategic initiatives that has strengthened the position of specialised NBFCs is that they have managed to capture a significant proportion of the Non South gold loans market in India, where the competition is negligible from other categories of lenders.

*(Source: IMaCS Industry Report 2015)*

The competitors to Specialised Gold Loan NBFCs have been South based private sector banks which have a strong presence in the target customer segments of the Specialised Gold Loan NBFCs. As reflected in their portfolio composition, almost 60-85 per cent of their gold loan portfolio goes to the non priority sector, which is defined as loans against pledge of gold ornaments for non -agricultural purposes in sectors that do not fall within the definition of priority sector lending. For these banks, gold loans have been an integral part of their product offerings. However, despite being a core offering, their focus and growth in the segment has been restricted by multiple factors such as priorities of the bank and focus on other segments, growth in overall balance sheet and inability to grow their exposure to a single segment beyond a limit.

*(Source: IMaCS Industry Report 2015)*

# OUR BUSINESS

## Overview:

We, **Achiievers Finance India (P) Ltd (formerly known as ISPL)**, are a “Non-Deposit Taking NBFC” (NBFC-ND) headquartered at Kolkata in the State of West Bengal. We focus on Gold Loan Finance. We are a group company of Achiievers Equities Ltd (“**AEL**”), a diversified financial services company. We started our gold financing company in Kolkata, India. Our first branch opened on 10th of July 2013 and currently we are having 7 Branches. We provide personal loans, secured by gold jewellery, or Gold Loans, primarily to individuals who possess gold jewellery but are not able to access formal credit within a reasonable time, or to whom credit may not be available at all, to meet unanticipated or other short-term liquidity requirements.

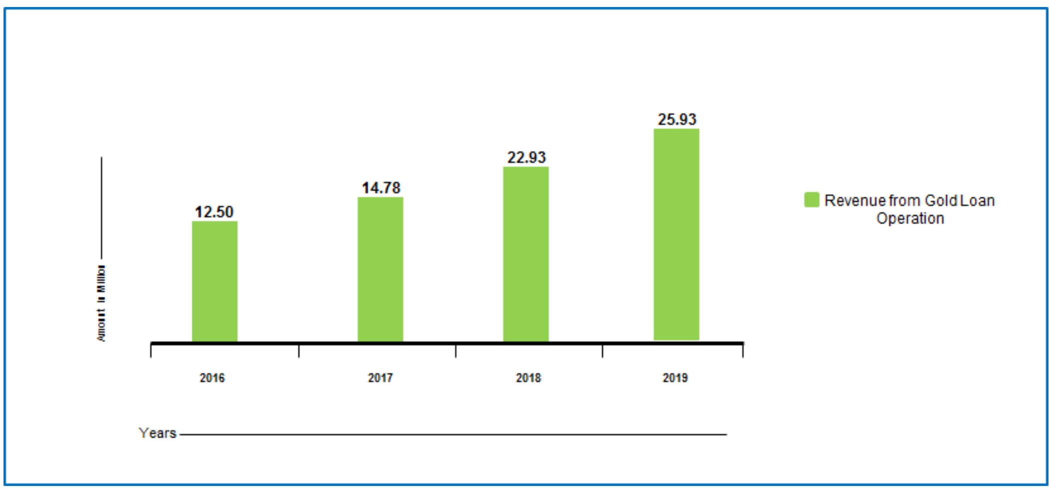
- ***Gold Loans,*** which includes finance against security of mainly used gold ornaments.

Our customers are typically small businessmen, vendors, traders, farmers and salaried individuals, who for reasons of convenience, accessibility or necessity, avail of our credit facilities by pledging their gold jewellery with us rather than by taking loans from banks and other financial institutions. We provide retail loan products, primarily comprising Gold Loans. Our Gold Loans have a maximum 12 month term. Our average disbursed Gold Loan amount outstanding was about Rs 23,000 per loan account as of Mar 31, 2019.

Our group company, Achiievers Equities Ltd (**AEL**) is a financial services organization having presence across India. AEL Group’s services and products include retail broking, institutional equities, commodities and currency broking, wealth advisory, credit & finance, insurance broking, and financial products distribution. The product/ services portfolio of AEL caters to the diverse investment and strategic requirements of retail, institutional, corporate and affluent clients. AEL is operating with 300+ Business Associates (franchisees) throughout India. The current operations are spread across India, with offices in eastern and northern zone. It operates with the network of 350+ trading centers throughout India and all these activities are coordinated from corporate office located at Kolkata, West Bengal.

Over the past several years, we have expanded our presence into markets that are of greater relevance to the products we offer.

The RBI amended the Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (“**RBI Prudential Norms Directions 2007**”) March 2012 making it compulsory for NBFCs to maintain a loan to value LTV ratio to upto 75 percent for loans against the collateral of gold jewellery from the present limit of 60 percent with immediate effect, as per RBI circular dated Jan 8, 2014 and to disclose in their balance sheet the percentage of such loans to their total assets. The RBI has also reviewed its guidelines on the Fair Practice Code for all NBFCs, which among other things, cover general principles relating to adequate disclosures on the terms and conditions of loans the manner of disbursement of loans, including any change in their underlying terms and conditions, procedure for determining interest rate for such loans and adopting non-coercive recovery methods. These amendments further require NBFCs engaged in extending loans against jewellery to put in place adequate internal policies to ensure, among other things, proper assessment procedures for the jewellery received as collateral, internal control mechanisms for ascertaining the ownership of gold jewellery, procedures in relation to storage and safeguard and insurance of gold jewellery and adequate measures for prevention of fraudulent transactions.




**Revenue from Gold Loan Operation**

As of March 31, 2019 our portfolio of outstanding gross Gold Loans under management was 110 million and Approximately 62 kg of gold jewellery was held by us as security for our Gold Loans.

For the years ended March 31, 2017, 2018 and 2019 our revenue from Gold Loan operation was Rs.14.78 million, Rs.22.93 million, and Rs.25.93 million respectively, demonstrating an annual growth rate of 55% and 13.00% in the year 2018 and 2019 respectively. For the years ended March 31, 2017, 2018 and 2019 our profit after tax was Rs.2.22 million, Rs.2.60 million and Rs.3.41 million respectively, demonstrating an annual growth rate of 18 % and 31% in the year 2018 and 2019 respectively. As of March 31, 2018 and 2019 our net worth was 54 million and 56 million respectively.

# Competitive Strengths:

## Market positioning in the Gold Loan business in India and branch network

Gold loans is the core products in our asset portfolio. We believe that our experience, through our Promoters, will become one of the leaders in the Gold Loan business in India. Highlights of our market position include the following:

Our presence in under-served rural and semi-urban markets. A large portion of the rural population has limited access to credit either because of their inability to meet the eligibility requirements of banks and financial institutions or because credit is not available in a timely manner, or at all. We have positioned ourselves to provide loans targeted at this market.

We offer products with varying loan amounts, advance rates (per gram of gold) and interest rates. The maximum and average maturity of our loan product is 12 months and approximately 3 to 6 months, respectively. Our average disbursed Gold Loan amount outstanding was Rs 23,000 (approx) per loan account as of Mar 31, 2019 while interest rates on our Gold Loans usually range between 12.00% and 28.00% per annum

## Strong brand name, track record, management expertise and Promoter support

We believe that the experience, skills and goodwill acquired by our Promoters over these years cannot be easily replicated by competitors. We have a highly experienced and motivated management team that capitalizes on this heritage at both the corporate and operational levels. A strong brand name has contributed to our ability to earn the trust of individuals who entrust us with their gold jewellery, and will be key in allowing us to expand.

## High-quality customer service and robust operating systems

We adhere to a strict set of market survey and location guidelines when selecting branch sites to ensure that our branches are set up close to our customers. We provide our customers a clean and secure environment to transact their business with us. In addition to the physical environment, it is equally important to have professional and attentive staff at both the branch level and at our centralized customer support centers. Although disbursement time may vary depending on the loan ticket size and the number of items pledged, we usually disburse an average loan ticket size of Rs 23,000 within five minutes to repeat customers from the time the gold is tendered to the appraiser, except in case of first time customers where it may take up to half an hour for carrying out one-time-compliance with the KYC norms. Furthermore, since our loans are all over-collateralized by gold jewellery, there are minimal documentary and credit assessment requirements, thereby shortening our turnaround time. We believe our high quality customer service and short response time are significant competitive strengths that differentiate our services and products from those provided by commercial banks.

### In-house training capabilities to meet our branch expansion requirements

Assessing gold jewellery quickly is a specialized skill that requires assessing jewellery for gold content and quality manually without damaging the jewellery. We train new employees in appraisal skills, customer relations and communication skills. We believe that our in-house training has built up a talent pool that enables us to staff new branches with qualified and skilled personnel as we seek to grow our branch network.

## Our Strategies:

Our business strategy is designed to capitalize on our competitive strengths and enhance our market position. Key elements of our strategy include:

### Expand branch network and visibility to maintain position

We intend to continue to grow our retail loan portfolio by expanding our network through the addition of new branches. In order to optimize our expansion, we carefully assess potential markets by analyzing demographic, competitive and regulatory factors, site selection and availability, and growth potential. At the core of our branch expansion strategy, we expect to penetrate new markets and expand our customer base to include customers who otherwise would rely on the unorganized sector. Moreover, our ethics, values and goodwill, which have established our strong brand, will continue to be important factors in our expansion. In addition to increasing the visibility of our brand by sponsoring events and publicity, we will continue to build trust among our customers and enhance our brand with quality services and safety and security of our customers' collateral.

## Target new customer segments

The market for our loan products was traditionally confined to lower and middle income groups, who viewed Gold Loans as an option of the last resort in case of emergency. We intend to undertake sustained marketing efforts to diminish the stigma attached to pledging gold jewellery in India. We plan to work to position Gold Loans as a “lifestyle product” and expand our customer base to include upper-middle income and upper income groups. We intend to emphasize our Gold Loan products' key advantages of expediency and minimal documentation, and alter the image of Gold Loans from an option of the last resort to an option of convenience.

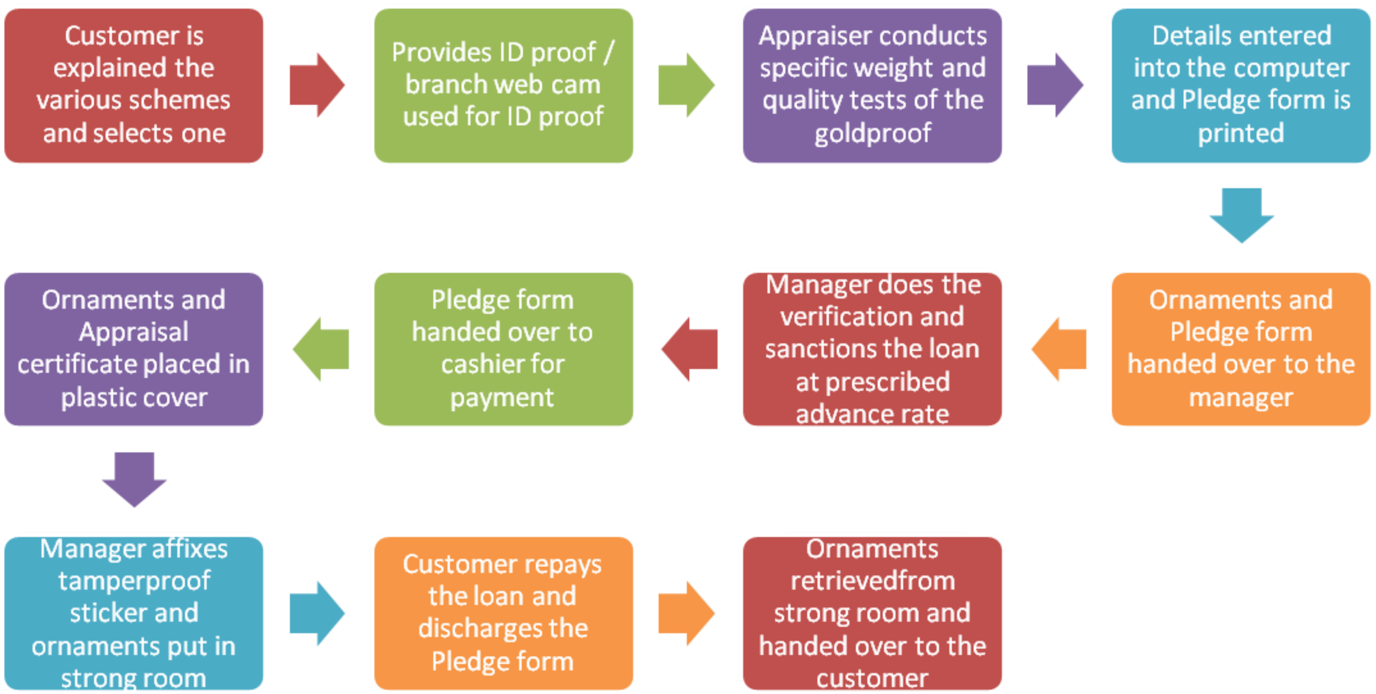
## Access to low-cost and diversified sources of

We source our funds for our Gold Loan business primarily from private placements, and planning to source from secured and unsecured credit facilities from banks and other financial institutions. We intend to keep the levels of our capital adequacy ratios in excess of regulatory requirements and strengthen our balance sheet with a view to have access to other sources of low-cost funds.

## Strengthen our operating processes and risk management systems

Risk management forms an integral part of our business as we are exposed to various risks relating to the Gold Loan business. The objective of our risk management systems is to measure and monitor the various risks we are subject to and to implement policies and procedures to address such risks. We intend to continue to improve our operating processes and risk management systems that will further enhance our ability to manage the risks inherent to our business. For example, we have been installing offsite surveillance cameras in all our branches, and intend to implement this across our branch network. Furthermore, we intend to continue to train existing and new employees in appraisal skills, customer relations, communication skills and risk management procedures to enable replication of talent and ensures smooth transition on employee attrition, update our employees with latest developments to mitigate risks against frauds, cheating and spurious gold and strengthen their gold assessment skills.

## Gold Loan Business:




Our core business is disbursement of Gold Loans, which are typically small ticket loans collateralized by gold jewellery. As of Mar 31, 2019, we have disbursed Gold Loan of more than 566 million and currently having an AUM (Outstanding Gold Loan) of more than INR 100 million. Our retail loan portfolio earned, on an average, interest of 1.98% per month, or 23.76% per annum.

## Loan disbursement process:

The principal form of collateral accepted by us is gold jewellery. The amount that we finance against the security of gold jewellery is typically based on the value of the jewellery. We value the gold jewellery brought by our Gold Loan customers based on our centralized policies and guidelines, including policy on fixing interest rates. In terms of the extant RBI guidelines, we currently lend up to 75.00% of the value of the jewellery. We appraise the jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. Our Gold Loans are therefore well collateralized because the actual value of the collateral in all cases will be higher than the underlying loan value at the time of loan disbursement.

The amount we lend against an item and the total value of the collateral we hold fluctuates according to the gold prices. However, an increase in gold price will not result automatically in an increase in our Gold Loan portfolio unless the per gram rate are revised by our corporate office. Similarly, since adequate margins are kept at the time of disbursement of loan, a decrease in the price of gold has little impact on our interest income from our existing loan portfolio. However, a sustained decrease in the market price of gold can cause a decrease in the size of our loan portfolio and our interest income.

We rely on the disposition of collateral to recover the principal amount of an overdue Gold Loan and the interest due thereon. We also have recourse against the customers for the gold loans taken by them. Since the disbursement of loans is primarily based on the value of collateral, the customer's creditworthiness is not a factor in the loan decision. However, we comply with KYC norms adopted by the Board and require proof of identification and address proof which are carefully documented and recorded. We also photograph customers with web-cameras installed in our branches.

All our Gold Loans have a maximum 12 month term. However, customers may redeem the loan at any time, and our Gold Loans are generally redeemed between 90 and 180 days. Interest is paid only when the principal is repaid. In the event that a loan is not repaid on time and after providing due notice to the customer, the unredeemed collateral is disposed of in satisfaction of the principal and all interest charges. In general, collateral is disposed of only when the recoverable amount is equal to or more than the realizable value of the collateral.

# Loan appraisal process:

Our Gold Loan approval process is generally linked with the appraisal of gold jewellery that serves as collateral, which takes only few minutes. Each of our branches is staffed with persons who have been trained and have experience in appraising the gold content of jewellery. The appraisal process begins with weighing the jewellery using calibrated weighing machines. Jewellery is then subject to prescribed primary tests for the quality of gold, including stone tests and acid tests, followed by additional tests, if required, such as salt tests, sound tests, weight tests, pointed scratching tests, flexibility tests, color tests, smell tests, usability tests, magnifying glass tests and finishing tests. Once the jewellery passes these tests, loans are disbursed based on the rates per gram of gold approved by the corporate office. Although disbursement time may vary depending on the loan ticket size and the number of items pledged, we usually are able to disburse an average loan ticket size of Rs 23,000 in five minutes to repeat customers from the time the gold is tendered to the appraiser, except in case of first time customer where it may take up to half an hour for carrying out one-time-compliance with the KYC norms. While our customers are provided the option to accept loan disbursements in cash or by cheque, almost all of our customers prefer disbursements in cash.

At the time of disbursement, an undertaking is signed by the customer. It states the name and address of our Company's relevant branch office and the customer, a detailed description of the gold jewellery provided as collateral, the amount of the loan, the interest rate, the date of the loan, and other terms and conditions.

Where the responsibility for compliance with applicable law relating to loan appraisal and disbursement lies with us, we are in compliance with the IT Act and other related provisions.

# Post-disbursement process:

## Custody of gold collateral

The pledged gold jewellery is separately packed by the staff of the branch, and then placed in a polythene pouch with the relevant documents on the loan and the customer and stored in the safe or strong room of the branch.

The safes and strong rooms in which the gold jewellery is kept are built as per industry standards and practices. The strong rooms are vaults with reinforced concrete cement structures. Currently, almost all of our branches are using strong rooms.

## Inventory control

The pledged gold jewellery packed in pouches is identified by loan details marked on the cover. Tamper proof stickers are affixed on the jewellery packets to ensure inventory control. Additional stickers are used to seal packets by persons examining packages subsequently, including our internal auditors

## Branch security and safety measures

Ensuring the safety and security of the branch premises is vital to our business since our cash reserves and gold inventory are stored in each branch. Our branch security measures mainly comprise the following:

## Burglar alarms

Burglar alarms are installed in all branches.

## Security guards

Security guards are deployed in branches where management perceived there to be heightened security risks.

## Release of the pledge:

We monitor our gold loan accounts and recovery of dues on an ongoing basis. Once a loan is fully repaid, the pledged gold jewellery is returned to the customer. When a customer does not repay a loan on or before its maturity, we initiate the recovery process and dispose of the collateral to satisfy the amount owed to us, including both the principal and the accrued interests. Before starting the recovery process, we inform the customer through registered letters or legal notices.

When a loan is repaid, we give the customer an option to pledge the security again and obtain another loan. The procedure of re-pledging entails the same procedure as that of a pledge and is accompanied by the same mode of documentation that a pledge entails. If the loan is not repaid when the loan falls due, we are able to sell the gold collateral in satisfaction of the amount due to us.

We also reserve the right to sell the collateral even before a loan becomes past due in the event the market value of the applicable of the portion of the underlying collateral is less than amounts outstanding on the loan, after serving notice to the customer.

## Other Business Initiatives:

We provide fee based services including

### Money Transfer Services:

In terms of applicable law governing the provision of money transfer services in India, as a sub-agent, our Company is not required to obtain any regulatory approvals for engaging in such business.

### Customer Service:

A customer relations department which provides support over the phone servicing the needs of our customers.

## Marketing, Sales and Customer Care:

Our marketing and sales efforts centers around promoting our brand and positioning Gold Loans as a "lifestyle product". In promoting our brand, our campaigns focus other concept of "gold power" to differentiate our products from other financial institutions and stress the convenience, accessibility and expediency of Gold Loans. We also work to position Gold loans as a "lifestyle product" because the market for Gold Loans was traditionally confined to lower and middle income groups, who viewed such loans as an option of the last resort in case of emergency. We have implemented aggressive marketing strategies to diminish the stigma attached to pledging gold jewellery. Furthermore, we target our efforts at small businessmen, vendors, traders and farmers, who may require credit on a regular basis.

In addition, we carry out advertising campaigns with TV ads, print ads and road shows to increase the visibility of our brand and our Gold Loans products.

# Future Expansion:

We have expanded by establishing new locations, and our business strategy is to leverage our extensive experience in disbursing gold loans in eastern India to continue expanding our lending business within our existing geographic markets and into other markets that meet our risk/reward considerations.

Our Board believes that such expansion will continue to provide economies of scale in supervision, administration and marketing by decreasing the overall average cost of such functions per branch. By concentrating on multiple lending units in regional and local markets, we seek to expand market penetration, enhance brand recognition and reinforce marketing programs.

We are targeting to have 50 branches by next 3 years. A new branch can be ready for business within four to six weeks. The construction of a new location involves construction of secured counters and installation of strong rooms or safe and security systems. Our branches are generally established on leased premises, thus requiring a lower set-up cost. The set-up cost required for furnishing the premises and purchasing equipment generally ranges between Rs 0.50 million to Rs 1.50million.

# Asset Quality:

The Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007 ("**Prudential Norms Directions**") prescribed by the RBI require us to observe the norms on classification of our assets, treatment of a NPA and provisioning against the NPA.

# Asset Classification:

Set out below are the RBI Guidelines for asset classification:

| Asset classification | The RBI Guidelines |
|---|---|
| Standard Assets | An asset in respect of which no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business. |
| Sub-standard Assets | Means:<br>(a) an asset which has been classified as non-performing asset for a period not exceeding 18 months;<br>(b) an asset where the terms of the agreement regarding interest and / or principal have been renegotiated or rescheduled or restructured after commencement of operations, until the expiry of one year of satisfactory performance under the renegotiated or rescheduled or restructured terms. Provided that the classification of infrastructure loan as a sub-standard asset shall be in accordance with the provisions of the relevant guidelines. |
| Doubtful Assets | Means:<br>(a) a term loan, or<br>(b) a lease asset, or<br>(c) a hire purchase asset, or<br>(d) any other asset,<br>which remains a sub-standard asset for a period exceeding 18 months. |
| Loss Assets | Means:<br>(a) an asset which has been identified as loss asset by the non-banking financial company or its internal or external auditor or by the Reserve Bank of India during the inspection of the non-banking financial company, to the extent it is not written off by the non-banking financial company; and<br>(b) an asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower. |

## Provisioning and Write-offs:

Statutory provisions are required to be made in respect of Sub-standard, Doubtful and Loss Assets as per RBI directives. The Board of Directors has approved a policy for making provisions against loans in default faster than that prescribed by RBI and we may make further provisions if we determine that it is prudent for a known and identified risk.

Given below is a description of the RBI Guidelines on provisioning and write-offs:

- Loss assets: The entire asset shall be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding should be provided for.

- Doubtful assets:
  (a) 100% provision to the extent to which the advance is not covered by the realisable value of the security to which the non-banking financial company has a valid recourse shall be made. The realisable value is to be estimated on a realistic basis;
  (b) In addition to item (a) above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion (i.e. estimated realisable value of the outstanding) shall be made on the following basis:

| Period for which the asset has been considered as doubtful | % of provision |
|---|---|
| Up to one year | 20 |
| One to three years | 30 |
| More than three years | 50 |

- Sub-standard assets: A general provision of 10% of total outstanding shall be made.

- Provisioning of Standard Assets: In terms of the requirement of the circular dated January 17, 2011 issued by the RBI, our Company is also required to make a general provision at 0.25 per cent of the outstanding standard assets. The provisions on standard assets are not reckoned for arriving at net NPAs. The provisions towards standard assets are not needed to be netted from gross advances but shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet. In terms of the aforementioned

RBI requirements, our Company is allowed to include the 'General Provisions on Standard Assets' in Tier II capital which together with other 'general provisions/ loss reserves' will be admitted as Tier II capital only up to a maximum of 1.25 percent of the total risk-weighted assets.

Given below is a description of our internal guidelines on provisioning and write-offs:

An account moves into non-accrual (of income) when it reaches 90 Days past due date ("DPD"), expect for gold loans where an account moves into non-accrual (of income) when it reaches 180 Days past due date. Interest accrued but not earned is reversed at this stage. The mortgage provisioning and write-off policy is as follows:

| Delinquency stage | Action |
|---|---|
| 180 DPD | ▪ Fresh appraisal done<br>▪ Write Down 10% of **Principal Outstanding ("POS")** or write down to 90% of Quick Sale Value (QSV) whichever rule requires a higher write-off |
| 360 DPD | ▪ Additional 10% of POS (total write-off at this stage is 20% of POS or write down to 80% of QSV whichever rule requires higher write-off) |
| 720 DPD | ▪ Additional 25% of POS (total write-off at this stage is 45% of POS or write down to 55% of QSV whichever rule requires higher write-off) |
| 1080 DPD | ▪ Additional 25% of POS (total write-off at this stage is 70% of POS or write down to 30% of QSV whichever rule requires higher write-off) |
| 1440 DPD | ▪ Balance 30% of POS (total write-off at this stage is 100% of POS or write down to 0% of QSV whichever rule requires higher write-off) |

In case of un-secured loans, the outstanding amount above 180 days is written off.

## Non-performing Assets (NPAs):

Based on the existing RBI guidelines for asset classification, details of the classification of our gross NPAs as of March 31, 2019 are nil:

1. Sub-standard assets are assets which have been classified as an NPA for a period of 18 months or less, or where the terms of the agreement regarding interest and/or principal have been renegotiated or

rescheduled or restructured after commencement of operations until the expiry of one year of satisfactory performance under the renegotiated or rescheduled or restructured terms.

2. Doubtful assets are assets which have been classified as an NPA for a period exceeding 18 months.

3. Loss assets mean (a) assets which have been identified as a loss asset by us or our internal or external auditor or by the RBI to the extent that they are not written-off by us; and (b) assets which are adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security, or due to any fraudulent act or omission on the part of the customer.

## Provisioning policy:

Our provisioning in respect of our NPA accounts is in accordance with the norms prescribed by the RBI, with emphasis on the realizable value of the security and the period of overdue payments.

Statutory provisions are required to be made in respect of standard, sub-standard, doubtful and loss assets as per RBI directives. Set out below is a brief description of applicable RBI guidelines on provisioning and write-offs for loans, advances and other credit facilities including bills purchased and discounted:

**Standard assets:** A general provision of 0.25% of the total outstanding assets classified as standard assets is required to be made. Provision for standard assets in excess of the prudential norms, as estimated by the management, is set out under Provision for Standard Assets, as general provisions.

**Sub-standard assets:** A minimum general provision of 10% of the total outstanding assets classified as sub-standard assets is required to be made.

**Doubtful assets:** 100% provision to the extent to which the advance is not covered by the realizable value of the security to which the NBFC has a valid recourse is required to be made. The realizable value is to be estimated on a realistic basis. In addition to the foregoing, depending upon the period for which the asset has remained doubtful, provision is required to be made as follows:

- if the asset has been considered doubtful for up to one year, provision to the extent of 20% of the secured portion is required to be made;

- if the asset has been considered doubtful for one to three years, provision to the extent of 30% of the secured portion is required to be made; and

- if the asset has been considered doubtful for more than three years on or after April 01, 2010, provision to the extent of 100% of the secured portion is required to be made.

**Loss assets:** The entire asset is required to be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding assets classified as Loss assets should be provided for.

## NPA Recovery:

Our credit department assigns interest collection targets for each branch, reviews performance against targets, makes visits to the branches, and advises on timely corrective measures and repossession action. We also have procedures in place to penalize branches for loans overdue beyond three months. We maintain strict control over recovery procedures followed in our various branches by linking employee compensation to the performance of the branch (loans disbursed, NPA levels, etc.,) in which the employee is working. Once repossession is advised by our credit department, we conduct public auctions of the jewellery collateral after serving requisite legal notices.

## Capital Adequacy Ratio:

We are subject to the capital adequacy requirements of the RBI. With effect from April 01, 2010, RBI has increased the minimum capital adequacy ratio to 12% and to 15% from March 31, 2011. We maintain a capital adequacy ratio above the minimum levels prescribed by the RBI. The RBI has recently amended RBI Prudential Norms Directions 2007. Pursuant to the amendments, our Capital Adequacy Ratio is well above the minimum 15% stipulated by the Reserve Bank of India (RBI).

## Treasury Operations:

Our treasury department undertakes liquidity management by seeking to maintain an optimum level of liquidity and monitors cash and bank balances. The objective is to ensure the sufficient cash reserves at all our branches while at the same time avoid holding cash in excess of what may be required in the ordinary course. Since almost all disbursements are made in cash, we maintain an average of Rs 0.50 million in cash across our branches. We monitor cash and balances on daily basis using our management information systems, and have arrangements with various banks for the transfer of bank balances between locations. Cost of movement of cash also is taken into consideration while deciding optimum cash levels.

## Risk Management:

Risk management forms an integral element of our business strategy. As a lending institution, we are exposed to various risks that are related to our gold lending business and operating environment. Our objective in our risk management processes is to appreciate measure and monitor the various risks we are subject to and to follow the policies and procedures to address this risks.The major types of risk we face are collateral risk, operational risk, liquidity risk and market risk (which includes interest rate risk).

## Collateral risk:

Collateral risk arises from the decline in the value of the gold collateral due to fluctuation in gold prices. This risk is in part mitigated by the 25% margin retained on the value of jewellery for the purpose of calculation of the loan amount. Further, we appraise the jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of the collateral falls below the value of the repayment amount. A sporadic decrease in gold prices will not lower income of our Gold Loans significantly on account of our adequate collateral security margins.

## Credit risk

Credit risk is the possibility of loss due to the failure of any counterparty to abide by the terms and conditions of any financial contract with us. We aim to reduce credit risk through a rigorous loan approval and collateral appraisal process, as well as a strong NPA monitoring and collection strategy. This risk is diminished because the gold jewellery used as a collateral for our loans can be readily liquidated, and there is only a remote possibility of recovering less than the amounts due to us in light of the 25.00% margin retained on the value of the gold jewellery collateral.However, a sustained decrease in the market price of gold can cause a decrease in the size of our loan portfolio and our interest income.

## Operational risk:

Operational risk is broadly defined as the risk of direct or indirect loss due to the failure of systems, people or processes, or due to external events.

We have instituted a series of checks and balances, including an operating manual, and both internal and external audit reviews. Although we disburse loans in very short periods of time, we have clearly defined appraisal methods as well as KYC compliance procedures in place to mitigate operational risks. Any loss on account of failure by employees to comply with defined appraisal mechanism is recovered out of their variable incentive. We also have detailed guidelines on movement and security measures of cash or gold. We have also introduced centralized software which automates inter- branch transactions, enabling branches to be monitored centrally and thus reducing the risk of un-reconciled entries. In addition, we are in the process of installing surveillance cameras across our various branches, and subscribe to insurance to cover employee theft or fraud and burglary. Our internal audit department and our centralized monitoring systems assist in the management of operational risk.

## Market risk:

Market risk refers to potential losses arising from the movement in market values of interest rates in our business. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and to reduce our exposure to the volatility inherent in financial instruments. The majority of our borrowings, and all the loans and advances we make, are at fixed rates of interest. Our interest rate risk is therefore minimal at present.

## Liquidity risk:

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal costs to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalize on opportunities for business expansion. An Asset and Liabilities Committee ("**ALCO**") meeting is held regularly to review the liquidity position based on future cashflow. In addition, we also track the potential impact of prepayment of loans at a realistic estimate of our near to medium-term liquidity position. We have developed and implemented comprehensive policies and procedures to identify, monitor and manage liquidity risks. The nature of our business is such that our source of funds (proceeds from the issue of debentures of term loans) has longer maturities than the loans and advances we make, resulting in low liquidity risk in our operations.

## Business cycle risk:

Business cycle risk is the risk associated with the seasonal or cyclical nature of a business. As our customers include both individuals and business and our loan products are used by customers in various industries, trade cycles have limited impact on our business. Furthermore, the geographic spread of our branches will allow us to mitigate the cyclical pressures in the economic development of different regions.

## Asset and Liability Management:

ALCO monitors and manages our asset and liability mix. Most of our liabilities are short-to-medium-term and assets are short-term. We may in the future decide to pursue loan products with longer term maturities. We have a structural liquidity management system which measures our liquidity positions on an ongoing basis and also scrutinizes the reasons behind liquidity requirements evolving under different assumptions. For measuring net funding requirements, we prepare regular maturity gap analyses and use a maturity ladder to calculate the cumulative surplus or deficit of funds at selected maturity dates. Based on this analysis we re-price its assets and liabilities.

## Technology:

We use information technology as a strategic tool for our business operations to improve our overall productivity and efficiency. All our branches are computerised. We believe that through our information systems which are currently in place, we are able to manage our nationwide operations efficiently, market effectively to our target customers, and effectively monitor and control risks. We believe that this system has improved customer service by reducing transaction time and has allowed us to manage loan- collection efforts better and to comply with regulatory record-keeping and reporting requirements.

## Security threats and measures:

The security threats we face can be broadly classified as external and internal threats. The principal security risks to our operations are robbery (external threat) and employee theft or fraud (internal threat). We have extensive security and surveillance systems and dedicated security personnel to counter external security threats. To mitigate internal threats, we undertake careful pre-employment screening, including obtaining references before appointment. We also have installed management information systems to minimize the scope for employee theft or fraud. We have installed surveillance cameras in our branches, which will be connected to a centrally located database and allow the corporate office to remotely monitor the branches.

To protect against robbery, all branch employees work behind wooden, glass and steel counters, and the back office, strong- room and computer areas are locked and closed to customers. Each branch's security measures include strong rooms with concrete walls, strong room door made of iron bars, burglary alarm systems, controlled entry to teller areas, and the tracking of employee movement in and out of secured areas. We provide around the clock armed security guards for all our branches.

We have an internal auditing program that includes unannounced branch audits and cash counts at randomly selected branches.

## Competition:

Gold Loan NBFCs and south based banks dominate the Gold Loans landscape. Our main competition is from Muthoot Finance Limited, Manappuram Finance Limited, Indian Bank, Indian Overseas Bank, State Bank of Travancore, various Kerala based banks, including Federal Bank, The South Indian Bank and Catholic Syrian Bank, and from other Gold Loan NBFCs, including deposit accepting NBFCs. Our Board believes that we can achieve economies of scale and increased operating efficiencies by increasing the number of branches under operation and utilizing modern point-of-sale systems and proven operating methods. We believe that the primary elements of competition are the quality of customer service and relationship management, branch location and the ability to loan competitive amounts at competitive rates. In addition, we believe the ability to compete effectively will be based increasingly on strong management, regional market focus, automated management information systems and access to capital.

# Insurance Coverage:

We maintain insurance coverage on all our assets located at our head office and on all our movable assets in branch premises owned by us against fire, earthquake and related perils. We also maintain insurance against burglaries at our head office and at our branches, and against loss by riots, strikes or terrorist activities, cash in transit and employee theft. We maintain special contingency insurance covering gold in transit, gold in branches and cash in transit against burglary. Our insurance policies are generally annual policies that we renew regularly.

# Employees:

As of Mar 31, 2019 we employed 33 persons in our operations. None of our employees is represented by a labour union, and we believe that our relations with our employees are good.

Remuneration to our employees comprises a fixed component as well as variable pay. Variable pay consists of direct incentives and shared incentives. Our direct and shared incentives are linked to performance targets being achieved by employees and branches. We have an annual performance appraisal system for all employees. Annual increments are awarded only for employees who meet minimum performance standards in their job.

# Litigation:

We have no material litigation pending against us or our Directors.

# Intellectual Property Rights:

The brand and trademark "Achiievers", as also related marks and associated logos ("**Achiievers Trademarks**") are currently registered in the name of our Company.

Our registered and corporate office is located in Kolkata.

# HISTORY AND OTHER CORPORATE MATTERS:

## Brief background of our Company and group companies

Originally established in 1996 as a private limited company under the provisions of the Companies Act, 1956, ACHIIEVERS FINANCE INDIA (P) LTD (Formerly known as ISPL), was acquired by us in 2013. It is a one of the group company of Achiievers Equities Limited (AEL), a corporate member of both The Bombay Stock Exchange (BSE) and The National Stock Exchange of India (NSE). The firm has a wide network & franchisees (Business Partners) representative offices across cities in India numbering 300 + and over 30,000 clients across the country.

The Company has obtained a certificate of registration dated 6th August, 2001 bearing registration no. B-05.04264 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934. Based on the revised regulatory framework prescribed by RBI for NBFCs, our Company was classified under the category "***Loan Company-Non Deposit Accepting***" and is a 'Non-deposit taking NBFC'.

# Registered office:

The registered office of our Company is located at:
32/A, Diamond Harbour Road, Shakherbazar, Kolkata 700008, India.

# Main objects of the Company:

We are focused on meeting specific liquidity requirements. Liquidity is the need of every individual to meet his/her obligations and our NBFC assists its clients in meeting these objectives.

The Company is engaged in the activity Gold loans, finance against security of mainly used gold ornaments.

The main objects of our Company as contained in our Memorandum of Association are:

- To carry on the business of borrowing/lending money by way of pledge, mortgage, hypothecation, charge or otherwise with or without any securities to any person, individual, body-corporate, firm, organization, authority but the company shall not carry on banking business within the meaning of Banking Regulations Act, 1949
- To carry on the business of marketing and dealing of financial products.
- To engage in micro finance activities and thereby provide financial assistance to that segment of the population belonging to the rural and urban poor so as to enable them to engage themselves in productive ventures and thus uplift their overall well being.

# Our Management

# Board of Director

Under the Articles of Association, we are required to have not less than two Directors and not more than 12 Directors. We currently have 3 Directors on the Board.

# Details relating to Directors:

| Name | Designation | Age | DIN | Nationality | Date of Appointment | Address | Other Directorships |
|---|---|---|---|---|---|---|---|
| **Suman Chakrvarty** | Managing Director | 42 | 02455554 | Indian | 7-Dec-12 | 32/A Diamond Harbour Road, Sakherbazar, Kolkata - 700 008. | Achiievers Equities Ltd<br>Achievers Commercial Private Limited<br>Achiievers Infrastruture(P) Limited<br>Achiievers Wealth Advisors (Pvt) Limited<br>R N Advisory Services Private Limited |
| **Sumana Roy** | Director | 44 | 2716200 | Indian | 7-Dec-12 | 28, Narayan Roy Road , Silpara , Kolkata - 700008 | Achiievers Equities Ltd<br>R N Advisory Services Private Limited |
| **Pradiepta S Chakrvarty** | Director | 39 | 3361548 | Indian | 13-May-19 | Block-E, Flat No. 3B, 46, diamond Harbour Road, Thakurpukur, Kolkata-700063 | Achiievers Equities Ltd |

# Profiles of Directors:

## Suman Chakrvarty

Suman Chakrvarty is a graduate in Science with MBA in Finance from ICFAI University. He has founded one of the leading financial services company in India, Achiievers Equities Ltd and has been the key architect during its initial gestation. Currently he is Managing Director and Chief Executive Officer.

With over twenty years of financial experience, he has set new standards and established niche operations to bring Achiievers Equities Ltd to a position that it has reached today. Mr. Suman Chakrvarty brings to the table strong leadership skills, vigor and a passion for excellence. He believes in nurturing a culture that is entrepreneurial, result oriented, customer focused and based on teamwork. He has given strategic direction to Achiievers Equities Ltd growth since the company incepted.

He is a frequent figure on Indian Television like Zee Business, CNBC TV18, Bloombergs TV India and several other regional language TV Channels and has written articles on financial planning and other related issue in leading newspapers, magazine and digital media. His articles regularly features on market outlook in www.moneycotrol.com, www.investmentguruindia.com, www.zeenews.india.com, www.dsij.in

Suman's work has been recognized and appreciated by leading institutions in India. He has been a guest speaker in different forums of reputed institutes like IIT Karagpur, Netaji Subhas Institute of Business Management (NSIBM), NSE and BSE, and has featured in leading financial magazines like Consultants Review, Financial Chronicle, Business Standard and First Post.He was conferred honorary degree of Doctor of Philosophy (PhD) in Management by KEISIE International University, South Korea.

Achiievers has been awarded for its performance and services to the neglected class from 24MRC in association with Bloomberg TV, IBN7, Bengal Chamber of Commerce and Karnataka Small & Business Owners Association and from many other institutes.

In the year 2013, the company diversified into secured lending business through its NBFC (Non – Banking Financial Company) arm, ACHIIEVERS FINANCE INDIA (P) LTD (Formerly known as ISPL) in the form of Gold Loan.

Within five years of operations, (Established its NBFC business in July 2013), Achiievers Quick Gold Loan has already garnered strong foothold in rural belts of West Bengal & opened up 7 Branches. With his leadership, Achiievers Quick Gold Loan has established a strategic position in the market.

Suman is a fluent orator and motivator. In his spare time, he loves to watch movies, cricket, to indulge in reading fiction / nonfiction, and unwinds by listening to any music, with old Hindi movie songs, the Beatles and Billy Joel being his favourites.

Suman visualizes to uplift the neglected by, offering complete financial solutions that encompass every sphere of life.

# Sumana Roy

Ms. Sumana Roy is the Co-Founder & Executive Director since Inception of ACHIIEVERS FINANCE INDIA (P) LTD (Formerly known as ISPL) and currently designated as Executive Director.

She started her Business Career as a Sub-broker in Kolkata since 2006. With her knowledge in the Financial Market, she is the pillar foundation on formation of Achiievers Quick Gold Loan.

Ms. Sumana Roy too has given strategic direction to the organizational growth since the company incepted. In her spare time, she loves to indulge in reading fiction.

# Pradiepta S Chakrvarty

Ms. Pradiepta S Chakrvarty, A seasoned credit administrator with over 13 years of extensive experience in Credit Management, Financial Analysis and Delinquency Management / Credit Monitoring in Financial Sector.

Excellent credit decisioning and portfolio management skills, also holds position of directorship in the leading Stock Broker Company Named Achiievers Equities Ltd, overlooking the financial operations of the company.

She was associated with leading bankers such as HDFC, ICICI, Kotak Mahindra Bank as Credit Manager (Wholesale Credit & Risk – Business Banking, Working Capital). Her experience in the financial sector would lead the company to a new height.

## Other understandings and Confirmations:

Our Directors have confirmed that they have not been identified as willful defaulters by the RBI or ECGC or any other governmental authority.

# Thank You.

**Registered Office:** 32/A, Diamond Harbor Road, Sakher Bazar, Kolkata 700008
**Contact No.:** 033 2445 6442 / 66063000 / 1860 420 3333
**Email:** gold@achieversind.com
SMS **AEL GOLD** to **56161**
**Branches:** Kakdwip, Baruipur, Thakurpukur, Canning

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