


M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022
Balance Sheet as at 31st March 2016

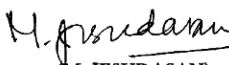
Particulars	Notes	As at 31.03.2016 Amount in ₹	As at 31.03.2015 Amount in ₹
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUND			
Share Capital	3	5,00,00,000	5,00,00,000
Reserves and Surplus	4	48,26,534	34,35,979
		5,48,26,534	5,34,35,979
NON-CURRENT LIABILITIES			
Long term borrowings	5	2,66,38,549	2,91,06,670
Deferred Tax Liability (Net)	22	2,03,973	1,30,613
Long Term Provisions	6	1,08,318	1,65,796
		2,69,50,840	2,94,03,079
CURRENT LIABILITIES			
Other Current Liabilities	7	38,04,326	2,10,10,754
Short Term Provisions	8	12,89,393	8,01,838
		50,93,719	2,18,12,592
Total		8,68,71,093	10,46,51,650
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
-Tangible Assets	9	29,75,982	14,82,988
Long Term Loans and Advances	10	63,800	93,900
Other Non-Current Assets	11	1,08,31,792	1,65,79,639
		1,38,71,574	1,81,56,527
CURRENT ASSETS			
Trade Receivables- Under Financing Activity	12	6,10,98,559	6,34,65,795
Cash And Cash Equivalents	13	85,48,591	1,98,15,861
Short Term Loans and Advances	14	26,79,760	32,13,467
Other Current Assets	15	6,72,609	0
		7,29,99,519	8,64,95,123
Total		8,68,71,093	10,46,51,650

In Accordance with our Report attached
For ANBALAGAN & CO
CHARTERED ACCOUNTANTS
FRN No: 011394S

For and on behalf of the Board of Directors


N.ANBALAGAN,
Proprietor
M.No: 019503
Place : MADURAI
Date : 30.06.2016

N.ANBALAGAN, B.A., FCA.,
CHARTERED ACCOUNTANT
No:11, SHOPPING COMPLEX
SALAI ROAD, TIRUCHIRAPPALLI-3
Cell: 93602 15739, 0431-2767084


(M. JESUDASAN)
Chairman


Dev Anokan
Director

Place : MADURAI
Date : 30.06.2016

M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022
Statement of Profit And Loss For the Period Ended 31st March 2016

Particulars	Notes	For the year ended 31.03.2016	For the year ended 31.03.2015
		Amount in ₹	Amount in ₹
INCOME			
Revenue from Operations	17	2,02,70,901	1,49,39,856
Other Income	18	10,94,088	7,09,260
TOTAL REVENUE (A)		2,13,64,989	1,56,49,116
EXPENSES			
Finance costs	19	61,90,124	34,35,154
Employee benefits expense	20	27,34,198	29,39,415
Administration expenses	21	71,52,221	66,06,108
Depreciation and amortization expense	10	4,59,933	4,69,630
Provisions for receivables under Financing Activity		4,18,849	2,16,673
Bad Debts written off		22,20,475	-
TOTAL EXPENSES (B)		1,91,75,800	1,36,66,980
Profit before exceptional and extraordinary items and tax (A) - (B)		21,89,189	19,82,136
Less: Exceptional items & Extraordinary Items		-	-
Profit before extraordinary items and tax		21,89,189	19,82,136
Less: Extraordinary items		-	-
PROFIT BEFORE TAX		21,89,189	19,82,136
Less: Tax Expenses			
(a) Current Tax		7,30,808	7,70,153
(b) MAT Credit		-	-
(c) Deferred Tax		73,360	(52,350)
(d) (Excess) Tax provision for earlier years		(5,534)	7,98,634
			1,64,029
PROFIT AFTER TAX		13,90,555	11,00,304
Earnings per share Rs. and diluted (Face value of Rs.10 each)	22	0.28	0.22

Significant Accounting Policies and Notes to Financial Statements form an integral part of the financials

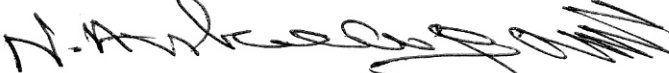
In Accordance with our Report attached


For and on behalf of the Board of Directors

For ANBALAGAN & CO

CHARTERED ACCOUNTANTS

FRN No: 011394S


N.ANBALAGAN, **N.ANBALAGAN, B.A., FCA.,**
Proprietor **CHARTERED ACCOUNTANT**
M.No: 019503 **No: 11, SHOPPING COMPLEX**
Place : MADURAI **SALAI ROAD, TIRUCHIRAPPALLI-3**
Date : 30.06.2016 **Cell: 93602 15739, 0431-2767084**


(M. JESUDASAN)
Chairman


Dev Asokan.
Director

Place : MADURAI
Date : 30.06.2016

M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax	21,89,189		19,82,136	
<u>Adjustments for:</u>				
Depreciation and amortisation	4,59,933		4,69,630	
Amortisation of Preliminary Expenses	-		51,920	
Provisions for receivables under Financing Activity	4,18,849		2,16,673	
Operating profit / (loss) before working capital changes		30,67,971		27,20,359
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	23,67,236		(3,48,17,994)	
Short-term loans and advances	5,33,707		(29,75,467)	
Long term loans and advances	30,100		12,000	
Other current assets	(12,25,010)		1,90,878	
Other non-current assets	57,47,847	74,53,880	1,84,83,542	(1,91,07,041)
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities		(32,207)		1,17,90,257
Cash flow from extraordinary items		-		-
Cash generated from operations		1,04,89,644		(45,96,426)
Net income tax (paid) / refunds		(1,61,646)		-
Net cash flow from / (used in) operating activities (A)		1,03,27,998		(45,96,426)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(19,52,927)		(3,00,377)	
Proceeds from sale of fixed assets	-	(19,52,927)	-	(3,00,377)
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) investing activities (B)		(19,52,927)		(3,00,377)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		-	
Proceeds from long-term borrowings	(1,96,42,341)		1,73,31,776	
Repayment of long-term borrowings	-		-	
Proceeds from other short-term borrowings	-	(1,96,42,341)	-	1,73,31,776
Net cash flow from / (used in) financing activities (C)		(1,96,42,341)		1,73,31,776
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(1,12,67,270)		1,24,34,972
Cash and cash equivalents at the beginning of the year		1,98,15,861		73,80,889
Cash and cash equivalents at the end of the year		85,48,591		1,98,15,861

Note:

(i) The above cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 Cash Flow Statements.

(ii) Refer Note: 13 for items included in cash & cash equivalents.

In terms of our report attached.

For and on behalf of the Board of Directors

For ANBALAGAN & CO
CHARTERED ACCOUNTANTS
FRN No: 011394S

N.ANBALAGAN,
Proprietor
M.No: 019503
Place : MADURAI
Date : 30.06.2016

N. Anbalagan
N.ANBALAGAN B.A., FCA.,
CHARTERED ACCOUNTANT
No: 11, SHOPPING COMPLEX
SALAI ROAD, TIRUCHIRAPPALLI-3
Cell: 93602 15739, 0431-2767084

M. JESUDASAN
(M. JESUDASAN)
Chairman

Place : MADURAI
Date : 30.06.2016

Dev Asokan
Dev Asokan
Director

Note No.	PARTICULARS
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1 CORPORATE INFORMATION

M/s. Virutcham Microfinance Limited is registered with the Chennai Registrar of Companies as a Public Limited Company on 8th July, 2008 vide Registration no. U65929TN2008PLC068502. The Company is holding a valid Certificate of Registration (COR) issued by Reserve Bank of India as a Non-Banking Financial Company without accepting public deposits vide certificate No. N-07-00779 dated 3rd August, 2009 and converted into NBFC-MFI with effect from 06th June, 2014.

The registered office of the company is located at Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022.

The Company is engaged in extending Micro credit to economically active persons. The Company generally provides small value collateral free loans ranging from Rs. 10,000 to 1,00,000 upto a tenor of 24 Months with Monthly repayment. The Company broadly follows the **Self-Help Group model, where each member of the group guarantees the loan repayment of the other members of the group.** All transactions are conducted in group meetings organised every Month near the habitats of the members.

The Operations of the Company is concentrated within the State of Tamilnadu.

2 SIGNIFICANT ACCOUNTING POLICIES

2.01 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013. The Company follows the directions prescribed by the Reserve Bank of India (RBI) for Non Banking-Financial Companies - Microfinance Institutions.

2.02 Use of estimates

The presentation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent assets and liabilities) at the end of the year and the reported revenues and expenses during the year. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/material.

2.03 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.04 Cash flow statement

Cash flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard 3. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

2.05 Fixed Assets

Fixed assets are stated at cost net of depreciation. The cost of an asset comprises its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended use.

2.06 Depreciation and amortisation

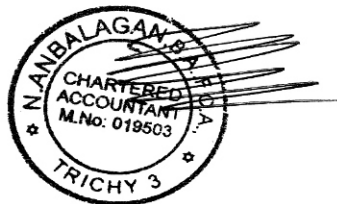
(i) Depreciation has been provided on the straight-line method as per the rates prescribed in Part "C" of Schedule II to the Companies Act, 2013. In prior years, Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

Class of fixed assets	
Furniture & Fixtures	9.50%
Computers	31.67%
Air Conditioner	19.00%

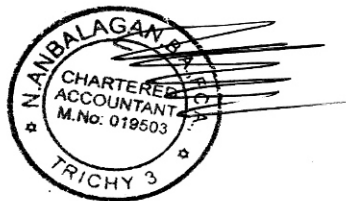
(ii) Depreciation on additions is charged proportionately from the date of acquisition/installation.

2.07 Receivables Under Financing Activity

Receivables under Financing activity include Micro finance loans. Loans are classified into 'Performing and Non-Performing' assets in terms of the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India as amended from time to time.



Note No.	PARTICULARS
2.08	Revenue recognition Revenues from Interest on loans financed by the company is recognized on accrual basis, considering the directions issued by the Reserve Bank of India from time to time in terms of the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998. Loans are classified into 'Performing and Non-Performing' assets in terms of the said Directions. Processing fees at the rates as permitted by the RBI is charged on the Microfinance loans disbursed and the same is recognised as and when collected at the time of loan disbursement.
2.09	Other income Bank Deposit Interest income is accounted on accrual basis. Revenue from Interest income on fixed deposits with banks is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
2.10	Employee benefits a. Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits for current employees are estimated and measured on an undiscounted basis. B. Defined contribution plans:- Company's contributions paid/payable during the year to Provident Fund, Pension fund and employee state insurance scheme are recognised in the statement of Profit and Loss based on amount of contribution required to be made and when services are rendered by the employees.
2.10	Borrowing costs Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.
2.11	Segment reporting The Company's business segment is micro finance services and the principal geographical segment is India. Accordingly, no separate disclosure is required to be made under Accounting Standard 17, Segment Reporting.
2.12	Earnings per share Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.
2.13	Taxes on income Current tax is the amount of tax payable on the taxable income for the year after taking into consideration the benefits /disallowances admissible under the provisions of the Income Tax Act, 1961. Minimum Alternate Tax paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.
2.14	Provisions and Contingent liabilities Provisions are recognised when the Company has a present obligation as a result of past events and 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. All material known liabilities are provided for and liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to accounts.
2.15	Preliminary Expenses Preliminary Expenses are written off in five years from the commencement of commercial operations.



Note No. NOTES TO THE FINANCIAL STATEMENTS

3 SHARE CAPITAL :

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of Shares	₹	Number of Shares	₹
Authorised :				
Equity shares of Rs.10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Issued, subscribed and fully paid up				
Equity Shares of Rs.10/-, each, fully paid up	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Total	50,00,000	5,00,00,000	50,00,000	5,00,00,000

Notes :

(i) The reconciliation of the number of shares outstanding and the amount of share capital as at 31st March, 2016 and 31st March, 2015 is set out below.

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of Shares	₹	Number of Shares	₹
Balance at the beginning of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Add: Shares issued during the year	-	-	-	-
Balance at the close of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000

(ii) Particulars of Shareholders holding more than 5% share in the Company

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	%	No. of Shares	%	No. of Shares
M/s.INFOTECH SOLUTIONS	12.95%	6,47,500	12.95%	6,47,500
Mr.I.NEWMEN JEEVARAJ	11.60%	5,80,000	11.60%	5,80,000
MRS.JULIET ASOKAN	7.30%	3,65,050	-	-
REV.FR.DENZIL RAJA	11.40%	5,69,880	17.26%	8,63,380
Fr.ANTONY RAJA	7.48%	3,74,000	8.93%	4,46,600

4 RESERVES & SURPLUS

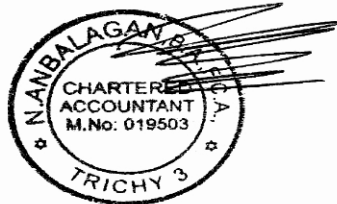
Particulars	As at 31st March 2016		As at 31st March 2015	
		₹		₹
(a) Statutory Reserves - (Refer Note Below)				
As per beginning of reporting period		9,96,908		7,76,848
ADD: Additions/ transfers during the year		2,78,111		2,20,061
LESS: Utilisations/ transfers during the year		-		-
As per the end of the reporting period	A	12,75,019		9,96,908
Surplus in Statement of Profit & Loss				
As per beginning of reporting period		24,39,071		15,58,828
Add: Transferred from Profit and Loss Account		13,90,555		11,00,304
Less: Transferred to Statutory Reserve		(2,78,111)		(2,20,061)
As per the end of the reporting period	B	35,51,515		24,39,071
Closing Balance	Total (A+B)	48,26,534		34,35,979

Note :

1. The Company has transferred 20% of profit after tax to the Statutory Reserve in accordance with the provision of section 45-IC of Reserve Bank of India Act, 1934.

5 LONG TERM BORROWINGS

Particulars	As at 31st March 2016		As at 31st March 2015	
		₹		₹
Secured				
- Term Loan from Banks (Refer Note Below)				
(a) TMB		1,23,83,925		1,53,03,020
(b) Bank Of Maharashtra		1,39,38,660		1,27,53,650
- Others				
Non Convertible Debentures		3,15,964		10,50,000
Total		2,66,38,549		2,91,06,670



M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022

Note No. NOTES TO THE FINANCIAL STATEMENTS

Notes:

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of repayment and security	As at 31st March, 2016		As at 31st March, 2015	
		Secured	Unsecured	Secured	Unsecured
Term Loan from Banks					
(a) TMB	Secured by Microfinance Loan and repayable in 36 monthly installments.	1,51,81,581	-	2,86,36,340	-
(b) Bank Of Maharashtra	Secured by Microfinance Loan and repayable in 33 monthly installments.	1,46,30,150	-	2,00,26,370	-
Total - Term loans from banks		2,98,11,731	-	4,86,62,710	-
Others					
Non Convertible Debentures	The book debts and receivables of the company at its head office and all of its branches.	3,15,964	-	10,50,000	-
Total		3,01,27,695	-	4,97,12,710	-

(ii) Details of long-term borrowings guaranteed by some of the directors or others:

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Term loans from banks		
(a) TMB	1,51,81,581	2,86,36,340
(b) Bank of Maharashtra	1,46,30,150	2,00,26,370

(iii) The Company has not defaulted in repayment of Loans and Interest accrued on it.

6 LONG TERM PROVISIONS

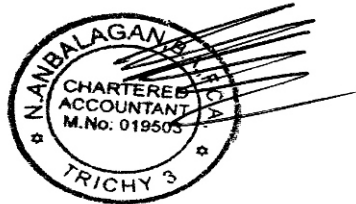
Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Provision - Others:		
Contingent Provisions against Standard Assets (Refer Note 23)	1,08,318	1,65,796
Total	1,08,318	1,65,796

7 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Current maturities of Long Term debt		
a. Secured Loans from Bank		
(a) TMB Bank	27,97,656.00	1,33,33,320.00
(b) Bank of Maharashtra	6,91,490.00	72,72,720.00
b. Others		57,326.00
Total	34,89,146.00	2,06,63,366.00
Statutory Payables -		
TDS Payable	35,253	42,442
Other Payables:		
Audit Fees Payable	1,56,750	1,56,000
Insurance Payable	1,23,177	1,48,946
Total	38,04,326	2,10,10,754

8 SHORT TERM PROVISIONS

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Provision - Others		
Provision for Income Tax (Net of Advance Tax of Rs 535000/- & TDS Rs.17401/-)	1,78,407	1,67,180
Contingent Provisions against Standard Assets (Refer Note 23)	11,10,986	6,34,658
Total	12,89,393	8,01,838

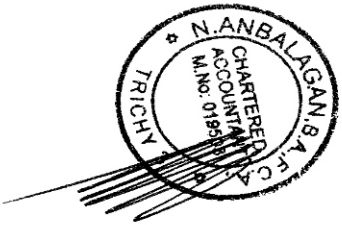


M/s. VIRUTCHAM MICROFINANCE LTD,
Dr. Ambedkar Cultural Academy, Mandala Nagar, PTC Post, Madurai, Tamil Nadu-625022

Note : 9

FIXED ASSETS (AS PER COMPANIES ACT)

Tangible Assets	COST OF ASSETS				Useful Lives	Rate/SLM %	DEPRECIATION			COST LESS DEP	
	Balance as at 1 April, 2015	Additions	Disposals	Balance as at 31 March, 2016			Balance as at 1 April, 2015	Depreciation / amortisation expense for the year	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
(a) Furniture and Fixtures	₹	₹	₹	₹	Yrs	%	₹	₹	₹	₹	₹
Owned	12,49,858	32,945		12,82,803	10	9.50%	2,24,245	1,20,678	3,44,924	9,37,880	10,25,613
(b) Computer											
Owned	10,07,669	28,000	-	10,35,669	3	31.67%	7,37,637	2,73,133	10,10,770	24,899	2,70,032
(c) Air Conditioner											
Owned	2,60,069	-	-	2,60,069	5	19.00%	72,727	61,096	1,33,823	1,26,246	1,87,342
(d) Plant and Machinery											
Owned		51,867		51,867	10	9.50%	-	3,433	3,433	48,434	-
(e) Software											
Owned		18,40,115		18,40,115	3	31.67%	-	1,592	1,592	18,38,522	-
Total	25,17,596	19,52,927	-	44,70,523	31	1	10,34,609	4,59,983	14,94,541	29,75,982	14,82,988
Previous year	22,17,219	3,02,077	1,700	25,17,596			5,64,979	1,89,823	10,34,609	14,82,988	16,52,240



M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022

Note

No. NOTES TO THE FINANCIAL STATEMENTS

10 LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Security deposits		
-Telephone	3,800	1,900
-Building	60,000	92,000
Total	63,800	93,900

11 OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Long-term trade receivables		
Unsecured, considered good	1,08,31,792	1,65,79,639
Total	1,08,31,792	1,65,79,639

12 TRADE RECEIVABLES - Under Financing Activity

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
(a) Outstanding for a period less than six months from the date of due		
Unsecured, Considered good		
Micro finance loan (Refer Note (i) below)	6,10,98,559	6,34,65,795
Total	6,10,98,559	6,34,65,795

Note (i): All overdue loans to the extent of Rs.22,20,475/- where the tenure of the loan is completed and in the opinion of the management is not recoverable have been written off in full.

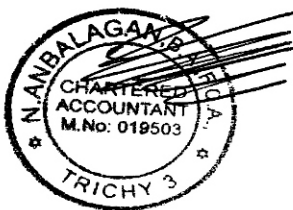
13 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
(a) Cash on hand	12,24,500	47,40,986
(b) Balances with banks		
(i) Current Accounts	53,24,091	1,50,74,875
(ii) In deposit accounts	20,00,000	-
Total	85,48,591	1,98,15,861

NOTE : Balance with banks include Fixed Deposit (Pledged) amounting to Rs. 20,00,000/- as on 31st March 2016 and Rs. Nil/- as on 31st March 2015. The FD (Pledged) was created During the Month of April 2015, for the Loan availed at end of the month March 2015.

14 SHORT-TERM LOANS AND ADVANCES

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Employee Advance	26,79,760	16,60,228
Advance Payment Made for Software	-	15,53,239
Total	26,79,760	32,13,467



Note
No. NOTES TO THE FINANCIAL STATEMENTS

15 OTHER CURRENT ASSETS

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
(a) Unamortised expenses		
(i) Preliminary Expenses		
Opening Balance	-	51,920
Less: Written off during the year	-	51,920
	-	-
(b) Accruals		
(i) Interest accrued on deposits	1,56,603	-
(c) Interest receivable	5,16,006	-
Total	6,72,609	-

16 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
Interest on loans under Financing Activity	2,02,70,901	1,49,39,856
Total	2,02,70,901	1,49,39,856

17 OTHER INCOME

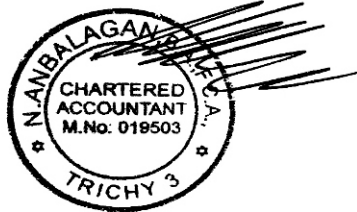
Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
Interest on Bank Deposits	1,74,004	29,719
Processing Fees	8,26,778	6,08,400
Miscellaneous Income	93,306	71,141
Total	10,94,088	7,09,260

18 FINANCE COSTS

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
Interest on Bank borrowings	58,52,248	30,36,130
Interest on Debentures	1,04,151	1,34,125
Processing fees on bank borrowings	2,33,725	2,64,899
Total	61,90,124	34,35,154

19 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
Salaries and wages	27,19,093	27,75,589
Staff welfare expenses	15,105	1,63,826
Total	27,34,198	29,39,415



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Note

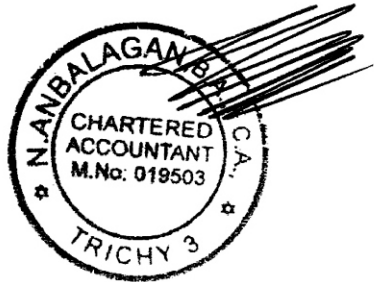
No. NOTES TO THE FINANCIAL STATEMENTS

20 ADMINISTRATION EXPENSES

Particulars	For the year ended	For the year ended
	31st March 2016	31st March 2015
	₹	₹
Bank charges	24,898	7,879
Printing & Stationery	1,83,211	91,047
Postage & Courier Charges	25,182	24,575
Rent & Electricity Charges	3,76,486	3,15,582
Repairs and Maintenance - Building	4,93,584	29,254
Repairs and Maintenance - Computer	-	25,075
Repairs and Maintenance - Others	16,024	65,714
Insurance	33,459	42,134
Communication expenses	1,86,245	1,63,002
Support Service and Service charges	29,88,479	28,25,200
Travelling & Conveyance	7,30,461	9,60,371
Auditors remuneration (Refer Note: 20.1 below)	1,71,750	1,71,000
Meeting & Training Expenses	2,47,754	2,00,343
Fees to ROC	26,100	4,40,405
Web Site Development	20,250	4,89,900
Subscription & Membership fee	-	95,382
ICRA Rating fee	-	1,68,540
Other professional charges	5,27,565	3,89,720
Amortisation of preliminary Expenses	-	51,920
Software Written Off	10,69,236	-
Miscellaneous expenses	31,538	49,065
Total	71,52,221	66,06,108

NOTE 20.1

Particulars	For the year ended	For the year ended
	31st March 2016	31st March 2015
	₹	₹
Payments to the auditors comprises (net of service tax input credit, where applicable)		
For Statutory audit		
- Audit Fees	1,14,500	1,14,000
- Tax Audit Fees	40,075	39,900
- Other Certification	17,175	17,100
Total	1,71,750	1,71,000



Note No. NOTES TO THE FINANCIAL STATEMENTS

21 Disclosures under Accounting Standard - 20

Particulars	As at 31 March, 2016	As at 31 March, 2015
EARNINGS PER SHARE		
Basic		
Net profit / (loss) for the year from continuing operations	1,390,555	1,100,304
Less: Preference dividend and tax thereon		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	1,390,555	1,100,304
Weighted average number of equity shares	5,000,000	5,000,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	0.28	0.22

22 Disclosures under Accounting Standard - 22

Particulars	As at 31 March, 2016	As at 31 March, 2015
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
On difference between book balance and	203,973	130,613
Tax effect of items constituting deferred tax liability	203,973	130,613
Tax effect of items constituting deferred tax assets		
Brought forward business losses		
Tax effect of items constituting deferred tax assets		
Net deferred tax (liability) / asset	203,973	130,613
The Company has recognised deferred tax liability on timing difference on difference between depreciation as per Accounting book and tax law.		

23 Disclosures under Accounting Standard - 29

Details of provisions

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates

Particulars	As at 1 April, 2015	Additions	As at 31 March, 2016
Provision for receivables under Financing Activity	800,454	2,139,324	2,939,779
Less : Additional Provision	(583,782)	(216,673)	(800,454)
Less: Provision utilised for write off of Bad debts (Refer Note (i) & (ii) below)	-	(2,220,475)	-
Total	800,454	418,849	1,219,304
	(583,782)	(216,673)	(800,454)

Note: - Figures in brackets relate to the previous year.

(i) The Company has ascertained that funds to the extent of Rs. 11.71 lakhs has been misappropriated by Staff member working in Jayamkondam Branch during the year. Concerted efforts have been taken by the Management for recovery.

(ii) The Management has created provisions for an amount to the extent of Rs. 5 Lakhs which in it's opinion the recovery is slim.

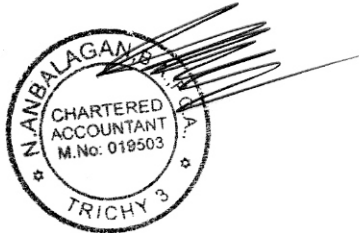
Of the above, the following amounts are expected to be incurred within a year:

Particulars	As at 31 March, 2016	As at 31 March, 2015
Provision for receivables under Financing Activity		



M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022

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 (please specify) - 2. Unquoted : (i) Shares : (a) Equity - (b) Preference - (ii) Debentures and Bonds - (iii) Units of mutual funds - (iv) Government Securities - (v) Others (please specify) -			
5 Borrower group-wise classification of assets financed as in (2) and (3) above: Please see Note 2 below			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **		719.30	719.30
2. Other than related parties	-		
Total			
6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) Please see note 3 below			
Category		Market value /Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **			
(a) Subsidiaries		-	-
(b) Companies in the same group		-	-
(c) Other related parties		-	-
2. Other than related parties		-	-
Total		-	-
** As per Accounting Standard of ICAI (Please see Note 3)			
7 Other information		Rs. In Lakhs	
Particulars	Amount		
(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 in satisfaction of debt	-		



Note No. NOTES TO THE FINANCIAL STATEMENTS

25 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

25.1 Earnings in foreign currency - Rs. Nil (As at 31st March, 2015 - Rs. Nil)

25.2 Expenditure in foreign currency - Rs. Nil (As at 31st March, 2015 - Rs. Nil)

25.3 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The above information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

25.4 Loans & Advances

The company has provided staff advances and loans to staff during the financial year.

25.5 Asset Classification & Provisioning

The company complies with the prudential norms of the Reserve Bank of India (RBI) with regard to Income recognition, asset classification and provisioning. The company is following provisioning norms as recommended vide DNBS.CC.PD.No.250/03.10.01/2011-12 dated 2 December 2011, DNBS.PD/CC.No.263/03.10.038/2011-12 dated 20 March 2012 and DNBS.(PD).CC.No.347/03.10.38/2013-14 dated 1 July 2013.C326

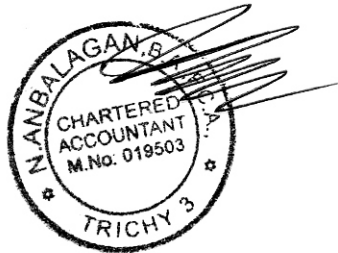
Accordingly, during the year, the Company in line with the guidelines laid down under the DNBS.(PD).CC.No.347/03.10.38/2013-14 dated 1 July 2013 has provided Rs. 1219304/- being 1% of the outstanding portfolio as at March 31, 2015. The disclosure made in the following table with respect to the asset classification and the provision is as per the RBI guidelines

Particulars	March 31, 2016 (₹)		March 31, 2015 (₹)	
	Loans for Financial Assistance	Provision	Loans for Financial Assistance	Provision
Summary of Portfolio Balance and related provisions	7,19,30,351	7,19,304	8,00,45,434	8,00,454
Note No.6 Long Term Provisions		1,08,318		1,65,796
Note No.8 Short Term Provisions		11,10,986		6,34,658
Note No.11 Other Non Current Assets	1,08,31,792		1,65,79,639	
Note No.12 Trade Receivables under Financing Activity	6,10,98,559		6,34,65,795	
Total	7,19,30,351	12,19,304	8,00,45,434	8,00,454

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

25.6 Qualifying Assets Ratio

S. No.	Particulars	₹	%
A.	Net Assets of the Company	7,97,70,101	
B.	Qualifying Assets	7,19,30,351	
C.	Qualifying Assets Ratio		90.17%
D.	Ratio of Income Generation Loan to Total Loan		
	Income Generation Loan	6,24,08,720	
	Total Loan	7,19,30,351	
	Ratio		86.76%



Note No. NOTES TO THE FINANCIAL STATEMENTS

25.7 Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CCM (PK)-2008 dated 1st August 2008

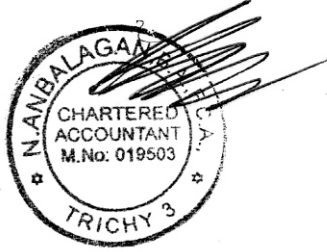
(i) Capital to Risk asset ratio

Particulars	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
Tier I Capital	5,48,26,534	5,33,84,059
Tier II Capital	12,19,304	8,00,454
Total	5,60,45,838	5,41,84,513
Total Risk Weighted Assets	7,76,42,742	8,31,75,560
Capital Ratios		
Tier I Capital as percentage of Total Risk Weighted Assets (%)	70.61%	64.18%
Tier II Capital as percentage of Total Risk Weighted Assets (%)	1.57%	0.96%
Total Capital (%)	72.18%	65.14%

25.8 Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the Net profit after tax of the Company every year. Accordingly, the Company has transferred an amount of Rs.278111/- (Year ended 31 March, 2015 Rs. 220061/-), out of the Net Profit after tax for the year ended 31st March 2016 to Statutory Reserve.

25.9 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.



Assessee's Name	M/s. VIRUTCHAM MICROFINANCE LTD.,	Status	PUBLIC LIMITED COMPANY
Date of Incorporation	08.07.2008	P.A.NO.	AACCV9529Q
Nature of Business	MIRCOFINANCE	I.T Jurisdiction	COMPANY WARD
Address	Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022	Asst.Year	2016-2017
		Year Ending	Thursday, March 31, 2016

STATEMENT OF TOTAL INCOME

INCOME FROM BUSINESS :		
Net Profit as per Profit & Loss A/c :		21,89,189.00
Add : Inadmissible Expenses :		
Depreciation as per Companies act		4,59,933.00
Sub-Total		26,49,122.00
Add : Inadmissible Income		
Provision for Standard Assets - Disallowed earlier		4,18,849.00
Less : Admissible Expenses		
Depreciation as per Income Tax act		7,44,826.00
GROSS TOTAL INCOME		23,23,145.00

STATEMENT OF BOOK PROFIT

Net Profit as per Schedule VI Part II and Part III		21,89,189.00
Add: Provisions		
BOOK PROFIT U/s 115-JB		21,89,189.00

STATEMENT OF TAXES

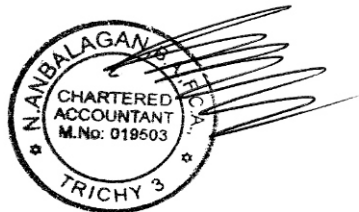
I . Tax on Total Income		6,96,944.00
II . 18.5% of Adjusted Book Profit U/s. 115-JB		4,82,487.12
III . Tax Payable (higher of I and II above)		6,96,944.00
Less: MAT Credit Set Off		-
		6,96,944.00
Add : Surcharge @ 5% on above		-
Total Tax and Surcharge Payable		6,96,944.00
Add : Education cess @ 3% on above		20,904.00
Total Tax Payable		7,17,848.00
		7,17,848.00
	Sub-Total	7,17,848.00
Less : T.D.S as per Form-16 A	17,401.00	
Advance Tax	5,35,000.00	5,52,401.00
	Sub-Total	1,65,447.00
Add : Interest		
u/s 234 A	-	
u/s 234 B	4,962.00	
u/s 234 C	7,998.00	12,960.00
Balance Tax Payable		1,78,407.00

For and on behalf of the Board of Directors

M. Jesudasan
(M. JESUDASAN)
Chairman

Dev Asokan
Dev Asokan
Director

Place : MADURAI
Date : 30.06.2016



M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr. Ambedkar Cultural Academy, Mandala Nagar, PTC Post, Madurai, Tamil Nadu-625022

Statement Showing Depreciation as per The Income Tax Act, 1961

Tangible Assets	WDV as on 1 April, 2015 ₹	Additions 1st Half ₹	Additions 2nd Half ₹	Disposals ₹	Total ₹	IT Rate %	Depreciation ₹	WDV as on 31 March, 2016 ₹
(a) Furniture and Fixtures								
Owned	938242	28,045.00	4,900.00	-	9,71,187.00	10%	96,874.00	8,74,313.00
(b) Computer								
Owned	85760	-	28,000.00	-	1,13,760.00	60%	59,856.00	53,904.00
(c) Air Conditioner								
Owned	188537	-	-	-	1,88,537.00	15%	28,281.00	1,60,256.00
(d) Vehicle								
Owned	-	51,867.00	-	-	51,867.00	15%	7,780.00	44,087.00
(e) Software								
Owned	-	-	18,40,115.00	-	18,40,115.00	60%	5,52,035.00	12,88,080.00
Total	12,12,539.00	79,912.00	18,73,015.00	-	12,73,484.00		7,44,826.00	10,88,473.00
Previous year	11,78,321.30	3,02,077.15	-	1,700.00	14,78,698.45		2,66,330.06	12,12,368.39

