

M/s. VIRUTCHAM MICROFINANCE LTD.,
Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022
Balance Sheet as at 31st March 2015

Particulars	Notes	As at 31.03.2015 Amount in ₹	As at 31.03.2014 Amount in ₹
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUND			
Share Capital	3	5,00,00,000	5,00,00,000
Reserves and Surplus	4	34,35,979	23,35,675
		5,34,35,979	5,23,35,675
NON-CURRENT LIABILITIES			
Long term borrowings	5	2,91,06,670	1,16,31,273
Deferred Tax Liability (Net)	22	1,30,613	1,82,963
Long Term Provisions	6	1,65,796	3,50,632
		2,94,03,079	1,21,64,867
CURRENT LIABILITIES			
Other Current Liabilities	7	2,10,10,754	83,52,689
Short Term Provisions	8	8,01,838	4,25,657
		2,18,12,592	87,78,346
Total		10,46,51,650	7,32,78,889
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
-Tangible Assets (WDV)	10	14,82,988	16,52,240
Long Term Loans and Advances	10	93,900	1,05,900
Other Non-Current Assets	11	1,65,79,639	3,50,63,181
		1,81,56,527	3,68,21,321
CURRENT ASSETS			
Trade Receivables- Under Financing Activity	12	6,34,65,795	2,86,47,801
Cash And Cash Equivalents	13	1,98,15,861	73,80,889
Short Term Loans and Advances	14	32,13,467	2,38,000
Other Current Assets	15	-	1,90,878
		8,64,95,123	3,64,57,567
Total		10,46,51,650	7,32,78,889

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

For and on behalf of the Board of Directors

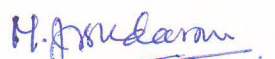

N.ANBALAGAN,

Proprietor

M.No: 019503

Place : MADURAI

Date : 08/06/2015


(M. JESUDASAN)
Chairman


(L. ISITHORE)
Managing Director

Place : MADURAI
Date : 08/06/2015

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

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 2015

Particulars	Notes	For the year ended 31.03.2015	For the year ended 31.03.2014
		Amount in ₹	Amount in ₹
INCOME			
Revenue from Operations	17	1,49,39,856	1,11,29,410
Other Income	18	7,09,260	4,51,091
TOTAL REVENUE (A)		1,56,49,116	1,15,80,501
EXPENSES			
Finance costs	19	34,35,154	32,60,392
Employee benefits expense	20	29,39,415	23,33,700
Administration expenses	21	66,06,108	38,24,501
Depreciation and amortization expense	10	4,69,630	1,89,823
Provisions/Write off for receivables under Financing Activity		2,16,673	4,93,191
TOTAL EXPENSES (B)		1,36,66,980	1,01,01,606
Profit before exceptional and extraordinary items and tax (A) - (B)		19,82,136	14,78,894
Less: Exceptional items & Extraordinary Items		-	-
Profit before extraordinary items and tax		19,82,136	14,78,894
Less: Extraordinary items		-	-
PROFIT BEFORE TAX		19,82,136	14,78,894
Less: Tax Expenses			
(a)Current Tax		7,70,153	5,72,413
(b)MAT Credit		-	22,872
(c)Deferred Tax		(52,350)	27,655
(d)(Excess) Tax provision for earlier years		1,64,029	-
		8,81,832	6,22,940
PROFIT AFTER TAX		11,00,304	8,55,955
(Face value of Rs.10 each)	22	0.22	0.29
an integral part of the Balance Sheet			

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,

Proprietor

M.No: 019503

Place : MADURAI

Date : 08/06/2015

M. Jesudasan

(M. JESUDASAN)

Chairman

(L. ISITHORE)

(L. ISITHORE)

Managing Director

Place : MADURAI

Date : 08/06/2015

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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, 2015

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax	19,82,136		14,78,894	
Adjustments for:				
Depreciation and amortisation	4,69,630		1,89,823	
Amortisation of Preliminary Expenses	51,920		51,920	
Provisions/Write off for receivables under Financing Activity	2,16,673		4,93,191	
Operating profit / (loss) before working capital changes		27,20,359		22,13,828
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(3,48,17,994)		10,57,808	
Short-term loans and advances	(29,75,467)		98,084	
Long term loans and advances	12,000		2,87,500	
Other current assets	1,90,878		10,792	
Other non-current assets	1,84,83,542	(1,91,07,041)	(2,85,32,322)	(2,70,78,138)
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities		1,17,90,257		(2,94,702)
Cash flow from extraordinary items		-		-
Cash generated from operations		(45,96,426)		(2,51,59,013)
Net income tax (paid) / refunds				(46,361)
Net cash flow from / (used in) operating activities (A)		(45,96,426)		(2,52,05,374)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(3,00,377)		(9,76,966)	
Proceeds from sale of fixed assets	-	(3,00,377)	-	(9,76,966)
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) investing activities (B)		(3,00,377)		(9,76,966)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		2,07,87,800	
Proceeds from long-term borrowings	1,73,31,776		95,25,987	
Repayment of long-term borrowings	-		-	
Proceeds from other short-term borrowings	-	1,73,31,776	-	3,03,13,787
Net cash flow from / (used in) financing activities (C)		1,73,31,776		3,03,13,787
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		1,24,34,972		41,31,447
Cash and cash equivalents at the beginning of the year		73,80,889		32,49,441
Cash and cash equivalents at the end of the year		1,98,15,861		73,80,889

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: 14 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: 011304S

N.ANBALAGAN,

Proprietor

M.No: 019503

Place : MADURAI

Date : 08/06/2015

(M. JESUDASAN)

Chairman

Place : MADURAI

Date : 08/06/2015

(L. ISITHORE)

Managing Director

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



N. Anbalagan B.A., F.C.A.,

Date :

INDEPENDENT AUDITORS' REPORT

Independent Auditor's Opinion

To The Members of "M/S. VIRUTCHAM MICRO FINANCE LIMITED"

Report on the Financial Statements

1. We have audited the accompanying financial statements of 'M/S. VIRUTCHAM MICRO FINANCE LIMITED' ("the company"), which comprise the Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and summary of the significant accounting policies and other explanatory information.

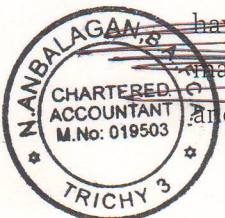
Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



N. Anbalagan B.A., F.C.A.,

Office : 11, Shopping Complex,
Salai Road, Trichy-3.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

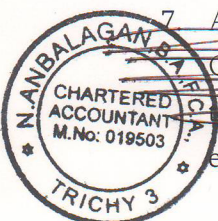
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate to the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion:

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
 - In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended 31st March, 2015; and
 - In the case of the Cash flow statement, of the cash flows of the company for the year ended 31st March, 2015;

Report on Other Legal and Regulatory Requirements

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



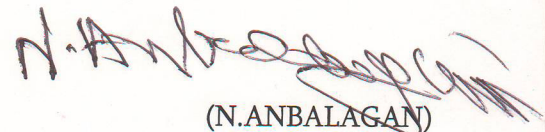
N. Anbalagan B.A., F.C.A.,

Date :

8. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of sub-section (2) of section 164 of the Act, 2013.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no litigations pending during the period under review and as such has nothing to disclose.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts.
 - iii. The Company has not issued any dividends. Therefore, there is no requirement of transferring amounts to the Investor Education and Protection Fund by the Company.

For ANBALAGAN & CO.,
Chartered Accountants
FRN No: 0011394 S


(N.ANBALAGAN)

Proprietor

M.No: 019503

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

Place: Madurai.

Date: 08.06.2015



N. Anbalagan B.A., F.C.A.,

Date :

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (7) of our report of even date)

REPORT OF THE AUDITOR TO THE MEMBERS IN ACCORDANCE WITH THE COMPANIES
(AUDITORS' REPORT) ORDER 2015

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable looking to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
2. Being a Non-Banking Finance Company, the matters in connection with verification, reporting and all other related matters on inventory are not applicable.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, it was observed that the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii(a) relating to receipt of principal amount and interest, and iii(b) relating to overdue amount, of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and payment for expenses & for sale of services. There are no purchase of inventory and sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. During the year the Company has not accepted any deposits from the public. As such the compliance with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and rules framed there under are not applicable.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for any of the activities of the Company.
7. (a) According to the records of the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Investor Education and Protection Funds, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other applicable statutory dues during the year except for a few delays in remittance of TDS.





N. Anbalagan B.A., F.C.A.,

Date :

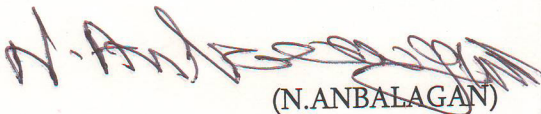
According to the information and explanations given to us there were no payments outstanding for periods in excess of six months from the date on which such payments were payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax and service tax, which have not been deposited on account of any disputes.

(c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

8. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues or borrowing from any banks, Financial Institutions or by way of debentures.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
11. To the best of our knowledge and belief and according to the information and explanation given to us, term loans availed by the company, prima facie, were applied by the company during the year for the purpose of which loans obtained.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
13. The Company has complied with the prudential norms on the income recognition and provisioning against performing and non-performing asset, as per the provisions of RBI circulars.

For ANBALAGAN & CO.,
Chartered Accountants
FRN No: 0011394 S


(N.ANBALAGAN)

Place: Madurai.

Date: 08.06.2015

Proprietor
M.No: 019503
N.ANBALAGAN, B.A., F.C.A.,
CHARTERED ACCOUNTANT
No: 11, SHOPPING COMPLEX
SALAI ROAD, TIRUCHIRAPPALLI-3.
Cell: 93602 15739, 0431-2767084

N. Anbalagan B.A., F.C.A.,

Office : 11, Shopping Complex,
Salai Road, Trichy-3.

Date :

June 08th, 2015

TO WHOMSOEVER IT MAY CONCERN

This is to certify that our client "M/s. VIRUTCHAM MICROFINANCE LIMITED" having registered office at Dr. Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu- 625022 is carrying the business of Non-Banking Financial institutions - Microfinance. The Company holds Certificate of registration granted by the Reserve Bank of India U/s 45-IA of the Reserve Bank of India Act, 1934.

Further we certify that:

1. The Company is continuing the business of Non-Banking Financial Institutions - Microfinance and is eligible to hold certificate of registration issued U/s 45-IA of the Reserve Bank of India Act, 1934.
2. The company has complied with all statutory obligations stated in the Reserve Bank of India circular DNBS(PD)/CC No. 89/03 05 002/2006-07 dated February 22, 2007 and notification No.DNBS-193DG(VL)-2007, dated February 22,2007, contained in the Circular DNBS(PD) CC No.98/03.02.001/2007-08 dated July1, 2007 as amended from time to time.
3. The Asset/Income pattern of the Company is eligible for classifications as NBFC-MFI Company as per the details furnished below for the year ended 31.03.2015

(i) Assets Pattern:

Total Assets of the Company	: Rs.	10,46,51,650/-	(100%)
Less: Accumulated Loss			
Financial Assets**	: Rs.	8,00,45,434/-	(76.49%)
**			
a) Hire Purchases	: Rs.	NIL	(%)
b) Leasing	: Rs.	NIL	(%)
c) Loan	: Rs.	NIL	(%)
d) Microfinance Loan	: Rs.	8,00,45,434/-	(100%)
e) Investments	: Rs.	NIL	(%)



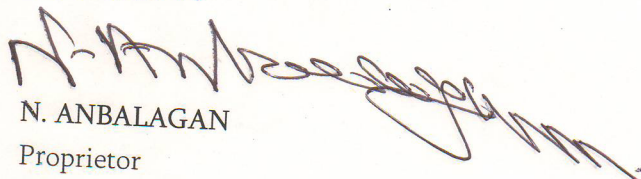
*N. Anbalagan B.A., F.C.A.,***Office : 11, Shopping Complex,
Salai Road, Trichy-3.***Date :***(ii) Income Pattern:**

Total Income	: Rs.	1,56,49,116/-	(100%)
Income from Financial Assets*	: Rs.	1,49,39,856/-	(95.47%)
*Income from			
a) Hire Purchases	: Rs.	NIL	(%)
b) Leasing	: Rs.	NIL	(%)
c) Loan	: Rs.	NIL	(%)
d) Microfinance loan	: Rs.	1,49,39,856/-	(100%)
e) Investments	: Rs.	NIL	(%)

4. The Principal business of the company is of a NBFC-MFI Company.

Thanking You,
Yours Faithfully,

For ANBALGAN & CO.,
CHARTERED ACCOUNTANTS
FRN.: 011394 S



N. ANBALAGAN
Proprietor

M. No: 019503
N. ANBALAGAN, B.A., FCA.,
CHARTERED ACCOUNTANT
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Cell: 93602 15739, 0431-2767084



N. Anbalagan B.A., F.C.A.,

Office : 11, Shopping Complex,
Salai Road, Trichy-3.

Date :

June 08th, 2015

AUDITORS REPORT

THE BOARD OF DIRECTORS

M/s. VIRUTCHAM MICROFINANCE LIMITED,

Dr. Ambedkar Cultural Academy,

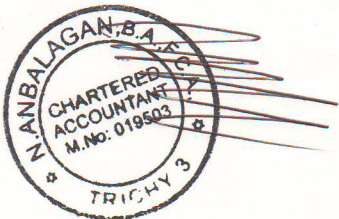
Mandela Nagar, PTC Post,

Madurai, TAMIL NADU- 625022.

Dear Sir,

We have audited the attached Balance Sheet of M/s. VIRUTCHAM MICROFINANCE LIMITED as at 31st March, 2015, the statement of Profit & Loss and Cash Flow Statement for the year ended on that date annexed there to. We have expressed our opinion in the form of Audit report read with notes on accounts and accounting policies based on the Financial Statements prepared and presented to us by the Company's Management.

We have conducted our audit on the basis of examination of evidences supporting the amounts disclosed in the financial statements prepared by the Management. Our audit includes assessing the accounting principles used and significant estimates made by the Management and evaluating the overall financial statements presented to us for its true representation and fairness. We have carried out judiciously test verification and relied on the statements made by the Management in evaluating the transactions for the above purposes. The audit is conducted in accordance with generally accepted auditing standards in India and various guidelines prescribed by the Institute of Chartered Accountants of India and disclosure and provisioning requirements prescribed by Reserve Bank of



N. Anbalagan B.A., F.C.A.,

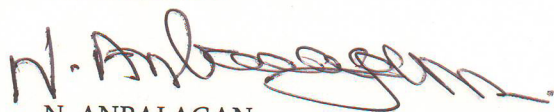
Office : 11, Shopping Complex,
Salai Road, Trichy-3.

Date :

India from time to time. We have conducted the audit to the best of our professional ability to obtain fair and reasonable assurance as to whether the financial statements are free of material misstatements. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, issued by the Reserve Bank of India ('RBI') vide Notification No. DNBS. 201/DG (VL)-2008 dated September 18, 2008 as amended from time to time, based on our audit, we give hereunder a statement on the matters specified in paragraphs 3 and 4 of the said directions:

1. 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 Company is entitled to continue to hold such COR in terms of its Assets and Income pattern as on 31.03.2015.
2. The Board of Director has passed a resolution in the meeting held on 29th April, 2014, for non-acceptance of any public deposit during financial year 2014-15.
3. The Company has not accepted any public deposits during the year under review.
4. In our opinion and to the best of our information and according to the explanations given to us, the Company had complied with the NBFC-MFI guidelines issued by RBI relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts, as applicable to it.

For ANBALGAN & CO
CHARTERED ACCOUNTANTS
FRN.: 011394 S



N. ANBALAGAN

Proprietor

M. No: 019503

N. ANBALAGAN, B.A., F.C.A.,
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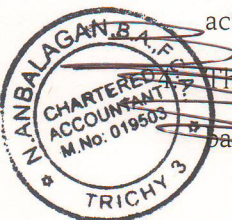
June 08th, 2015

Date :

CERTIFICATE

This is to certify that the books of accounts and other related records in respect of "M/s. VIRUTCHAM MICROFINANCE LIMITED" (herein "The Company") are verified as on 31.03.2015 and as per the books/records, and based on the information provided by the Company, we confirm that the Company has Complied with the RBI Notification DNBS. PD. No. 234/CGM (US)-2011 dated December 2, 2011, as updated from time to time are as follows:

1. Net owned funds of the Company as per Audited Financial Statements is Rs. 5,33,84,059/- (Rupees Five Crores Thirty Three Lakhs Eighty Four Thousand Fifty Nine Only) as on 31.03.2015.
 2. More than 85% of the Company's total assets (excluding cash, balances with banks and financial institutions, government securities and money market instruments) comprise 'Qualifying Assets' having following characteristics :
 - a. The annual household income of each of the Company's borrower does not exceed Rs. 60,000/- in rural areas and Rs. 1,20,000/- in non-rural areas as per the information available with the Company and provided to us.
 - b. The loan size does not exceed Rs. 35,000/- for first cycle and Rs. 50,000/- for subsequent cycles.
 - c. The total indebtedness of each of the Company's borrower does not exceed Rs. 50,000/- as per the system of verification available in the Company and as explained to us.
 - d. The loan tenure is not less than 24 months when the loan size is above Rs. 15,000/- with borrower having the right to prepay without penalty.
 - e. The Company's loans to the borrower's are not backed by any collateral security.
 - f. The Company's loan is repayable largely by monthly installments or as per the Borrower's choice.
 3. More than 70% of the aggregate loans extended by the Company are for income generating activities only.
- The maximum interest charged on loan products offered by the Company is 24% on reducing balance system and the upfront fees are not more than 1% of the aggregate loan.





N. Anbalagan B.A., F.C.A.,

Office : 11, Shopping Complex,
Salai Road, Trichy-3.

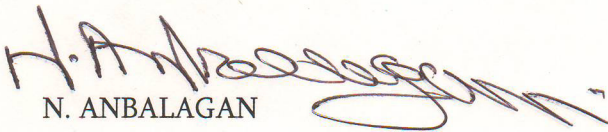
Date :

5. Margin Cap of the Company as on March 31, 2015 is lower of 12% p.a or the average base rate of the five largest commercial banks by assets multiplied by 2.75.
6. The Company charges insurance premium from its customers at actual.
7. The Company does not charge any penalty for delayed payment of dues.
8. The Company also does not take any margin /security deposit for its loans.
9. The Company has uploaded its borrowers information to credit information bureau approved by RBI and verifies borrower's data before disbursement of loan.
10. Capital Adequacy Ratio is maintained at more than 15% as on March 31, 2015 as per the Audited Financial Statements.
11. The RBI notification regarding 'Performing and non Performing' assets are followed for the purpose of classification of Company's "Loans and Advances".

For ANBALGAN & CO.,

CHARTERED ACCOUNTANTS

FRN.: 011394 S


N. ANBALAGAN

Proprietor

M. No: 019503

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

Note
No.

PARTICULARS

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 50,000 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

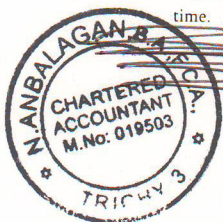
(i) Depreciation has been provided on the straight-line method as per the rates prescribed in Part "C" of Schedule II to the Companies Act, 2013. In prior years, Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

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

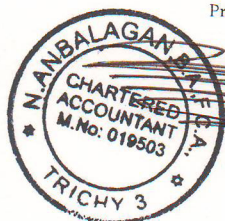
(ii) Depreciation on additions is charged proportionately from the date of acquisition/installation.

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. <u>Defined contribution plans</u> :- 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.



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

Note No. NOTES TO THE FINANCIAL STATEMENTS

3 SHARE CAPITAL :

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number of Shares	₹	Number of Shares	₹
Authorised :				
Equity shares of Rs.10/- each	1,00,00,000	10,00,00,000	50,00,000	5,00,00,000
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, 2015 and 31st March, 2014 is set out below.

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number of Shares	₹	Number of Shares	₹
Balance at the beginning of the year	50,00,000	5,00,00,000	29,21,220	2,92,12,200
Add: Shares issued during the year	-	-	20,78,780	2,07,87,800
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, 2015		As at 31st March, 2014	
	%	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
M/s.INFOTECH AUDIT SOLUTIONS	-	-	8.16%	4,08,000
M/s. MASS TRUST- MADURAI	-	-	7.48%	3,74,100
REV.FR.DENZIL RAJA	17.26%	8,63,380	7.12%	3,56,100
Fr.ANTONY RAJA	8.93%	4,46,600	-	-

4 RESERVES & SURPLUS

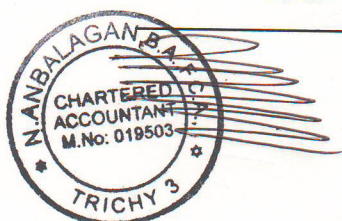
Particulars	As at 31st March	
	2015	2014
	₹	₹
(a) Statutory Reserves - (Refer Note Below)		
As per beginning of reporting period	7,76,848	6,05,657
ADD: Additions/ transfers during the year	2,20,061	1,71,191
LESS: Utilisations/ transfers during the year	-	-
As per the end of the reporting period	9,96,908	7,76,848
Surplus in Statement of Profit & Loss		
As per beginning of reporting period	15,58,828	8,74,064
Add: Transferred from Profit and Loss Account	11,00,304	8,55,955
Less: Transferred to Statutory Reserve	(2,20,061)	(1,71,191)
As per the end of the reporting period	24,39,071	15,58,828
Closing Balance	Total (A+B)	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	
	2015	2014
Secured		
- Term Loan from Banks (Refer Note Below)		
(a) TMB	1,53,03,020	98,81,273
(b) Bank Of Maharashtra	1,27,53,650	-
- Others		
Non Convertible Debentures	10,50,000	17,50,000
Total	2,91,06,670	1,16,31,273



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, 2015		As at 31st March, 2014	
		Secured	Unsecured	Secured	Unsecured
<u>Term Loan from Banks</u>					
(a) TMB	Secured by Microfinance Loan and repayable in 36 monthly installments.	2,86,36,340	-	98,81,273	-
(b) Bank Of Maharashtra	Secured by Microfinance Loan and repayable in 33 monthly installments.	2,00,26,370	-	-	-
<u>Others</u>					
Non Convertible Debentures	The book debts and receivables of the company at its head office and all of its branches.	10,50,000	-	17,50,000	-
Total - Term loans from banks		4,86,62,710	-	98,81,273	-

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

Particulars	As at 31st March 2015	As at 31st March 2014
Term loans from banks		
(a) TMB	2,86,36,340	1,65,47,945
(b) Bank of Maharashtra	2,00,26,370	-

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

6 LONG TERM PROVISIONS

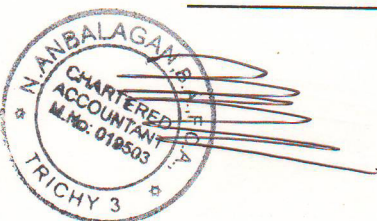
Particulars	As at 31st March 2015	As at 31st March 2014
Provision - Others:		
Contingent Provisions against Standard Assets (Refer Note 23)	1,65,796	3,50,632
Total	1,65,796	3,50,632

7 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2015	As at 31st March 2014
Current maturities of Long Term debt		
a. Secured Loans from Bank		
(a) TMB Bank	1,33,33,320.00	74,38,672.00
(b) Bank of Maharashtra	72,72,720.00	-
b. Others	57,326.00	4,66,200.00
Total	2,06,63,366.00	79,04,272.00
Statutory Payables -		
TDS Payable	42,442	39,506
Other Payables:		
Audit Fees Payable	1,56,000	1,51,686
Insurance Payable	1,48,946	1,13,980
Others	-	1,43,245
Total	2,10,10,754	83,52,689

8 SHORT TERM PROVISIONS

Particulars	As at 31st March 2015	As at 31st March 2014
Provision - Others		
Provision for Income Tax (Net of Advance Tax of Rs 600,000/- & TDS Rs.2973/-)	1,67,180	1,92,507
Contingent Provisions against Standard Assets (Refer Note 23)	6,34,658	2,33,150
Total	8,01,838	4,25,657



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

Note : 9

FIXED ASSETS (AS PER COMPANIES ACT)

Tangible Assets	COST OF ASSETS				Rate/ SLM	DEPRECIATION			COST LESS DEP	
	Balance as at 1 April, 2014	Additions	Disposals	Balance as at 31 March, 2015		Balance as at 1 April, 2014	Depreciation / amortisation expense for the year	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
	₹	₹	₹	₹	%	₹	₹	₹	₹	₹
(a) Furniture and Fixtures										
Owned	11,27,700	1,23,858	1,700	12,49,858	9.50%	1,07,502	1,16,743	2,24,245	10,25,613	10,20,198
(b) Computer										
Owned	9,03,519	1,04,150	-	10,07,669	31.67%	4,31,773	3,05,864	7,37,637	2,70,032	4,71,746
(c) Air Conditioner										
Owned	1,86,000	74,069	-	2,60,069	19.00%	25,704	47,023	72,727	1,87,342	1,60,296
Total	22,17,219	3,02,077	1,700	25,17,596		5,64,979	4,69,630	10,34,609	14,82,988	16,52,240
Previous year (Refer Note 2.06)	12,40,253	9,76,966	-	22,17,219		3,75,156	1,89,823	5,64,979	16,52,240	8,65,097



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 2015	As at 31st March 2014
	₹	₹
Security deposits		
-Telephone	1,900	1,900
-Building	92,000	28,000
Prepaid expenses - Unsecured, considered good	-	76,000
Total	93,900	1,05,900

11 OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2015	As at 31st March 2014
	₹	₹
Long-term trade receivables		
Unsecured, considered good	1,65,79,639	3,50,63,181
Total	1,65,79,639	3,50,63,181

12 TRADE RECEIVABLES - Under Financing Activity

Particulars	As at 31st March 2015	As at 31st March 2014
	₹	₹
(a) Outstanding for a period less than six months from the date of due		
Unsecured, Considered good		
1. Micro finance loan	6,34,65,795	2,33,14,988
2. Other loan	-	53,32,813
Total	6,34,65,795	2,86,47,801

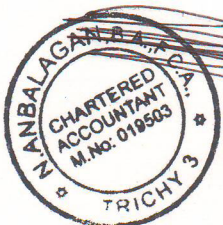
13 CASH AND CASH EQUIVELENTS

Particulars	As at 31st March 2015	As at 31st March 2014
	₹	₹
(a) Cash on hand	47,40,986	2,65,729
(b) Balances with banks		
(i) Current Accounts	1,50,74,875	65,65,160
(ii) In deposit accounts	-	-
(a) Other Balances (Refer Note below)	-	5,50,000
Total	1,98,15,861	73,80,889

NOTE : Balance with banks include Fixed Deposit (Pledged) amounting to Rs. Nil as on 31st March 2015 and Rs. 5,50,000/- as on 31st March 2014. 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 2015	As at 31st March 2014
	₹	₹
Employee Advance	16,60,228	2,38,000
Advance Payment Made for Software	15,53,239	-
Total	32,13,467	2,38,000



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

Note

No. NOTES TO THE FINANCIAL STATEMENTS

15 OTHER CURRENT ASSETS

Particulars	As at 31st March 2015	As at 31st March 2014
	₹	₹
(a) Unamortised expenses		
(i) Preliminary Expenses		
Opening Balance	51,920	1,03,840
Less: Written off during the year	51,920	51,920
(b) Accruals	-	51,920
(i) Interest accrued on deposits	-	1,38,958
Total	-	1,90,878

16 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Interest on loans under Financing Activity	1,49,39,856	1,11,29,410
Total	1,49,39,856	1,11,29,410

17 OTHER INCOME

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Interest on Bank Deposits	29,719	46,517
Processing Fees	6,08,400	3,78,210
Miscellaneous Income	71,141	26,364
Total	7,09,260	4,51,091

18 FINANCE COSTS

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Interest on Bank borrowings	30,36,130	27,69,706
Interest on Debentures	1,34,125	2,51,995
Processing fees on bank borrowings	2,64,899	2,38,691
Total	34,35,154	32,60,392

19 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Salaries and wages	27,75,589	22,24,700
Staff welfare expenses	1,63,826	1,09,000
Total	29,39,415	23,33,700



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

Note

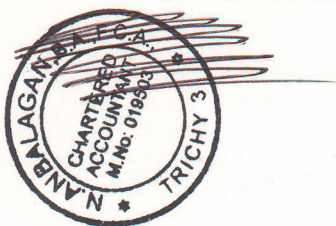
No. NOTES TO THE FINANCIAL STATEMENTS

20 ADMINISTRATION EXPENSES

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Bank charges	7,879	3,890
Printing & Stationery	91,047	1,48,523
Postage & Courier Charges	24,575	20,459
Rent & Electricity Charges	3,15,582	3,49,130
Repairs and Maintenance - Building	29,254	31,248
Repairs and Maintenance - Computer	25,075	9,975
Repairs and Maintenance - Others	65,714	-
Insurance	42,134	20,899
Communication expenses	1,63,002	1,45,584
Service Tax Expenses	-	18,540
Support Service and Service charges	28,25,200	16,75,454
Travelling & Conveyance	9,60,371	7,05,051
Auditors remuneration (Refer Note: 20.1 below)	1,71,000	1,50,000
Meeting & Training Expenses	2,00,343	1,16,080
Fees to ROC	4,40,405	2,08,725
Web Site Development	4,89,900	-
Subscription & Membership fee	95,382	-
ICRA Rating fee	1,68,540	-
Other professional charges	3,89,720	1,30,010
Amortisation of preliminary Expenses	51,920	51,920
Miscellaneous expenses	49,065	39,013
Total	66,06,108	38,24,501

NOTE 20.1

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Payments to the auditors comprises (net of service tax input credit, where applicable)		
For Statutory audit	1,71,000	1,50,000
Total	1,71,000	1,50,000



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

Note No. NOTES TO THE FINANCIAL STATEMENTS

21 Disclosures under Accounting Standard - 20

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
EARNINGS PER SHARE		
<u>Basic</u>		
Net profit / (loss) for the year from continuing operations	11,00,304	8,55,955
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	11,00,304	8,55,955
Weighted average number of equity shares	50,00,000	29,35,343
Par value per share	10	10
Earnings per share from continuing operations - Basic	0.22	0.29

22 Disclosures under Accounting Standard - 22

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and	1,30,613	1,82,963
Tax effect of items constituting deferred tax liability	1,30,613	1,82,963
<u>Tax effect of items constituting deferred tax assets</u>		
Brought forward business losses	-	-
Tax effect of items constituting deferred tax assets	-	-
Net deferred tax (liability) / asset	1,30,613	1,82,963

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

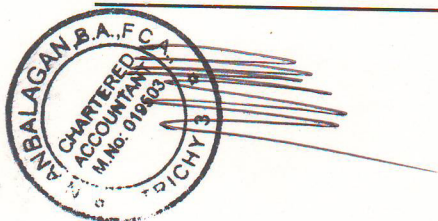
The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it

Particulars	As at 1 April, 2014	Additions	As at 31 March, 2015
	₹	₹	₹
Provision for receivables under Financing Activity	5,83,782	2,16,673	8,00,454
	(90,591)	(4,93,191)	(5,83,782)
Total	5,83,782	2,16,673	8,00,454
	(90,591)	(4,93,191)	(5,83,782)

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

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

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Provision for receivables under Financing Activity	-	-



24 Disclosure Pursuant to Reserve Bank of India Notification

DNBS. 193DG(VL) - 2007 dated 22nd February 2007

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

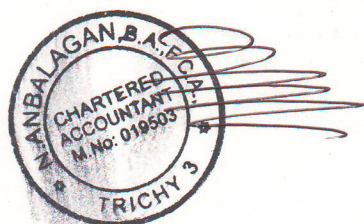
(Rs. in lakhs)

Particulars		₹	₹
Liabilities side :			
1 Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid:		Amount outstanding	Amount overdue
(a) Debentures : Secured		10.50	-
Unsecured		-	-
(other than falling within the meaning of public deposits*)			
(b) Deferred Credits			-
(c) Term Loans		486.63	-
(d) Inter-corporate loans and borrowing		-	-
(e) Commercial Paper		-	-
(f) Other Loans - Bank Loan repayable on Demand		-	-
* Please see Note 1 below			
Assets side :			Amount outstanding
2 Break-up of Loans and Advances including bills receivables(Other than those included in (4) below)			
(a) Secured			-
(b) Unsecured			800.45
3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities			
(i) Lease assets including lease rentals under			
(a) Financial lease			-
(b) Operating lease			-
(ii) Stock on hire including hire charges under			
(a) Assets on hire			-
(b) Repossessed Assets			-
(iii) Other loans counting towards AFC activities			
(a) Loans where assets have been repossessed			-
(b) Loans other than (a) above			-
4 Break-up of Investments :			
Current Investments :			
1. Quoted :			
(i) Shares : (a) Equity			-
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others (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)			-



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 **	
	2. Other than related parties	800.45
	Total	800.45
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	R.s. 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, 2014 - Rs. Nil)

25.2 Expenditure in foreign currency - Rs. Nil (As at 31st March, 2014 - 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. 800454/- 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, 2015 (₹)		March 31, 2014 (₹)	
	Loans for Financial Assistance	Provision	Loans for Financial Assistance	Provision
Summary of Portfolio Balance and related provisions	8,00,45,434	8,00,454	6,37,10,982	5,83,782
Note No.6 Long Term Provisions		1,65,796		3,50,632
Note No.8 Short Term Provisions		6,34,658		2,33,150
Note No.11 Other Non Current Assets	1,65,79,639		3,50,63,181	
Note No.12 Trade Receivables under Financing Activity	6,34,65,795		2,86,47,801	
Total	8,00,45,434	8,00,454	6,37,10,982	5,83,782

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:

Particulars	As at 1 April, 2014	Additions	Utilisation	As at 31 March, 2015
	₹	₹	₹	₹
Provision for receivables under Financing Activity	5,83,782	2,16,673	-	8,00,454
	(90,591)	(4,93,191)	-	(5,83,782)
Total	5,83,782	2,16,673	-	8,00,454
	(90,591)	(4,93,191)	-	(5,83,782)

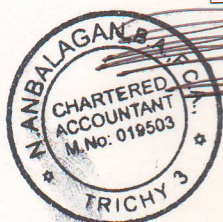
Note: - Figures in brackets relate to the previous year.

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

Particulars	For the year ended 31st March 2015 (₹)	For the year ended 31st March 2014 (₹)
Provision for receivables under Financing Activity		

25.6 Qualifying Assets Ratio

S. No.	Particulars	₹	%
A.	Net Assets of the Company	8,42,35,788	
B.	Qualifying Assets	8,00,45,434	
C.	Qualifying Assets Ratio		95.03%
D.	Ratio of Income Generation Loan to Total Loan		
	Income Generation Loan	8,00,45,434	
	Total Loan	8,00,45,434	
	Ratio		100.00%



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, 2015 ₹	As at 31 March, 2014 ₹
Tier I Capital	5,33,84,059	3,05,88,080
Tier II Capital	8,00,454	90,591
Total	5,41,84,513	3,06,78,672
Total Risk Weighted Assets	8,31,75,560	3,64,31,426
Capital Ratios		
Tier I Capital as percentage of Total Risk Weighted Assets (%)	64.18%	66.33%
Tier II Capital as percentage of Total Risk Weighted Assets (%)	0.96%	0.24%
Total Capital (%)	65.14%	66.57%

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.220061/- (Year ended 31 March, 2014 Rs. 1,71,191/-), out of the Net Profit after tax for the year ended 31st March 2015 to Statutory Reserve.

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

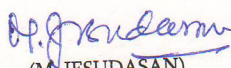
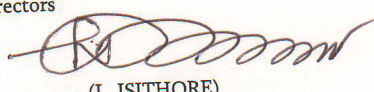


Assessee's Name	M/s. VIRUTCHAM MICROFINANCE LTD.,	Status	PUBLIC LIMITED COMPANY
Date of Incorporation	08.07.2008	P.A.NO.	AACCV9529Q
Nature of Business	MIRCOFINANCE	I.T.Jurisdiction	COMPANY WARD
Address	Dr.Ambedkar Cultural Academy, Mandela Nagar, PTC Post, Madurai, Tamil Nadu-625022	Asst. Year	2015-2016
		Year Ending	31 March 2015

STATEMENT OF TOTAL INCOME	
INCOME FROM BUSINESS :	
Net Profit as per Profit & Loss A/c :	19,82,135.87
Add : Inadmissible Expenses :	4,69,629.99
Depreciation as per Companies act	2,16,672.65
Provision for Standard Assets	-
Income Tax Debited to P & L	-
Sub-Total	26,68,438.51
Less : Admissible Expenses	2,66,330.06
Depreciation as per Income Tax act	24,02,110.00
GROSS TOTAL INCOME	

STATEMENT OF BOOK PROFIT	
Net Profit as per Schedule VI Part II and Part III	19,82,135.87
Add: Provisions	2,16,672.65
	2,16,672.65
BOOK PROFIT U/s 115-JB	21,98,808.52

STATEMENT OF TAXES	
I . Tax on Total Income	7,20,633.00
II . 18.5% of Adjusted Book Profit U/s. 115-JB	4,06,779.58
III . Tax Payable (higher of I and II above)	7,20,633.00
Less: MAT Credit Set Off	-
	7,20,633.00
Add : Surcharge @ 5% on above	7,20,633.00
Total Tax and Surcharge Payable	21,619.00
Add : Education cess @ 3% on above	7,42,252.00
Total Tax Payable	
Sub-Total	7,42,252.00
Less : T.D.S as per Form-16 A	2,973.00
Advance Tax	6,00,000.00
Sub-Total	6,02,973.00
Add : Interest	1,39,279.00
u/s 234 A	-
u/s 234 B	5,571.00
u/s 234 C	22,330.00
Balance Tax Payable	27,901.00
	1,67,180.00

For and on behalf of the Board of Directors	
 (M. JESUDASAN) Chairman	 (L. ISITHORE) Managing Director
Place : MADURAI	
Date : 08/06/2015	

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

Statement Showing Depreciation as per The Income Tax Act, 1961

Tangible Assets	WDV as on 1 April, 2014 ₹	Additions 1st Half ₹	Additions 2nd Half ₹	Disposals ₹	WDV as on 31 March, 2015 ₹	IT Rate %	Depreciation ₹	WDV as on 31 March, 2015 ₹
(a) Furniture and Fixtures Owned	920332.35	1,23,858.18	-	1,700.00	10,42,490.53	10%	1,04,419.05	9,38,071.48
(b) Computer Owned	110249.6	1,04,150.00	-	-	2,14,399.60	60%	1,28,639.76	85,759.84
(c) Air Conditioner Owned	147739.35	74,068.97	-	-	2,21,808.32	15%	33,271.25	1,88,537.07
Total	11,78,321.30	3,02,077.15	-	1,700.00	14,78,698.45		2,66,330.06	12,12,368.39
Previous year	4,80,675.00	7,64,277.00	2,12,689.00	-	14,57,641.00		2,79,319.70	11,78,321.30

