

M/s. VIRUTCHAM MICROFINANCE LTD.,

C50, Gurudev Nagar, Byepass Road, Avaniyapuram, Madurai, Tamil Nadu-625012
Balance Sheet as at 31st March 2019

(Amount in ₹)

Particulars	Notes	As at 31.03.2019		As at 31.03.2018	
I. EQUITY AND LIABILITIES					
(1) SHAREHOLDER'S FUND					
(a) Share Capital	3	9,00,00,000	11,09,74,833	5,00,00,000	6,00,69,687
(b)Reserves and Surplus	4	2,09,74,833		1,00,69,687	
(2) NON-CURRENT LIABILITIES					
(a) Long term borrowings	5	19,76,31,080	19,93,53,441	12,01,39,054	12,12,86,817
(b) Deferred Tax Liability (Net)					
(c) Long Term Provisions	6	17,22,361		11,47,763	
(3) CURRENT LIABILITIES					
(a) Other Current Liabilities	7	31,67,89,478	32,05,74,550	13,74,28,467	13,96,93,421
(b) Short Term Provisions	8	37,85,072		22,64,954	
Total			63,09,02,824		32,10,49,925
H. ASSETS					
(1) NON-CURRENT ASSETS					
(a) Fixed Assets			17,62,41,670		9,50,09,069
(i) Tangible Assets	9A	18,74,116		27,67,544	
(ii) Intangible Assets	9B	9,29,988			
(b) Long Term Loans and Advances	10	5,42,525		4,20,525	
(c) Long Term Receivables under Financing Activity		17,22,36,050		9,18,21,000	
(c) Other Non Current Assets		6,58,990			
(2) CURRENT ASSETS					
(a) Trade Receivables- Under Financing Activity	12	34,44,72,099	45,46,61,154	18,35,33,219	22,60,40,856
(b) Cash and Cash Equivalents	13	9,70,48,150		3,52,90,243	
(c) Short Term Loans and Advances	14	21,01,836		14,69,046	
(d) Deferred Tax Asset	22	6,06,122		25,124	
(e) Other Current Assets	15	1,04,32,947		57,23,224	
Total			63,09,02,824		32,10,49,925

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., F.C.A.

PROPRIETOR

Chartered Accountants

FR No: 011394S

M.No: 019503

Place : MADURAI

Date : 30.05.2019

No: 11, Shopping Complex

2nd Floor, Salai Road,

Woraiyur Trichy-620 003.

Ph: 0431-2767084

Cell: 93602 15739 / 95855 33617





CHARLES SELVARAJ
MANAGING DIRECTOR





Sharma Kirti
SHARMA KIRTI
COMPANY SECRETARY

Dev Asokan
DEV ASOKAN
CHAIRMAN

Place : MADURAI

Date : 30.05.2019

<p style="text-align: center;">M/s. VIRUTCHAM MICROFINANCE LTD., C50, Gurudev Nagar, Bypass Road, Avaniyapuram, Madurai, Tamil Nadu-625012 Statement of Profit And Loss For the Period Ended 31st March 2019</p>					
Particulars	Notes	For the year ended 31.03.2019 (Amount in ₹)		For the year ended 31.03.2018 (Amount in ₹)	
INCOME					
Revenue from Operations	16		8,45,70,827		3,39,17,740
Other Income	17		85,80,503		43,80,480
TOTAL REVENUE (A)			9,31,51,330		3,82,98,220
EXPENSES					
Finance costs	18		5,38,47,762		1,52,63,528
Employee benefits expense	19		1,80,00,804		97,94,447
Administration expenses	20		1,14,34,569		71,23,197
Depreciation and amortization expense	9		11,03,525		5,13,273
Provisions for receivables under Financing Activity			24,08,538		15,34,239
Other Expenses			1,64,748		
TOTAL EXPENSES (B)			8,69,59,946		3,42,28,684
Profit before exceptional and extraordinary items and tax (A) - (B)			61,91,384		40,69,536
Less: Exceptional items & Extraordinary Items			-		-
Profit before extraordinary items and tax			61,91,384		40,69,536
Less: Extraordinary items			-		-
PROFIT BEFORE TAX			61,91,384		40,69,536
Less: Tax Expenses					
(a) Current Tax		21,21,912		10,17,384	
(b) MAT Credit		-		-	
(c) Deferred Tax		(5,80,998)		(73,762)	
(d) (Excess) Tax provision for earlier years		-	15,40,914	-	9,43,622
PROFIT AFTER TAX			46,50,470		31,25,914
Earnings per share Rs. and diluted (Face value of Rs.10 each)	21		0.69		0.81
Significant Accounting Policies and Notes to Financial Statements form an integral part of the financials					
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, N. ANBALAGAN ,B.A.,F.C.A PROPRIETOR M.No: 019503 Place : MADURAI Date : 30.05.2019		 CHARLES SELVARAJ MANAGING DIRECTOR Place : MADURAI Date : 30.05.2019			
Chartered Accountants FR No: 011394S No:11, Shopping Complex 2nd Floor, Salai Road, Woraiyur, Trichy-620 003. Ph:0431-2767084 Cell:93602 15739 / 95855 33617		 SHARMAKIRTI COMPANY SECRETARY			
		 DEV ASOKAN CHAIRMAN			

M/s. VIRUTCHAM MICROFINANCE LTD., C50, Gurudev Nagar, Bypass Road, Avaniyapuram, Madurai, Tamil Nadu-625012 Statement of Cash Flow For the Period Ended 31st March 2019				
Particulars	For the year ended 31st March 2019		For the year ended 31 March, 2018	
	(Amount in ₹)	(Amount in ₹)	(Amount in ₹)	(Amount in ₹)
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax	61,91,384		40,69,536	
Adjustments for:				
Depreciation and amortisation	11,03,525		5,13,273	
Unamortised Expenses	1,64,748		-	
Provisions for receivables under Financing Activity	24,08,538		-	
Operating profit / (loss) before working capital changes		98,68,194		45,82,809
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(24,13,53,930)		(10,58,71,747)	
Short-term loans and advances	(6,32,790)		7,93,050	
Long-term loans and advances	(1,22,000)		(2,25,908)	
Other current assets	(47,09,723)		(44,93,061)	
Other non-current assets		(24,68,18,443)	(7,74,54,895)	(18,72,52,561)
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities		17,94,02,506		11,21,04,892
Short-term provisions				
Long-term provisions				
Cash flow from extraordinary items		-		-
Cash generated from operations		(5,75,47,743)		(7,05,64,860)
Net income tax (paid) / refunds		(24,35,735)		5,62,340
Net cash flow from / (used in) operating activities (A)		(5,99,83,478)		(7,00,02,520)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(11,40,085)		(19,79,461)	
Proceeds from sale of fixed assets	-	(11,40,085)	-	(19,79,461)
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) investing activities (B)		(11,40,085)		(19,79,461)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	4,62,54,675		-	
Cash expenditure on issue of equity shares	(8,23,738)			
Proceeds from long-term borrowings	7,74,92,026		9,88,96,541	
Repayment of long-term borrowings	-		-	
Proceeds from other short-term borrowings	-	12,29,22,963		9,88,96,541
Net cash flow from / (used in) financing activities (C)		12,29,22,963		9,88,96,541
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		6,17,99,401		2,69,14,560
Cash and cash equivalents at the beginning of the year		3,52,48,749		83,34,188
Cash and cash equivalents at the end of the year		9,70,48,150		3,52,48,748
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 ANBALAGAN & CO CHARTERED ACCOUNTANTS FRN No: 011394S		For and on behalf of the Board of Directors		
 N. ANBALAGAN, B.A., F.C.A. Chartered Accountants FR No: 011394S No: 11, Shopping Complex 2nd Floor, Salai Road, Woraiyur, Trichy-620 003. Ph: 0431-2767084 Cell: 93602 15739 / 95855 33617		 CHARLES SELVARAJ MANAGING DIRECTOR Place: MADURAI Date: 30.05.2019		
N. ANBALAGAN, PROPRIETOR M.No: 019503 Place: MADURAI Date: 30.05.2019		 SHARMA KIRTI COMPANY SECRETARY		
		 DEV ASOKAN CHAIRMAN		

M/s. VIRUTCHAM MICROFINANCE LTD., C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012	
Note No.	NOTES FORMING PART OF THE FINANCIAL STATEMENTS
1	CORPORATE INFORMATION
	<p>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.</p> <p>The registered office of the company is located at C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012.</p> <p>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 Joint-Liability 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.</p> <p>The Operations of the Company is concentrated within the State of Tamilnadu and extended to kerala during the Financial year.</p>
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 Accounts Rules, 2014 (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	Property Plant and Equipment
	<p>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.</p> <p>(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.</p> <p>(ii) Depreciation on additions is charged proportionately from the date of acquisition/installation.</p>
2.06	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.



M/s. VIRUTGHAM MICROFINANCE LTD., C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012	
Note No.	NOTES FORMING PART OF THE FINANCIAL STATEMENTS
2.07 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.
2.08 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.
2.09 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. <u>B. 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.,

C50,Gurudev Nagar,Bypass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

Note No.	NOTES TO THE FINANCIAL STATEMENTS				
3	SHARE CAPITAL :				
	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		Number of Shares	(Amount in ₹)	Number of Shares	(Amount in ₹)
	Authorised :				
	Equity shares of Rs.10/- each	2,00,00,000	20,00,00,000	1,00,00,000	10,00,00,000
	Issued, subscribed and fully paid up				
	Equity Shares of Rs.10/-, each, fully paid up	90,00,000	9,00,00,000	50,00,000	5,00,00,000
	Total	90,00,000	9,00,00,000	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, 2019 and 31st March, 2018 is set out below.				
	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		Number of Shares	(Amount in ₹)	Number of Shares	(Amount in ₹)
	Balance at the beginning of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000
	Add: Share Capital issued during the Financial Year	40,00,000	4,00,00,000	-	-
	Balance at the close of the year	90,00,000	9,00,00,000	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, 2019		As at 31st March, 2018	
		%	No. of Shares	%	No. of Shares
	Mr.S.Charles Selvaraj	22.11%	19,89,721	15.59%	7,79,800
	M/s.Infotech Solution	5.33%	4,80,000	8.64%	4,32,000
	Mr. Newman Jeevaraj	6.44%	5,80,000	11.60%	5,80,000
	Fr.Denzil Raja	0.00%	-	8.29%	4,14,610
	Mr.Edwin Jose	11.11%	10,00,000	0.00%	-
	Mr.Ramasubbu	6.67%	6,00,000	0.00%	-
	D.Juliet Asokan	7.30%	6,57,090	7.30%	3,65,050
4	RESERVES & SURPLUS				
	Particulars	As at 31st March 2019		As at 31st March 2018	
		₹		₹	
	(a) Securities Premium Account :				
	Opening Balance	-		-	
	Add : Premium on Issue of Share Capital	62,54,675		-	
		62,54,675		-	
	(b) Statutory Reserves - (Refer Note Below)				
	As per beginning of reporting period	23,23,650		16,98,467	
	ADD: Additions/ transfers during the year	9,30,094		6,25,183	
	LESS: Utilisations/ transfers during the year	-		-	
	As per the end of the reporting period	A		23,23,650	
	(c) Surplus in Statement of Profit & Loss				
	As per beginning of reporting period	77,46,037		52,45,306	
	Add: Transferred from Profit and Loss Account	46,50,470		31,25,914	
	Less: Transferred to Statutory Reserve	(9,30,094)		(6,25,183)	
	As per the end of the reporting period	B		77,46,037	
	Closing Balance	Total (A+B)		1,00,69,687	
	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.				



M/s. VIRUTCHAM MICROFINANCE LTD.,
C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

Note No.	NOTES TO THE FINANCIAL STATEMENTS		
5	LONG TERM BORROWINGS		(Amount in ₹)
	Particulars	As at 31st March 2019	As at 31st March 2018
	Secured		
	- Term Loan (Refer Note 5.1 as below)		
	(i) Banks	2,88,37,443	2,86,36,898
	(ii) Others	16,87,93,637	9,15,02,156
	Total	19,76,31,080	12,01,39,054
	Note : The Company has not defaulted in repayment of Loans and the Interest accrued on it		
6	LONG TERM PROVISIONS		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Provision - Others:		
	Contingent Provisions against Standard Assets (Refer Note 23)	17,22,361	11,47,763
	Total	17,22,361	11,47,763
7	SHORT TERM BORROWINGS		
	Particulars	As at 31st March 2019	As at 31st March 2018
	(a) Current maturities of Long Term debt (Refer Note 5.1 and 5.3)		
	(i) Banks	2,97,04,943	2,13,34,680
	(ii) Others	28,64,92,355	11,52,92,980
	Total	31,61,97,298	13,66,27,660
	(b) Statutory Payables -		
	TDS Payable	-	-
	(c) Other Payables:		
	Audit Fees Payable	2,00,000	1,50,000
	Insurance Payable	1,83,481	2,06,331
	Other Current Liabilities	2,08,700	4,44,476
	Total	31,67,89,478	13,74,28,467
8	SHORT TERM PROVISIONS		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Provision - Others		
	Provision for Income Tax	3,45,351	6,59,174
	Contingent Provisions against Standard Assets (Refer Note 23)	34,39,721	16,05,780
	Total	37,85,072	22,64,954



M/s. VIRUTCHAM MICROFINANCE LTD.,

NOTE 9
FIXED ASSETS AS AT MARCH 31, 2019

FIXED ASSETS AS AT MARCH 31, 2019												(Amount in ₹)
Sl. No.	Particulars	Gross Block				Depreciation			Net Block			
		Cost as at 01-04-2018	Additions	Deductions	Cost as at 31-03-2019	Upto 31-03-2018	Depreciation for the Year	On Deduction	Upto 31-03-2019	As at 31-03-2019	As at 31-03-2018	
A. Tangible Assets												
1	(a) Furniture and Fixtures Owned	16,05,890	2,56,413	-	18,62,303	5,69,424	1,70,061	-	7,39,485	11,22,818	10,36,466	
2	(b) Computers Owned	17,05,812	4,07,902	-	21,13,714	11,90,787	6,26,890	-	18,17,677	2,96,037	5,15,025	
3	(c) Air conditioner Owned	3,55,269	1,20,414	-	4,75,683	2,08,914	89,690	-	2,98,604	1,77,079	1,46,355	
4	(d) Plant and Machinery Owned	2,02,716	36,200	-	2,38,916	10,601	19,798	-	30,399	2,08,517	1,92,115	
5	(e) Vehicle Owned	51,867	39,156	-	91,023	12,711	8,647	-	21,358	69,665	39,156	
Total Tangible Assets (A)		39,21,554	8,60,085	-	47,81,639	19,92,437	9,15,086	-	29,07,523	18,74,116	19,29,117	
B. Intangible Assets												
1	Software	16,48,865	2,80,000	-	19,28,865	8,10,438	1,88,439	-	9,98,877	9,29,988	8,38,427	
Total Intangible Assets (B)		16,48,865	2,80,000	-	19,28,865	8,10,438	1,88,439	-	9,98,877	9,29,988	8,38,427	
Total Assets (A + B)		55,70,419	11,40,085	-	67,10,504	28,02,875	11,03,525	-	39,06,400	28,04,104	27,67,544	
Previous Year		35,90,958	19,79,461	-	55,70,419	22,89,602	5,13,273	-	28,02,875	27,67,545	13,01,356	



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C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

Note No.	NOTES TO THE FINANCIAL STATEMENTS		
10	LONG TERM LOANS AND ADVANCES		(Amount in ₹)
	Particulars	As at 31st March 2019	As at 31st March 2018
	Security deposits		
	-Telephone	9,525	8,025
	-Rental Advance	5,33,000	4,12,500
	Total	5,42,525	4,20,525
11	LONG TERM RECEIVABLE UNDER FINANCING ACTIVITY		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Long-term trade receivables		
	Unsecured, considered good	17,22,36,050	9,18,21,000
	Total	17,22,36,050	9,18,21,000
11.1	OTHER NON CURRENT ASSETS		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Unamortised Expenses		
	Opening Balance	-	-
	Add : Expenses incurred for increasing Authorised Capital	8,23,738	-
	Less : Amortisation for the Current Year	1,64,748	-
	Total	6,58,990	-
12	TRADE RECEIVABLES - Under Financing Activity		
	Particulars	As at 31st March 2019	As at 31st March 2018
	(a) Outstanding for a period less than six months from the date of due		
	Unsecured, Considered good		
	Micro finance loan (Refer Note (i) below)	34,44,72,099	18,35,33,219
	Total	34,44,72,099	18,35,33,219
13	CASH AND CASH EQUIVALENTS		
	Particulars	As at 31st March 2019	As at 31st March 2018
	(a) Cash on hand	7,15,550	6,44,295
	(b) Balances with banks		
	(i) Current Accounts	4,69,68,600	91,13,186
	(ii) In deposit accounts	4,93,64,000	2,55,32,762
	Total	9,70,48,150	3,52,90,243



M/s. VIRUTCHAM MICROFINANCE LTD.,

C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

Note No.	NOTES TO THE FINANCIAL STATEMENTS		
14	SHORT-TERM LOANS AND ADVANCES		
	Particulars	As at 31st March 2019	As at 31st March 2018
		₹	₹
	Employee Advance	21,01,836	14,69,046
	Advance Payment Made for Software	-	-
	Total	21,01,836	14,69,046
15	OTHER CURRENT ASSETS		
	Particulars	As at 31st March 2019	As at 31st March 2018
		₹	₹
	(b) Accruals		
	(i) Interest accrued on deposits	21,33,479	9,93,594
	Others	-	2,06,480
	(c) Prepaid Processing Charges	31,04,908	16,15,300
	(d) Income Tax Refund due	-	-
	(e) GST Deposit	4,82,445	-
	(f) TDS Receivable	29,297	-
	(g) GST Receivable	1,08,000	-
	(h) Advances EMI to MAS	16,66,667	-
	(i) Interest receivable on Loan	29,08,151	29,07,850
	Total	1,04,32,947	57,23,224
16	REVENUE FROM OPERATIONS		
	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
		₹	₹
	Interest on loans under Financing Activity	8,45,70,827	3,39,17,740
	Total	8,45,70,827	3,39,17,740
17	OTHER INCOME		
	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
		₹	₹
	Interest on Bank Deposits	17,84,256	9,93,594
	Processing Fees	57,97,160	31,55,538
	Miscellaneous Income	9,99,087	2,31,348
	Total	85,80,503	43,80,480
18	FINANCE COSTS		
	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
		₹	₹
	Interest on Bank borrowings	5,09,48,920	1,48,24,528
	Interest on Debentures	-	-
	Processing fees on bank borrowings	28,98,842	4,39,000
	Total	5,38,47,762	1,52,63,528



M/s. VIRUTCHAM MICROFINANCE LTD.,

C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

Note No.	NOTES TO THE FINANCIAL STATEMENTS		
19	EMPLOYEE BENEFITS EXPENSE		
	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
		₹	₹
	Salaries and wages	1,52,81,277	92,10,067
	Staff welfare expenses	11,82,159	4,70,599
	Director Remuneration	12,00,000	-
	Staff Trainig	2,48,767	1,13,781
	Incentive Programme	88,601	-
	Total	1,80,00,804	97,94,447
20	ADMINISTRATION EXPENSES		
	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
		₹	₹
	Bank charges	62,959	98,015
	Printing & Stationery	5,65,535	3,11,383
	Postage & Courier Charges	1,92,955	82,882
	Rent & Electricity Charges	13,43,378	8,61,943
	Repairs and Maintenance - Building	2,61,311	67,677
	Repairs and Maintenance - Computer	56,125	82,221
	Repairs and Maintenance	14,600	9,704
	Document Charges on Borrowers	1,24,049	-
	Communication expenses	4,87,638	3,35,520
	Marketing Expenses	3,29,500	-
	Travelling & Conveyance	23,67,888	13,89,210
	Refreshment Exp	1,23,261	-
	Meeting & Training Expenses	3,20,326	2,61,128
	Cleaning charges and Materials	1,41,954	11,000
	Advertisement Expenses	59,144	6,000
	Service charge paid to Ngo	28,06,191	20,19,888
	MFI Rating fees	1,30,000	3,67,055
	Other professional charges	3,75,271	1,68,700
	Credit information charges	3,49,377	-
	Audit fees	2,00,000	1,50,000
	Legal Expense	69,669	41,082
	Miscellaneous expenses	1,20,249	3,20,289
	Consultation fees	5,41,000	3,89,500
	ROC Filling	45,290	-
	Software Maintainance	3,46,900	-
	Total	1,14,34,569	69,73,197
	NOTE 20.1		
	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
	Payments to the auditors comprises (net of service tax input credit, where applicable)	₹	₹
	For Statutory audit		
	- Audit Fees	1,65,000	1,15,000
	- Tax Audit Fees	20,000	20,000
	- Other Certification	15,000	15,000
	Total	2,00,000	1,50,000



M/s. VIRUTCHAM MICROFINANCE LTD.,

C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

Note No.	NOTES TO THE FINANCIAL STATEMENTS			
21	Disclosures under Accounting Standard - 20			
Particulars		As at 31st March , 2019 ₹	As at 31 March, 2018 ₹	
EARNINGS PER SHARE				
<u>Basic</u>				
Net profit / (loss) for the year from continuing operations		61,91,384	40,69,536	
Less: Preference dividend and tax thereon		-	-	
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders		61,91,384	40,69,536	
Weighted average number of equity shares		90,00,000	50,00,000	
Par value per share		10	10	
Earnings per share from continuing operations - Basic		0.69	0.81	
Note: The Company raised fresh 4,00,000 equity shares under right issue basis during the financial year 2018-19 in the month of march 2019. The Earnings per share for the Financial year 2018-19, without considering fresh issue of equity shares would have been Rs.1.24.				
22	Disclosures under Accounting Standard - 22			
Particulars		As at 31st March , 2019 ₹	As at 31 March, 2018 ₹	
Deferred tax (liability) / asset				
<u>Tax effect of items constituting deferred tax liability</u>				
On difference between book balance and		(6,06,122)	25,124	
Tax effect of items constituting deferred tax liability		(6,06,122)	25,124	
<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		(6,06,122)	25,124	
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, 2018 ₹	Additions ₹	As at 31st March , 2019 ₹
Provision for receivables under Financing Activity		27,53,543	24,08,538	51,62,081
			(12,19,304)	(12,19,304)
Less: Provision utilised for write off of Bad debts		-	-	-
		27,53,543	24,08,538	51,62,081
Total		-	(12,19,304)	(12,19,304)
Note: - Figures in brackets relate to the previous year.				



M/s. VIRUTCHAM MICROFINANCE LTD.,

C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

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		-
	Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits		-
	(c) Term Loans	5,138.28	-
	(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		5,167.08
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)		-



C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012



M/s. VIRUTGHAM MICROFINANCE LTD.,

C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012

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, 2019 - Rs. Nil)

25.2 Expenditure in foreign currency - Rs. Nil (As at 31st March, 2019 - 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. 5162081/- being 1% of the outstanding portfolio as at March 31, 2019. 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, 2019 (₹)		March 31, 2018 (₹)	
	Loans for Financial Assistance	Provision	Loans for Financial Assistance	Provision
Summary of Portfolio Balance and related provisions	51,67,08,149	51,67,081	27,53,54,219	27,53,543
Note No.6 Long Term Provisions		17,22,361		11,47,763
Note No.8 Short Term Provisions		34,39,721		16,05,780
Note No.11 Other Non Current Assets	17,22,36,050		9,18,21,000	
Note No.12 Trade Receivables under Financing Activity	34,44,72,099		18,35,33,219	
Total	51,67,08,149	51,62,081	27,53,54,219	27,53,543

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	58,32,18,674	
B.	Qualifying Assets	51,67,08,149	
C.	Qualifying Assets Ratio		88.60%
D.	Ratio of Income Generation Loan to Total Loan		
	Income Generation Loan	51,67,08,149	
	Total Loan	51,67,08,149	
	Ratio		100.00%

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

(i) Capital to Risk asset ratio

S. No.	Particulars	March 31, 2019 (₹)	As at 31 March, 2018 (₹)
A.	Tier I Capital	11,06,25,456	5,69,43,773
B.	Tier II Capital	1,51,62,081	11,84,421
C.	Total	12,57,87,537	5,81,28,194
	Total Risk Weighted Assets	52,95,57,737	9,47,53,713
	Capital Ratios		
	Tier I Capital as percentage of Total Risk Weighted Assets (%)	20.89%	60.10%
	Tier II Capital as percentage of Total Risk Weighted Assets (%)	2.86%	1.25%
	Total Capital (%)	23.75%	61.35%

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.930094/- (Nine Lakhs and 30,094/-) on 31st March, 2018 Rs. 6,25,183/-, out of the Net Profit after tax for the year ended 31st March 2019 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 :	LIMITED COMPANY
Date of Incorporation :	08.07.2008	Asst. Year :	2019-20
Nature of Business :	MICRO FINANCE	P.A.N :	AACCV9529Q
Address :	C50,Gurudev Nagar, Bye Pass road,Avaniyapuram, Madurai, Tamil Nadu-625012	I.T.Juri :	COMPANY WARD
		Period Ending :	31.03.2019

STATEMENT OF TOTAL INCOME

	(Amount in ₹)	(Amount in ₹)
INCOME FROM BUSINESS		
Net Profit as per Profit & Loss A/c.		61,91,384
Add: Inadmissible Expenses:		
Income tax paid	-	
Depreciation as per Companies Act	11,03,525	
Expenses amortised during the year	1,64,748	
Provisions for Loans	24,08,538	36,76,811
		98,68,195
Less: Admissible Expenses :		
Depreciation as per Income Tax Act		12,77,454
Deduction U/s. 36 (1)(viii) - 5% of Gross Total Income		4,29,537
INCOME FROM BUSINESS		81,61,204
Total Income		81,61,204
		(or)
Total Income (as rounded off)		81,61,200

STATEMENT OF BOOK PROFIT

Net profit as per revised Schedule VI		61,91,384
Add: Provision against Loan & standard asset		24,08,538
		85,99,922
Less: Brought forward loss or unabsorbed depreciation whichever is less		-
Depreciation debited excluding depreciation on account of revaluation of assets	-	-
BOOK PROFIT		85,99,922
		(or)
BOOK PROFIT (AS ROUNDED OFF)		85,99,920



Clause 14 - Annexure Form 3CD										
Depreciation as per Income Tax Act, 1961										
Sl No	Asset Category	Rate	WDV as at 31/03/2018	Additions >= 180 Days (April - Sep)	Additions < 180 Days (Oct - Mar)	Depreciation > 180 Days	Depreciation < 180 Days	Depreciation 2018 - 2019	Deletions	WDV as at 31/03/2019
1	(a) Furniture and Fixtures									
	Owned	10	9,50,404	2,40,132	16,281	1,19,054	814	1,19,868	-	10,86,949
2	(b) Computer									
	Owned	40	62,531	2,67,496	1,40,406	1,32,011	28,081	1,60,092	-	3,10,341
3	(c) Air Conditioner									
	Owned	15	4,19,224	1,20,414	-	80,946	-	80,946	-	4,58,692
4	(d) Software									
	Owned	40	10,09,716	9,82,449	4,20,309	7,96,866	84,062	8,80,928	-	15,31,546
5	(e) Vehicles									
	Owned	15	31,853	-	-	4,778	-	4,778	-	27,075
6	(f) Plant & Machinery									
	Owned	15	1,87,512	-	36,200	28,127	2,715	30,842	-	1,92,870
	Total		26,61,240	16,10,491	6,13,196	11,61,782	1,15,672	12,77,454	-	36,07,473



M/s. VIRUTCHAM MICROFINANCE LTD.,			
C50, Gurudev Nagar, Bypass Road, Avaniyapuram, Madurai, Tamil Nadu-625012			
Calculation of Capital Adequacy Ratio as on 31st March 2019			
Particulars	Sub totals	Totals	Totals
Tier I Capital			
Add:			
1. Paid up equity capital	9,00,00,000		
2. Convertible preference shares			
3. Free reserves	1,47,20,158		
4. Share premium (balance in the account)	62,54,675		
5. Capital reserve (rep. sur+ of sale proceeds of asset)		11,09,74,833	
Less:			
1. Accumulated loss in balance sheet	-		
2. Book value of intangible assets	-		
3. Deferred revenue expenditure	3,49,377	3,49,377	
Net owned fund		11,06,25,456	
Less:			
1. Shares in other NBFC's			
2. Shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding 10% of owned fund.			
Tier I Capital		11,06,25,456	
Tier II Capital			
Add:			
1. Non convertible preference shares	-		
2. Revaluation reserve at discounted rate of 55%	-		
3. General provisions and loss reserves to the extent of (1&1/4)% of risk weighted assets.	51,62,081		
4. Hybrid debt and capital instruments	1,00,00,000		
5. Subordinated debt	-		
To the extent the discounting value does not exceed 50% of Tier-I Capital	-		
	1,51,62,081		
Limited to the extent of Tier I and II for the purpose of capital adequacy (the total Tier II capital shall not exceed 100% of Tier I)		1,51,62,081	
Tier II Capital		1,51,62,081	
Total of Tier I & Tier II Capital			12,57,87,537
Asset particulars	Amount	% of weight	Risk adjusted amount
Cash and Bank balances including fixed deposits and certificates of deposits with bank	4,76,84,150	0%	-
Fixed Deposits pledged with Banks	4,93,64,000	0%	-
Investments	-	0%	-
Trade Receivable under Financing Activity	51,67,08,149	100%	51,67,08,149
Fixed assets net of depreciation	18,74,116	100%	18,74,116
Other assets			
a) TDS-income tax (net of provision)		0%	-
b) Advance tax paid (net of provision)		0%	-
C) Staff Advance	21,01,836	0%	-
C) Others to be specified	1,09,75,472	100%	1,09,75,472
Total risk weighted assets	62,87,07,723		52,95,57,737
CAR			23.75%



M/s. VIRUTCHAM MICROFINANCE LTD.,				
C50,Gurudev Nagar,Byepass Road,Avaniyapuram , Madurai, Tamil Nadu-625012				
Qualifying Assets Ratio				
S. No.	Particulars	₹	₹	%
A.	Net Assets of the Company :			
1	Total Assets as per Balance Sheet		63,09,02,824	
	Less:			
2	Cash & Bank balances and financial Institutions, government securities and money market instruments			
	(a) Cash on hand	7,15,550		
	(b) Balances with banks	-		
	(i) In current accounts	4,69,68,600		
		-	4,76,84,150	
		-		
	Net Assets of the Company (1-2)	-	58,32,18,674	
		-		
	Qualifying Assets :	-		
	Trade receivables under Financing Activity	-		
	(i) Current	34,44,72,099		
	(ii) Non-Current	17,22,36,050		
		-		
	Total Qualifying Assets (1+2)	-	51,67,08,149	
		-		
	Qualifying Assets Ratio			88.60%
3				
	Income Generation Loan	-	51,67,08,149	
		-		
	Ratio of Income Generation Loan to Total Loan			100%



STATEMENT OF TAXES		
	(Amount in ₹)	(Amount in ₹)
I. Tax due as per Book Profit U/s. 115-JB @ 18.5%		15,90,985
II. Tax due as per Income Tax Act.		20,40,300
Tax Payable (higher of above I & II)		20,40,300
Net Tax Payable		20,40,300
Total Tax and Surcharge Payable		20,40,300
Add: Education & Higher Education Cess @ 3% on above		81,612
Total Tax, Surcharge and Education Cess Payable		21,21,912
Less: Prepaid Taxes:		
(A) MAT Credit Set off	-	
(B) Tax deducted at source		
U/s. 194 - Bank Interest	76,561.00	
(C) Advance Tax:	17,00,000.00	
		17,76,561
Balance tax payable		3,45,351
Add: Interest for :		
U/s. 234 - A	-	
U/s. 234 - B	-	
U/s. 234 - C	-	
		-
Total Tax and Interest Payable		3,45,351
Less: Tax on Self-Assessment U/s. 140-A		-
BALANCE TAX AND INTEREST PAYABLE/(REFUND DUE)		3,45,351
<p>In Accordance with our Report attached For ANBALAGAN & CO CHARTERED ACCOUNTANTS FRN No: 011394S</p> <p>For and on behalf of the Board of Directors</p> <p><i>N. Anbalagan</i> N.ANBALAGAN, PROPRIETOR M.No: 019503 Place : MADURAI Date : 30.05.2019</p> <p><i>S. Charles Selvaraj</i> CHARLES SELVARAJ MANAGING DIRECTOR</p> <p><i>Sharma Kirti</i> SHARMA KIRTI COMPANY SECRETARY</p> <p><i>Dev Asokan</i> DEV ASOKAN CHAIRMAN</p> <p>Place : MADURAI Date : 30.05.2019</p>		

N. ANBALAGAN ,B.A.,F.C.A
Chartered Accountants
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Woraiyur, Trichy-620 003.
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Cell:93602 15739 / 95855 33617