



Repc Micro Finance Limited
Corporate Office, Chennai-35.

ANNUAL ACCOUNTS FOR THE YEAR 2015-2016

INDEX

S. No	PARTICULARS	PAGE NO
1	Balance Sheet.	1
2	Profit and Loss.	2
3	Notes for Balance Sheet.	3
4	Notes for Profit and Loss account.	8
5	Depreciation for the year 2015-16.	9
6	Depreciation calculation - Income Tax Act	10
7	Calculation on Deferred Tax Assets.	11
8	Calculation on NPA.	12
9	Calculation on TAX workings (I)	13
10	Calculation on TAX workings (II)	14
11	Cash Flow Statement.	15
12	Notes on Accounts.	16
12	Auditors Report	33





REPCO MICRO FINANCE LIMITED
(Formerly Repco MSME Development and Finance Limited)
NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017


BALANCE SHEET AS AT 31ST MARCH 2016

Particulars	Note No	Amount (INR)	
		Figures as at the end of current reporting year	Figures as at the end of Previous reporting year
		March 31,2016	March 31,2015
I. EQUITY AND LIABILITIES			
(1) Shareholders funds			
(a) Share Capital	2	39,20,00,000	39,20,00,000
(b) Reserves and Surplus	3	19,88,76,721	12,03,64,927
(2) Non current liabilities			
(a) Long Term Borrowings	4	67,31,60,877	57,57,17,295
(b) Deferred Tax Liabilities (Net)		-	-
(c) Long term Provisions	5	4,46,43,489	2,41,55,097
(3) Current Liabilities			
(a) Short Term Borrowings	6	1,54,36,71,692	1,09,01,26,312
(b) Other Current Liabilities	7	45,05,46,651	17,56,02,241
(c) Short Term Provisions	8	4,71,80,336	1,70,03,689
TOTAL		3,35,00,79,766	2,39,49,69,561
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		1,80,84,148	1,18,81,825
(ii) Intangible Assets		1,29,238	2,58,475
(b) Deferred tax assets (Net)	10	1,40,01,974	79,32,891
(c) Long term loans and advances	11	1,50,72,13,941	1,18,09,07,695
(2) Current Assets			
(a) Cash and Bank Balances	12	31,17,500	20,92,42,365
(b) Short-Term Loans and Advances	13	1,80,72,31,808	98,38,16,961
(c) Other Current Assets	14	3,01,157	9,29,349
TOTAL		3,35,00,79,766	2,39,49,69,561
Significant Accounting Policies	1		
Notes Forming Part of Accounts	19		


For R.Subramanian and Company
Chartered Accountants
Firm Regn No: 004137S


R.Prakash
Partner
Membership No : 205869

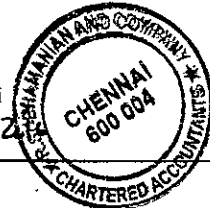

A.G.Venkatachalam
Director


R.S. Isabella
Managing Director


V. Balasubramanian
Chief Financial Officer


Anup Kumar Gupta
Company Secretary

Place : Chennai
Date: 06/06/2016





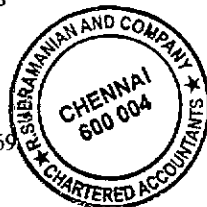
REPCO MICRO FINANCE LIMITED
(Formerly Repco MSME Development and Finance Limited)
NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017


Statement of Profit and Loss for the year ended 31st March, 2016


	Particulars	Note No	Amount (INR)	
			For the year ended 31st March 2016	For the year ended 31st March 2015
III	INCOME:			
	Revenue From Operations	15	50,44,54,606	32,70,75,858
	Other Income	16	3,91,36,425	2,01,69,317
	Total Revenue		54,35,91,031	34,72,45,175
IV	EXPENDITURE			
	Employee Benefit Expenses	17	8,52,98,664	4,45,86,608
	Finance Costs	18	20,71,80,484	14,00,26,729
	Depreciation	9	83,31,072	95,86,035
	Other Expenses	19	2,86,43,522	1,54,56,088
	Provision for Non-Performing Assets		94,48,781	2,61,97,219
	Provision for Standard Assets		1,10,39,611	16,89,622
	Total Expenses		34,99,42,134	23,75,42,302
V	Profit Before Taxation (III-IV)		19,36,48,897	10,97,02,873
VI	Tax Expense:			
	(1) Current Tax		7,40,00,000	4,44,00,000
	(2) Tax expense of earlier years		25,850	-
	(3) Deferred Tax		(60,69,083)	(60,20,457)
VII	Net Profit/(Loss) for the period		12,56,92,130	7,13,23,330
VIII	Earnings per equity share			
	Weighted Average Number of Shares Outstanding during the Period		3,92,00,000	2,81,22,740
	Basic and Diluted Earnings per share (Rs.)		3.21	2.54
	Nominal value per Equity Share (Rs.)		10	10
	Significant Accounting Policies	1		
	Notes Forming Part of Accounts	19		

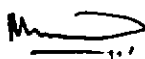
For R.Subramanian and Company
Chartered Accountants
Firm Regn No: 004137S


R.Prakash
Partner
Membership No : 205869





A.G. Venkatachalam
Director


R.S. Isabella
Managing Director


V. Balasubramanian
Chief Financial Officer


Anup Kumar Gupta
Company Secretary

Place : Chennai
Date: 06/06/2016

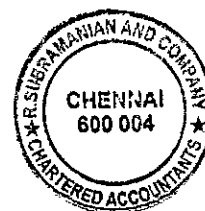
 REPCO MICRO FINANCE LIMITED (Formerly Repco MSME Development and Finance Limited) NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017					
Particulars	Note No	As at March 31, 2016		As at March 31, 2015	
		Number	Amount (INR)	Number	Amount (INR)
Shareholders funds					
Note 2:					
SHARE CAPITAL	2				
<i>Authorised Capital</i>					
Equity shares of Rs.10/- each <i>Issued, Subscribed & Paid up Capital</i>		6,00,00,000	60,00,00,000	6,00,00,000	60,00,00,000
Equity shares of Rs.10/- each fully paid up.		3,92,00,000	39,20,00,000	3,92,00,000	39,20,00,000
As per Balance Sheet		3,92,00,000	39,20,00,000	3,92,00,000	39,20,00,000
The company has only one class of shares referred to as equity shares having a par value of Rs.10/- each. Each holder of equity share is entitled to one vote per share.					
(a) Reconciliation of Share outstanding at the beginning and at the end of the year					
Shares outstanding at the beginning of the year		3,92,00,000	39,20,00,000	2,80,00,000	28,00,00,000
Shares issued during the year		-	-	1,12,00,000	11,20,00,000
Shares bought back during the year		-	-	-	-
Shares outstanding at the end of the year		3,92,00,000	39,20,00,000	3,92,00,000	39,20,00,000
Out of the above, shares held by Repco Bank Limited (Promoter)		2,68,00,000	26,80,00,000	2,68,00,000	26,80,00,000
b) Shareholder holding more than 5% of share capital					
Name of Shareholder					
RepcO Bank Limited		2,68,00,000	68%	2,68,00,000	68%
RepcO Home Finance Limited		1,24,00,000	32%	1,24,00,000	32%
		3,92,00,000	100%	3,92,00,000	100%
e) Shares allotted for consideration other than cash					
Out of the above, 74,99,940 Equity shares are allotted to Repco Bank on 31/03/2010 for consideration other than cash.					



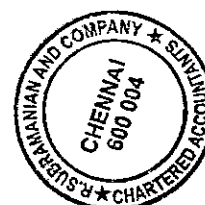
<p>(d) Terms/rights attached to Equity Shares: The Company has only one class of Equity Share having a par value of Rs.10/- per share. Each holder of Equity Share is entitled to one vote per share.</p>					
<p>Dividend (if any) proposed by the board of directors is subject to the approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.</p>					
<p>Note 3:</p>					
<p>RESERVES AND SURPLUS</p>	<p>3</p>				
<p>a) Statutory Reserve (Under Section 451C of RBI Act)</p>					
<p>Opening Balance</p>			<p>3,40,00,000</p>		<p>1,80,00,000</p>
<p>(+) Current Year Transfer</p>			<p>3,00,00,000</p>		<p>1,60,00,000</p>
<p>(-) Written Back in Current Year</p>			<p>-</p>		<p>-</p>
<p>Closing Balance</p>			<p>6,40,00,000</p>		<p>3,40,00,000</p>
<p>b) General Reserve</p>					
<p>Opening Balance</p>			<p>5,50,00,000</p>		<p>2,50,00,000</p>
<p>(+) Current Year Transfer</p>			<p>3,00,00,000</p>		<p>3,00,00,000</p>
<p>(-) Written Back in Current Year</p>			<p>-</p>		<p>-</p>
<p>Closing Balance</p>			<p>8,50,00,000</p>		<p>5,50,00,000</p>
<p>c) Surplus In Statement of Profit and Loss</p>					
<p>Opening balance</p>			<p>3,13,64,927</p>		<p>2,30,45,285</p>
<p>(+) Net Profit / (Loss) for the year</p>			<p>12,56,92,130</p>		<p>7,13,23,330</p>
<p>(-) Appropriations</p>					
<p>(-) Transfer to Statutory Reserve</p>			<p>3,00,00,000</p>		<p>1,60,00,000</p>
<p>(-) Transfer to General Reserve</p>			<p>3,00,00,000</p>		<p>3,00,00,000</p>
<p>(-) Transfer to Proposed Dividend 10% (5%)</p>			<p>3,92,00,000</p>		<p>1,40,61,370</p>
<p>(-) Transfer to Dividend Distribution tax</p>			<p>79,80,336</p>		<p>29,42,318</p>
<p>Closing balance</p>			<p>4,98,76,721</p>		<p>3,13,64,927</p>
<p>Total of Reserves and Surplus (a+b+c)</p>			<p>19,88,76,721</p>		<p>12,03,64,927</p>



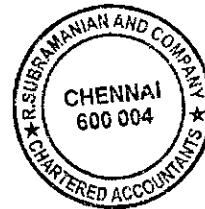
Note 4: Non-Current Liabilities LONG TERM BORROWINGS				
Secured	4			
Term Loan from Banks *		33,88,85,183		18,72,96,157
* Long Term Borrowings and current maturities of long term borrowings from Banks are Secured by Hypothecation of Micro finance Receivables				
Unsecured				
Term Loans from Repco Bank		33,42,75,694		38,84,21,138
As per Balance Sheet		67,31,60,877		57,57,17,295
Note 5: LONG TERM PROVISIONS:				
Provision Towards Non Performing advances	5	2,82,60,643		1,88,11,862
Contingent Provision for Standard advances		1,63,82,846		53,43,235
As per Balance sheet		4,46,43,489		2,41,55,097
Note 6: SHORT TERM BORROWINGS:				
Secured	6			
Loans repayable on Demand				
From Related parties - SODL from Repco Bank *		1,54,36,71,692		1,09,01,26,312
As per Balance Sheet		1,54,36,71,692		1,09,01,26,312
*Short Term Borrowings from Repco Bank is Secured by Hypothecation of Micro finance Receivables				
Note 7: OTHER CURRENT LIABILITIES				
Current Maturities of Long Term Borrowings	7			
Secured				
Term Loans from Banks		37,16,09,989		11,26,40,566
Unsecured				
Term Loans from Repco Bank		5,61,12,989		5,61,93,765
Other Liabilities*		2,28,23,673		67,67,910
*There are no Micro and Small Enterprises to whom the company owes dues, which are outstanding for more than 45 days as of 31st March 2016. This information as required to be disclosed under Micro Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.				
As per Balance sheet		45,05,46,651		17,56,02,241




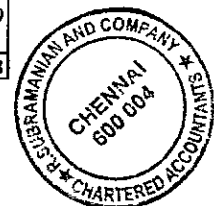
Note 8: SHORT TERM PROVISIONS Provisions:-	8			
Provision for Income Tax (Net of Advance Tax)				-
Proposed Dividend			3,92,00,000	1,40,61,370
Dividend Distribution Tax			79,80,336	29,42,319
As per Balance Sheet			4,71,80,336	1,70,03,689
Note 10: DEFERRED TAX	10			
Deferred Tax Assets:				
Provision towards Non performing advances/Standard Advances			1,54,50,219	83,59,596
Gross Deferred Tax Asset (A)			1,54,50,219	
Deferred Tax Liabilities:				
Difference Between Written Down Value of Fixed Assets as per Companies act and as per Income tax Act.			14,48,245	4,26,705
Gross Deferred Tax Liability (B)			14,48,245	
Net Deferred tax Asset/(Liability) (A-B)			1,40,01,974	79,32,891
As per Balance sheet			1,40,01,974	79,32,891
Note 11 LONG TERM LOANS & ADVANCES (Un Secured & Considered Good excepting Non performing advances)	11			
Micro Finance Loans to Self Help groups			1,49,92,92,691	1,17,65,10,695
Rent Deposit			79,21,250	43,97,000
In the opinion of the Management, the current assets, Loans and Advances as stated in the Balance Sheet are realizable in the normal course of business				
As per Balance Sheet			1,50,72,13,941	1,18,09,07,695
Note 12: CASH AND BANK BALANCES:	12			
Cash and Cash Equivalents				
Cash in Hand			132	132
Balances with Banks				
- Current Account			30,85,199	10,92,37,747
- Savings Bank account			32,168	4,486
In Fixed Deposits with original maturity upto 3 months			-	10,00,00,000
As Per Balance Sheet			31,17,500	20,92,42,365



Note 13				
SHORT TERM LOANS & ADVANCES	13			
(Un Secured, considered good excepting Non performing advances)				
Current Maturities of Micro finance Loan		1,80,55,37,187		97,95,95,084
Prepaid expenses		3,75,457		9,17,021
Other Advances		57,967		2,00,000
Advances recoverable in Cash or in Kind or value to be received		4,82,868		3,39,961
Advance Tax/TDS (Net of provision for Income tax)		7,78,329		6,00,000
Income tax refund due		-		21,64,895
In the opinion of the Management, the current assets, Loans and Advances as stated in the Balance Sheet are realizable in the normal course of business.				
As per Balance sheet		1,80,72,31,808		98,38,16,961
Note 14				
OTHER CURRENT ASSETS	14			
Interest Accrued on Fixed Deposits		-		23151
Interest Accrued on Micro Finance Loans		3,01,157		9,06,198
As per Balance sheet		3,01,157		9,29,349

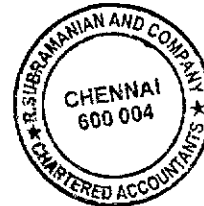


 REPCO MICRO FINANCE LIMITED (Formerly Repco MSME Development and Finance Limited) NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017			
Particulars	Note No	For the period ended March 31, 2016	For the period ended March 31, 2015
		Amount (INR)	Amount (INR)
Income			
Note 15			
Revenue from operations	15		
Interest from Micro Finance Loan		50,44,54,606	32,70,75,858
Total		50,44,54,606	32,70,75,858
Note 16			
Other income:			
Recovery of bad debts written off	16	27,03,409	6,528
Interest on Bank Deposits		10,41,963	23,809
Interest on Income tax refund		3,98,790	-
Evaluation Fee received & Other income		3,49,92,263	2,01,38,980
Total		3,91,36,425	2,01,69,317
Expenses			
Note 17			
Employee Benefit Expenses			
Salaries & allowances	17	8,23,15,658	4,35,90,893
Staff Welfare		29,83,006	9,95,715
Total		8,52,98,664	4,45,86,608
Note 18			
Finance Costs			
Interest on Term Loans	18	11,72,97,924	6,76,14,656
Interest on SODL/ Cash Credit		8,98,82,560	7,23,33,763
Interest others		-	78,310
Total		20,71,80,484	14,00,26,729
Note 19			
Other expenses :			
Printing and Stationery	19	31,96,385	4,77,127
Office Expenses, Postage & Telegraph		16,29,433	6,43,654
Rent		1,05,72,682	60,04,519
Repairs and Maintenance - Others		8,38,353	6,19,000
Telephone Charges		9,66,010	8,91,945
Electricity Charges		12,29,617	7,64,061
Advertisement Expenses		52,470	1,01,921
Remuneration to Auditors towards			
- Statutory audit		2,14,500	1,59,270
- Tax audit and Tax representation		3,75,375	79,635
- Other Services		82,877	98,370
For Expenses		-	9,200
Professional & Legal Charges		32,99,757	17,44,049
Expenses incurred towards Self Help Group (SHG) promotion and monitoring		1,61,275	3,61,945
Bad debts written off		23,85,345	-
Leased Line Charges		16,61,219	5,60,772
Bank Charges		26,561	2,02,321
Rates & Taxes		19,678	22,58,600
CSR Activities		3,53,130	-
Donations to Chief Minister Relief Fund		10,00,000	-
Miscellaneous Expenses		5,78,856	4,79,699
Total		2,86,43,522	1,54,56,088



Note No : 9

REPCO MICRO FINANCE LIMITED (Formerly Repco MSME Development and Finance Limited) NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017												
PARTICULARS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK	
	As on 1st April 2015	Additions	Deletions	As on 31st March 2016		As on 1st April 2015	For the year	Deletions	As on 31st March 2016	As on 31st March 2016	As on 31st March 2015	
TANGIBLE ASSETS:												
Furniture and fittings	33,89,757	12,94,105	-	46,83,862		10,81,497	3,38,044	-	14,19,541	32,64,321	23,08,260	
Furniture and fittings- Temporary Structures	71,27,939	34,74,071	-	1,06,02,010		68,14,300	33,00,366	-	1,01,14,666	4,87,345	3,13,639	
Office Equipments	3,50,716	2,75,260	-	6,25,976		2,60,039	41,458	-	3,01,497	3,24,479	90,677	
Electrical Equipments	5,61,741	2,28,692	-	7,90,433		1,59,825	53,560	-	2,13,385	5,77,048	4,01,916	
Computer	1,45,92,733	86,61,553	-	2,32,54,286		65,43,662	43,20,777	-	1,08,64,439	1,23,89,847	80,49,071	
Vehicles	9,18,839	4,70,478	-	13,89,317		2,00,577	1,47,630	-	3,48,207	10,41,110	7,18,262	
Total	2,69,41,725	1,44,04,159	-	4,13,45,884		1,50,59,900	82,01,835	-	2,32,61,735	1,80,84,148	1,18,81,825	
INTANGIBLE ASSETS:												
Software	7,50,293	-	-	7,50,293		4,91,818	1,29,237	-	6,21,055	1,29,238	2,58,475	
Total	7,50,293	-	-	7,50,293		4,91,818	1,29,237	-	6,21,055	1,29,238	2,58,475	
Total	2,76,92,018	1,44,04,159	-	4,20,96,177		1,55,51,718	83,31,072	-	2,38,82,790	1,82,13,386	1,21,40,300	
Previous year	1,17,37,360	1,59,54,658	-	2,76,92,018		59,65,682	95,86,035	-	1,55,51,717	1,21,40,301	57,71,676	



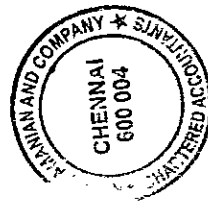
Attachment 1

Clause 14 - Particulars of depreciation applicable as per the Income tax Act, 1961

Block of assets	Rate of Depreciation	Opening written down value	Additions made during the year		Deletions Sale of Asset	Total cost	Depreciation for the Year		WDV as on 31.03.2016
			Put to use for <180 days	Put to use for >= 180 days			More than 180 days	Less than 180 days	
Plant & Machinery (Vehicles)	15%	7,55,771	4,70,477	-	-	12,26,248	1,13,366	35,286	10,77,597
Furniture & Fixtures	10%	26,09,485	6,55,527	6,38,577	-	39,03,589	3,24,806	32,776	35,46,006
Electrical Fittings, Electronic Equipments and Office Equipments	15%	6,65,133	2,67,930	2,36,020	-	11,69,083	1,35,173	20,095	10,13,815
Computer and Software	60%	44,52,099	57,60,765	29,00,787	-	1,31,13,651	44,11,732	17,28,230	69,73,690
Temporary Structure	100%	20,79,543	28,35,111	6,38,959	-	55,53,613	27,18,502	14,17,556	14,17,556
Total		1,05,62,031			-	2,49,66,184			1,40,28,664

Note:

1. The auditors have relied upon the Income tax records of the Company for the information regarding the opening written down value of the assets. For the classification of additions to assets, the auditors have relied upon the management's classification.
2. There are no adjustments on account of any Cenvat credit, foreign exchange fluctuation, subsidy/grant, receipt during the year.
3. In relation to additions to fixed assets, the date of installation and date of asset put to use are as certified by the Company.




**REPCO MICRO FINANCE LIMITED****(Formerly Repco MSME Development and Finance Limited)****NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017****Calculation of DTA**

Particulars	Amount (INR)		
Provision for NPA	2,82,60,643.00		
Provision for Standard Advances	1,63,82,846.00		
	4,46,43,489.00	1,33,93,046.70	30%
Deferred tax asset(DTA)	1,54,50,218.67	16,07,165.60	12%
		4,50,006.37	3%
WDV as per Companies Act	1,82,13,375.00		
WDV as per IT Act	1,40,28,664.00		
Difference	41,84,711.00		
Deferred tax Liability (DTL)	14,48,244.78	12,55,413.30	30%
		1,50,649.60	12%
Net Deferred tax asset	1,40,01,973.89	42,181.89	3%
DTA as at 31-3-15	79,32,891.00		
Additional DTA to be created for the Year 2015-16	60,69,082.89		



REPCO MICRO FINANCE LIMITED		
(Formerly Repco MSME Development and Finance Limited)		
NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017		
Provision for NPA as at 31-3-16		
	PARTICULARS	AMOUNT (INR)
	More than 90 days and less than 180 days	24,24,843.00
	More than 180 days	7,64,64,591.00
	Total NPA	7,88,89,434.00
Less:	Balance in Technical Written off accounts after OTS as at 31-3-16	5,06,28,791.00
	Balance NPA as at 31-3-16	2,82,60,643.00
	Provision required for FY 2015-16	2,82,60,643.00
	Provision available as at 31-3-15	1,88,11,862.00
	Balance Provision required	94,48,781.00
	Provision for Standard Assets	
	Total Advances as at 31-3-16	3,35,54,58,669.00
Less:	NPA Advances	7,88,89,434.00
	Standard Advances	3,27,65,69,235.00
	Provision Required @ 0.5%	1,63,82,846.18
	Provision Available as at 31-3-15	53,43,235.00
	Balance Provision required for Standard Advances as at 31-3-16	1,10,39,611.18

 REPCO MICRO FINANCE LIMITED (Formerly Repco MSME Development and Finance Limited) NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017		
TAX WORKING		
Particulars	Amount (INR)	Amount (INR)
Profit as per Profit & Loss A/c		19,36,48,897
<i>Add:</i>		
Depreciation Considered Separately	83,31,072	
Provision for Standard Assets	1,10,39,611	
Provision for Non Performing Assets	94,48,781.00	
CSR Activities	3,53,130	2,91,72,594
		22,28,21,491
<i>Less</i>		
Depreciation As per Income Tax Act	1,09,37,520	1,09,37,520
Profits and Gains From Business		21,18,83,971
Less: Carried forward loss		-
Gross Total Income		21,18,83,971
Tax Payable		6,35,65,191
Surcharge (12%)		76,27,823
Educational Cess (2%)		14,23,860
Secondary Higher Educational Cess (1%)		7,11,930
Total Tax Payable		7,33,28,805
Less: TDS		1,04,179
Tax payable		7,32,24,626
Interest payable U/S 234 C		6,71,817
Balance Tax Payable		7,38,96,442
Advance Tax Paid		7,41,00,000
Net tax Payable		(2,03,558)



REPCO MICRO FINANCE LIMITED

(Formerly Repco MSME Development and Finance Limited)

NO:33 NORTH USMAN ROAD, T NAGAR, CHENNAI 600017

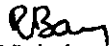
Interest under Sec.234C

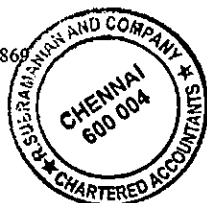
(Amount INR)

Due Date	Percentage	Income estimated	Tax Liability	Amount paid	Shortfall	Interest u/s 234 C @ 1%
15th June 2015	15%	3,17,82,596	1,09,99,321	-	1,09,99,321	3,29,980
15th September 2015	45%	9,53,47,787	3,29,97,962	3,00,00,000	29,97,962	89,939
15th December 2015	75%	15,89,12,978	5,49,96,603	4,66,00,000	83,96,603	2,51,898
15th March 2016	100%	21,18,83,971	7,33,28,805	7,41,00,000	-7,71,195	-
TOTAL INTEREST U/S 234 C						6,71,817


REPCO MICRO FINANCE LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2016				
		For the year ended March 31, 2016 Rupees		For the year ended March 31, 2015 Rupees
A	CASH FLOW FROM OPERATING ACTIVITIES			
	NET PROFIT BEFORE TAX		19,36,48,897	10,97,02,873
	Adjustments For:			
	Depreciation	83,31,072		95,86,035
	(Profit)/Loss on Sale of Fixed Assets	0		0
	Interest Earned on Deposits	-14,40,753		-2,01,38,980
	Bad debts written off	23,85,345		0
	Provision for Non-Performing Assets/Standard Assets	2,04,88,392		2,78,86,841
			2,97,64,056	1,73,33,896
	Operating Profit Before Working Capital Changes		22,34,12,953	12,70,36,769
	Changes in Working Capital			
	Increase/(Decrease) in Trade Payables		0	0
	Increase/(Decrease) in other current liabilities		1,60,55,763	15,58,054
	(Increase)/Decrease in Long term and short term loans & advances		-33,82,339	-25,91,710
	(Increase)/Decrease in other current assets		6,05,041	26,33,878
	Operating Profit after Working Capital Changes		23,66,91,418	12,86,36,991
	Direct Taxes Paid		-7,40,25,850	-5,21,00,000
	Net Cash From Operations		16,26,65,568	7,65,36,991
	(Increase)/Decrease in Micro finance loans		-32,27,81,996	6,33,59,777
	(Increase)/Decrease in Current maturities of Micro finance loans		-82,59,42,103	-76,54,05,679
	Net Cash Generated from operating activity (A)		-98,60,58,531	-62,55,08,911
B	Cash Flow From Investing Activities			
	Purchase of Fixed Assets		-1,44,04,159	-1,59,54,658
	Sale of Fixed Assets		0	0
	Subscription to Investments		0	0
	Interest Earned on Deposits		14,63,904	2,01,15,829
	Dividend received on Investments		0	0
	Net Cash Used in Investing Activities (B)		-1,29,40,255	41,61,171
C	Cash Flow From Financing Activities			
	Proceeds from Issue Share Capital(Net off of Issue Expenses)		0	11,20,00,000
	Increase in Secured and Unsecured Loans(Net)		80,98,77,609	62,85,26,905
	Dividends Paid(Including Dividend distribution tax)		-1,70,03,689	-1,08,82,138
	Net Cash Used in Financing Activities (C)		79,28,73,920	72,96,44,767
	Net Increase/Decrease in cash and cash equivalent (A+B+C)		-20,61,24,866	10,82,97,027
	Cash and Cash Equivalents - Opening Balance (D)		20,92,42,365	10,09,45,338
	Cash and Cash Equivalents - Closing Balance *		31,17,500	20,92,42,365
	Net Increase/(Decrease) in Cash and Cash Equivalents (E-D)		-20,61,24,866	10,82,97,027
	* Includes balance in unpaid dividend account which are not available for use by the company		0	0
	<u>Note:</u>			
	Cash and cash equivalents consist of Cash on Hand, Balance with Banks. Cash equivalents included in Cash Flow Statement comprises the following Balance Sheet amounts:			
	(i) Balances with banks			
	- in Current accounts		30,85,199	10,92,37,747
	in savings bank account		32,168	4,486
	in deposit accounts with original maturity upto 3 months		0	10,00,00,000
	(ii) Cash on hand		132	132
			31,17,500	20,92,42,365


For R.Subramanian and Company
Chartered Accountants
Firm Regn No: 004137S


R.Prakash
Partner
Membership No : 205866



Place : Chennai
Date: 06/06/2016


A.G. Venkatachalam
Director


V. Balasubramanian
Chief Financial Officer


R.S. Isabella
Managing Director


Anup Kumar Gupta
Company Secretary

REPCO MICRO FINANCE LIMITED

(Formerly Repo MSME Development and Finance Limited)

NO: 33, North Usman Road, T.Nagar, Chennai 600 017

NOTE 1:

CORPORATE INFORMATION

Repro Micro Finance Limited ("RMFL" / "the Company") was incorporated on 27th June 2007. The Company is a Non-Banking Finance Company - Micro Finance Institution (NBFC-MFI).

RMFL is predominantly engaged in the business of providing financial and other related support service to Self Help Group (SHG) with a view to enhance their income generation capabilities.

The company provides collateral free loans to self-help groups and the repayment of the loans are by way of equated monthly installments.

The company continues to undertake the business of NBFC-MFI requiring the holding of Certificate of Registration (COR) under section 45-IA of the RBI act, 1934 and the company also fulfilled all conditions stipulated to be classified as NBFC-MFI.

Significant Accounting policies:

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention method in accordance with the Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act 2013 and Mandatory Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

The Company is a Non-Banking Finance Company - Micro Finance Institution (NBFC-MFI). The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India for NBFC-MFI's.

B. Income Recognition:

- I. Interest income on Loans given is recognized under effective rate of interest method. Income on Non - Performing assets is recognized only when realized in accordance with the Reserve Bank of India Guidelines.
- II. Interest income on deposits is recognized on a proportionate basis taking into account the amount outstanding and the rates applicable.
- III. All other income is recognized on an accrual basis.
- IV. Evaluation fee is recognized upfront when it becomes due.

C. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the 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 periods in which the results are known /materialise.

D. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

E. Provision for Non-Performing Assets/Performing Assets

Advances are classified into Performing and Non - Performing Assets. Provision for Performing and Non - performing assets are made in accordance with the Reserve Bank of India Guidelines.

F. Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost includes taxes, duties and other incidental expenses related to the acquisition and installation of the assets.

Depreciation on Fixed assets is provided on the straight line method over the useful life of assets estimated by the management. The Management estimates useful life of the Fixed Assets as follows:-

Nature of the Asset	Useful life (In Years)
Furniture and Fittings	10
Office Equipment	5
Electrical Equipment	10
Computer Software and electronic equipment	3
Temporary Structure (Partition work)	1
Vehicles	6.66

G. Impairment of Assets

Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount.

H. Borrowing Costs

Borrowing costs include interest and ancillary costs that the Company incurs in connection with the borrowings. 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.

I. Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.

J. Earnings Per Share:

Basic earnings per share are computed by dividing the profit 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 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.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

K. Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income tax Act, 1961.

Deferred Tax is recognized on timings difference being the difference between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

L. Employee Benefits:

The company's contribution towards Employees Provident Fund Scheme is remitted to the Regional Provident Fund Commissioner and is charged to the profit & Loss Account on accrual basis.

M. Provisions and Contingencies:

A provision is 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the 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. Contingent liabilities are disclosed in the Notes to the Financial Statements.

N. Operating Cycle

Based on the nature of its activities, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Note 19**Other Notes****a) CRAR**

Items	Current Year	Previous Year
i) CRAR (%)	17.53	23.13
ii) CRAR-Tier I capital (%)	17.53	23.13
iii) CRAR-Tier II capital (%)	---	---

b) Exposures**(i) Exposure to Real Estate Sector**

Category	Current Year	Previous Year
a) (i) Direct exposure	Nil	Nil
Residential Mortgages-	Nil	Nil
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented ; (individual housing loans upto to Rs.15 lakh may be shown separately)	Nil	Nil
(ii) Commercial Real Estate -	Nil	Nil
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits;	Nil	Nil
(iii) Investment in Mortgage Backed Securities (MBS) and other securitized exposures -	Nil	Nil
a. Residential,	Nil	Nil
b. Commercial Real Estate.	Nil	Nil
b) Indirect exposure		
Fund based and non-based exposures on National Housing Bank (NHB) and Housing Finance companies (HFCs)	Nil	Nil

c) Asset Liability Management.

Maturity pattern of certain items of assets and liabilities:

(Rs. In Lakhs)									
	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from bank	351.93	352.51	353.57	1065.22	2153.60	5484.60	1247.39	Nil	11008.82
Assets									
Micro Finance loans	1602.29	1581.14	1577.19	4598.73	8418.54	15270.41	Nil	Nil	33048.30
Investments	--	--	--	--	--	--	--	--	--

d) Other disclosures as per RBI Guidelines

	Particulars	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
	Liabilities side:	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
(1)	Loans and advance availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
	(a) Debentures : Secured	Nil	Nil
	:Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	11008.80	7450.87
	(d) Inter - corporate loans and borrowing	Nil	Nil
	(e) Commercial paper	Nil	Nil
	(f) Other Loans (specify nature) (SODL from Repco Bank Ltd)	15436.72	10901.26

	Asset Side:	Amount Outstanding (Rs.) (In Lakhs)
(2)	Break - up of Loans and Advances including bills receivable (other than those included in (4) below): (a) Secured (b) Unsecured Please see Note 1 below	Nil 33048.30 (21561.06)
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	Nil
	(i) Lease assets including lease rentals under sundry debtors: (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (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	NIL NIL NIL NIL NIL NIL NIL NIL
(4)	Break- up of Investments:	NIL

(5)	Borrower group - wise classification of assets financed as in (2) and (3) above: please see Note 2 below			
	Category	Amount net Provisions		
		Secured	Unsecured	Total
	1. Related parties	Nil	Nil	Nil
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	Nil	Nil	Nil
	(c) other related parties	Nil	Nil	Nil
	2. Other than related parties	Nil	Nil	Nil
	Total	Nil	Nil	Nil
(6)	Investors 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 NAC	Book value (Net of provisions)
	1. Related parties	NIL	NIL
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	NIL	NIL
	(c) Other related parties	NIL	NIL
	2. Other than related parties	NIL	NIL
	Total	NIL	NIL

(7) Other information

Particulars		Amount (Rs. In lakhs)	
		2015-16	2014-15
(1)	Gross Non- Performing Assets	282.61	188.11
	(a) Related Parties	NIL	NIL
	(b) Other than related parties	282.61	188.11

(2)	Net Non - Performing Assets	NIL	NIL
	(a) Related Parties	NIL	NIL
	(b) Other than related parties	NIL	NIL
(3)	Assets acquired in satisfaction of debt	NIL	NIL

The total advances amount and Gross non performing advances is net off of advances technically written off aggregating to Rs.506.29 (650.08) Lakhs.

e) **Related Party Disclosure:**

Key Management personnel:

- 1) Shri. R. Varadarajan (Managing director - (Upto 01-03-2016)
- 2) Shri. A.G. Venkatachalam (Director)

Promoters:

Repcobank Limited

(Amount In Lakhs)

Nature of Transactions	Key management Personnel		Promoters			
	Project Director		Repc Bank		Repc Home Finance Limited	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Share Capital						
Equity Shares	-	-	2680.00	2,680.00	1,240.00	1,240.00
Balance in savings Bank account maintained with the promoter	-	-	0.32	0.04	-	-
Balance in SODL/Cash Credit account maintained with the promoter	-	-	15436.71	10,901.26	-	-
Unsecured Loans availed from the promoter/ Balance outstanding	-	-	3903.87	4,446.15	-	-
Remuneration*						
Reimbursement of establishment cost			-	6.65		
Interest Income received from the promoter						
- Savings Bank	-	-	0.0018	0.01	-	-
Interest paid to promoters	-	-			-	-
- Cash Credit	-	-	898.83	723.34	-	-
- Unsecured Loans	-	-	461.51	523.34	-	-

*No remuneration has been paid to the Managing director during the current year and also in the previous year.

Key Management Personal transactions:

Managing Director - Nil

f) Disclosure Pursuant to RBI Notification DNBR (PD) CC No.002/03.10.001/2014-15 dated November, 2014:

A. Customer Complaints:

No of complaints pending as on 01.04.2015	0
No of complaints received during the year	0
No of complaints redressed during the year	0
No of complaints pending as on 31.03.2016	0

B. Details of Registration with Regulators:

SI No	Name of Registration Authority	Registration No
1	Reserve Bank of India	N-07-00780
2	Ministry of Company affairs	U74900TN2007PLC64126

C. Ratings assigned by Credit rating agencies:

Particulars	As at 31 March 2016	As at 31 March 2015
Commercial paper	NA	NA
Working Capital Facility (Cash Credit/WCDL)	NA	NA
Long-Term bank facilities	ICRA - "BBB-"	ICRA - "BBB-"
Long-Term Non-Convertible Debentures	NA	NA
MFI Grading	ICRA - "M3"	ICRA - "M3"
Subordinated Debt	NA	NA
Perpetual Debt	NA	NA

D. Concentration of Advances, Exposures & NPA's:

Particulars	As at 31 March 2016	As at 31 March 2015
Total Advances and Exposures to twenty largest borrowers	Refer Note below	Refer Note below
Total Exposure to top four NPA accounts	Refer Note below	Refer Note below
Percentage of Advances and Exposures to twenty largest borrowers to Total Advances of the NBFC	Refer Note below	Refer Note below

The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from Rs.20,000 to Rs.60,000 to women engaged in various income generating activities. As at 31 March 2016, the Company has provided loans to more than 1.81 lakhs women and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable to the Company.

E. Sector-wise NPAs as on March 31, 2016

Sl. No	Sector	Percentage of NPAs to Total Advances in that sector as at 31-Mar-16	Percentage of NPAs to Total Advances in that sector as at 31-Mar-15
1	Agriculture & allied activities	NA	NA
2	MSME	100	100
3	Corporate borrowers	NA	NA
4	Services	NA	NA
5	Unsecured personal loans	NA	NA
6	Auto loans (commercial vehicles)	NA	NA
7	Other loans	NA	NA

F. Movement of NPA:

Particulars	As at 31 March 2016 (Rs. In lakhs)	As at 31 March 2015 (Rs. In Lakhs)
(i) Net NPAs to Net Advances (%)	NIL	NIL
(ii) Movement of NPAs (Gross)		
(a) Opening balance	188.11	22.54

(b) Additions during the year (Net off of reductions)	94.50	165.57
(d) Closing balance	282.61	188.11
(iii) Movement of Net NPAs		
(a) Opening balance	0	0
(b) Additions during the year	0	0
(c) Reductions during the year	0	0
(d) Closing balance	0	0

g) Disclosures of Fraud Pursuant to Reserve Bank of India Notification DNBS.PD.CC. No. 256 /03.10.042 / 2011-12 dated 2 March 2012:

NIL

h) Expenditure towards Corporate Social responsibility:

The Gross amount required to be spent by the company during the year 2015-16 as CSR expenditure under section 135 of the Companies Act of 2013 is Rs. 14.94 lakhs/- being 2% of the average profit of past three financial years. The amount is required to be spent on activities qualifying as CSR expenditure as per schedule VII of the Companies Act 2013.

During the financial year 2015-2016 the company has spent sums aggregating to Rs. 3.53 lakhs towards CSR activities. The details of disclosure as per the Guidance issued by the Institute of Chartered Accountants of India are as follows:-

- (a) Gross amount required to be spent by the Company during the year Rs. 14.94 Lakhs.
(b) Amount spent during the year :-

	Particulars	In Cash (Rs. In Lakhs)	Yet to be paid in Cash (Rs. In Lakhs)	Total (Rs. In Lakhs)
(i)	Construction or acquisition of any asset	Nil	Nil	Nil
(ii)	On purposes other than (i)	3.53	Nil	3.53
Total				3.53

i) Segment Reporting

The Company is primarily engaged in the business of Micro Finance in India. All the activities of the Company revolve around the main business. As such there are no separate business and geographic reportable segments as per AS-17 "Segment Reporting".

j) Earnings per Share

Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
Profit after Tax - Rs. in Lakhs	1256.92	713.23
Weighted Average Number of Equity Shares (Nos.)	392,00,000	281,22,740
Earnings Per Share		
Basic - in (Rs.)	3.21	2.54
Diluted - in (Rs.)	3.21	2.54
Face Value Per Share (Rs.)	10.00	10.00

k) Commitments and contingencies


NIL


l) 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. 300 Lakhs (Previous Year - Rs. 160.00 Lakhs), out of the net profit after tax for the year ended 31 March 2016 to Statutory Reserve.


- m) There is no Expenditure incurred in Foreign Currency.
- n) There is no amount to be reflected under payable to Investor Protection Fund.
- o) Previous year's figures have been regrouped and rearranged wherever necessary to conform to current year's classification.

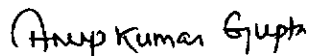
For R.Subramanian and Company
Chartered Accountants
Firm Regn No: 004137S


R.Prakash
Partner
Membership No : 205869


A.G.Venkatachalam
Director


R.S.Isabella
Mahaging Director


V.Balasubramanian
Chief Financial Officer


Anup Kumar Gupta
Company Secretary

Place : Chennai

Date: 06/06/2016

