

REPCO MICRO FINANCE LIMITED

11<sup>TH</sup> ANNUAL REPORT  
2017 – 2018

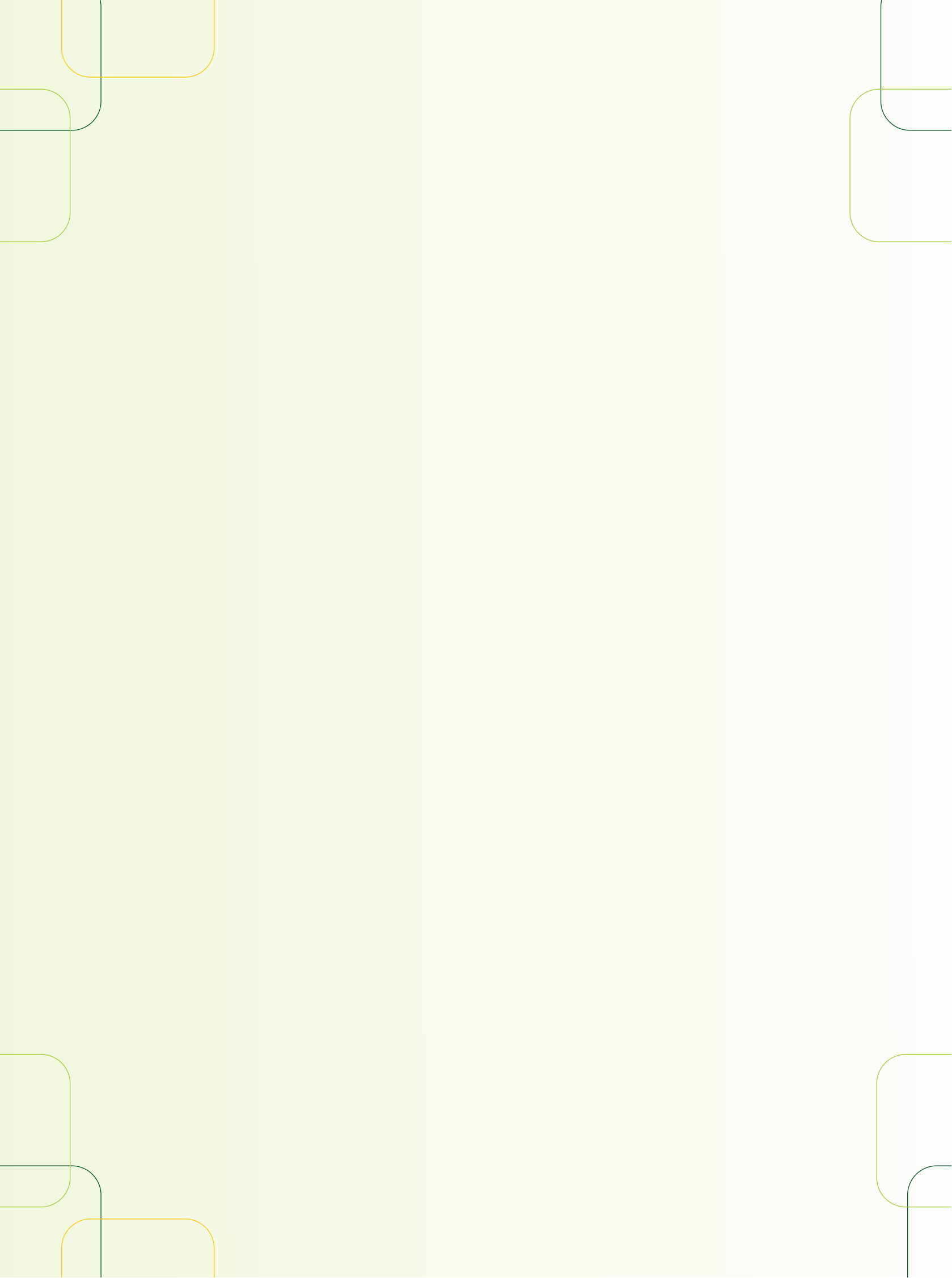




Upscaling under privileged through financial inclusion  
and creation of first generation entrepreneurs

# CONTENTS

	Page No
❖ CORPORATE INFORMATION	5
❖ CSR ACTIVITIES	12
❖ DIRECTORS' REPORT	13
❖ AUDITORS' REPORT	31
❖ BALANCE SHEET	38
❖ STATEMENTS OF PROFIT AND LOSS	39
❖ CASH FLOW STATEMENT	50
❖ AGM NOTICE	71
❖ LIST OF BRANCHES	79



## CORPORATE INFORMATION

**Board of Directors**  
( As on 30.06.2018 )



**Mrs. R.S. Isabella**  
Managing Director



**Mr. R. Varadarajan**  
Director



**Mr. V. Mohandoss**  
Independent Director



**Mr. P. Mahalingam**  
Director



**Mr. N. Balasubramanian**  
Whole Time Director

## COMMITTEES OF THE BOARD

As on 31-03-2018

### AUDIT COMMITTEE

- ❖ Sri. R.Varadarajan
- ❖ Sri. V.Mohandoss
- ❖ Sri. G.Sudhakar

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- ❖ Smt. R.S.Isabella
- ❖ Sri. V.Mohandoss
- ❖ Sri.N.Balasubramanian

### NOMINATION AND REMUNERATION COMMITTEE

- ❖ Sri. R.Varadarajan
- ❖ Sri. V.Mohandoss
- ❖ Sri. G.Sudhakar

### KEY MANAGERIAL PERSONNEL

- ❖ Smt.R.S.Isabella

MANAGING DIRECTOR

- ❖ Sri. V.Balasubramanian

Chief Finance Officer

- ❖ Sri. Anup Kumar Gupta

Company Secretary

### AUDITORS

**P.B.Vijayaraghavan & Co.,**  
**Chartered Accountants**

New No:14,Old No: 27Cathedral Garden Road,  
Nungambakkam,Chennai -600 034.



### **REGISTERED OFFICE:**

Repco Tower,  
No.33, North Usman Road, T.Nagar, Chennai- 600 017  
Telephone: 044-28340715  
Facsimile: 044-28340716

### **CORPORATE OFFICE:**

No.635, Karumuttu Centre, 2<sup>nd</sup> Floor, North Wing  
Anna Salai, Nandanam, Chennai-600 035  
Telephone: 044 24310212  
Email- [rmfl@repcomicrofin.co.in](mailto:rmfl@repcomicrofin.co.in)

### **BANKERS**

- ❖ Repco Bank
- ❖ HDFC Bank
- ❖ Syndicate Bank
- ❖ Federal Bank
- ❖ City Union Bank
- ❖ Union Bank of India
- ❖ KarurVysya Bank
- ❖ Shinhan Bank
- ❖ Indian Bank
- ❖ Canara Bank
- ❖ Bank of India
- ❖ State Bank of India

### **CREDIT INFORMATION COMPANIES (CIC)**

- ❖ CRIF High Mark
- ❖ EQUIFAX
- ❖ CIBIL
- ❖ EXPERIAN

### **REGULATOR**

#### **Reserve Bank of India**

Department of Non-Banking supervision  
Chennai- 600 001

## NABARD SHG LINKAGE AWARD 2017-2018



Received by **Smt. R.S.Isabella**, Managing Director-RepcO Micro Finance Limited  
from **Sri.K. Pandiarajan**, Hon'ble Minister for Tamil Official Language and  
Tamil Culture, Govt. of Tamilnadu.

## Dividend for the financial year 2017-2018



Sri.N.Balasubramanian, Director of Repco Micro Finance Ltd., presented a dividend cheque (@ 12%) for Rs.4.03 crore to Repco Bank for the financial year 2017-2018 to Smt. R.S.Isabella, Managing Director (Incharge) and Sri. P.Yogaseran, Chief General Manager.



Sri.N.Balasubramanian, Director of Repco Micro Finance Ltd., Presented a dividend cheque (@12%) for Rs.1.87 crore (@12%) to Repco Home Finance for the financial year 2017-2018 to Sri. R. Varadarajan, Managing Director.

### RMFL SHG members group activities



## Micro Finance

### RMFL Annual Review Meeting at Chennai



### RMFL Opening of Branches



**Musiri Branch(26.09.2017)**



**Melur Branch(12.03.2018)**



**Manapparai Branch(13.03.2018)**



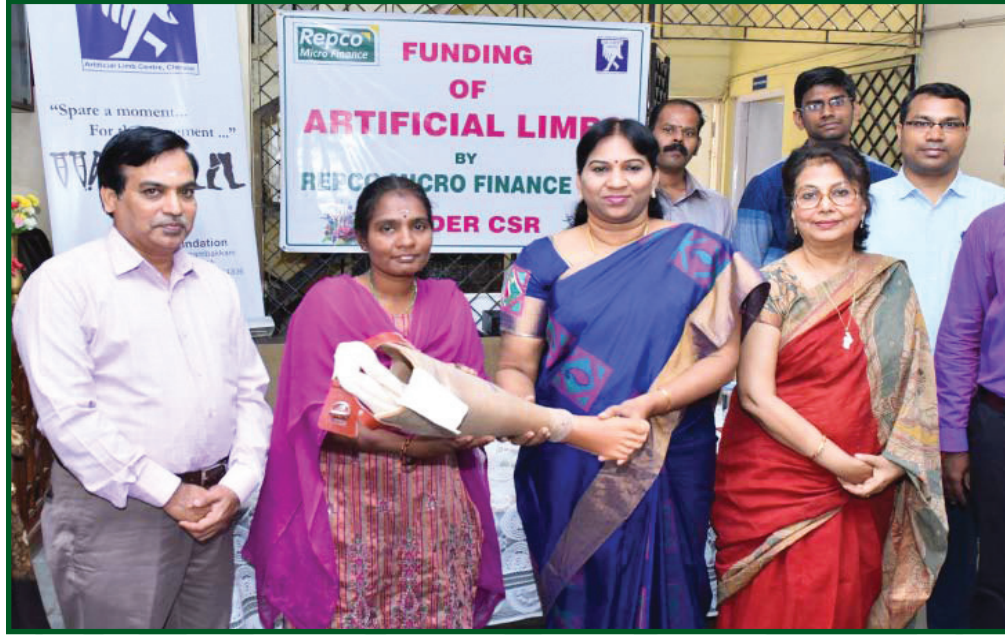
**Tindivanam Branch (19.03.2018)**



**Avadi Branch (31.03.2018)**

### CSR Activities:

**Contributed to M.S. Dadha Foundation, Meenambakkam for Artificial Limbs under CSR activity**



## DIRECTORS' REPORT TO THE MEMBERS

Your Directors are pleased to present the Eleventh Annual Report of the company with audited accounts for the year ended March 31, 2018.

### FINANCIAL RESULTS.

( Rs. In lakh)

Particulars	As at 31.03.2018	As at 31.03.2017
Operating Income	10658.11	7223.08
Other Income	820.84	535.30
<b>Total Income</b>	<b>11478.95</b>	<b>7758.39</b>
Finance Cost	4534.63	3130.07
Administration & Other Costs	2064.94	1671.50
Provision for Standard Assets	43.12	74.42
Provision for Non -Performing Assets	297.48	143.77
Depreciation	78.43	119.31
Profit before tax	4460.34	2619.31
Provision for tax and others	1640.79	950.00
Deferred Tax	(45.16)	(35.26)
Profit after tax	2900.72	1704.57
CRAR	15.37 %	17.74 %

### DIVIDEND

Your directors recommend payment of dividend @ Rs.1.20 per equity share of face value of Rs.10 each for the period ended March 31, 2018. The dividend pay-out is subject to the approval of members at the ensuing AGM.

The dividend will be paid to the members, whose names appear in the register of members as on 22nd May, 2018.

### STATE OF AFFAIRS OF COMPANY

RMFL is a registered NBFC-MFI Company based out in Chennai, providing micro finance loans to SHG's through its 80 branches across Tamilnadu covering 31 districts. The number of branches has increased from 75 to 80 during the year 2017-18. As on March 31, 2018, the Company's present borrower base is 3,06,582.

The Company's mission is **"Upscaling under privileged through financial inclusion and creation of first generation entrepreneurs"**.

## **OPERATION**

There was no change in nature of operation of the company during the year under review.

## **CHANGE IN SHARE CAPITAL.**

In order to augment the future capital, company has increased the authorized share capital to Rs.100.00 Crore.

The company has not issued any securities during the year under review.

## **LOAN ASSETS & DISBURSEMENT:**

As at March 31, 2018, the loan assets increased to Rs.700.84 Crore recording a growth of 48.22 percent. The total loan disbursement during the year was Rs 719.83 Crore as against Rs.496.87 in the previous year.

## **BORROWING FROM BANKS**

RMFL has received fresh sanctions from bank amounting Rs.315.00 Crore during the period under the review and the same was availed during the year. The outstanding bank terms loans/overdraft as at March 31, 2018 were Rs.585.20 Crore.

## **FIXED DEPOSIT:**

The Company has not accepted any deposit within the meaning of Section 76 of the Companies Act, 2013, since incorporation.

## **RESERVE & SURPLUS**

The company proposes to transfer Rs.29,00,72,003( Rupees Twenty Nine Crore Seventy Two Thousand Three Only) to General Reserve, out of which further statutory appropriations will be made.

## **COMPLIANCE WITH RBI GUIDELINES / DIRECTIONS:**

Your Company was classified as NBFC-MFI on December, 2013. Your Company has complied with all applicable regulations of the Reserve Bank of India. As per Non-Banking Finance Companies, RBI Directions, 1998, the Directors hereby report that the company did not accept any public deposits since inception.

## **ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure- A and is attached to this Report.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

All related party transactions as required under Accounting Standard AS-18 are reported in Note 20 (e)- Notes to Account of the Financial Statements of the Company.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has put in place an adequate internal control system to safeguard all assets and ensure operational efficiency. The Company also has an independent internal auditor to conduct ongoing internal audits, covering all aspects of operations. The Company also has a team of inspection officials who visit the branches on regular intervals. Apart from these, Tele Call- Monitoring Mechanism is put in place. Through this mechanism borrowers are contacted and enquired about end utilization of loan availed. This mechanism has provided more control to the company.

## **RISK MANAGEMENT:**

The company has in place a risk management policy framework which has been approved by the Board of Directors. The framework codifies the various risks and the methodologies to ensure such risks are mitigated.

## **PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS:**

The Company has not given any loans or guarantees covered under provisions of section 186 of the Companies Act, 2013. The Company has not made any Investments

## **PARTICULARS OF EMPLOYEES :**

The Company does not have any employee whose particulars are required to be furnished under Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

### **CONSERVATION OF ENERGY & TECHNICAL ABSORPTION:**

The Company is not a manufacturing company, hence the particulars relating to conservation of energy and technology absorption stipulated in section 134 (3) (m) of the Companies Act, 2013, are not applicable.

### **FOREIGN EXCHANGE EARNINGS AND OUT-GO:**

During the period under review there was no foreign exchange earnings or out flow.

### **HUMAN RESOURCES :**

During the year under review the Company has provided in house-training to most of the employees on KYC, Collection, IT, Accounts and on other vital areas. Beside this, the company has provided a wide range of benefits to its employees such as Education Aid, Cremation Expenses, Business Allowance, Special Allowance to field staff etc. The number of employees as on 31<sup>st</sup> March, 2018 was 601.

### **VIGIL MECHANISM / WHISTLE BLOWER**

The Company in pursuance to sub section 9 of Section 177 of the Companies Act, 2013 has framed Vigil Mechanism / Whistle Blower policy for directors and employees to report genuine concerns about unethical behaviour, actual or suspected frauds and violation of the Company code or ethics policy. The policy was approved by the board and is posted on the Website of the Company.

### **DIRECTORS / KEY MANAGERIAL PERSONNEL :**

Sri. A.G. Venkatachalam, Non- Executive Director and Smt. Sripriya Kumar, Independent Director of the Company have resigned from the board w.e.f June 1 2017 and July 30, 2017 respectively.

During the year under review, the board of directors, on the recommendation of the Nomination and Remuneration Committee, had appointed Sri.N. Balasubramanian as Additional Cum Whole Time Director (KMP) for a period of three years w.e.f May 30, 2017. His appointment was approved by the members at the EGM held on September 1, 2017

During the year under review, the board of directors, on the recommendation of the Nomination and Remuneration Committee had appointed Sri G.Sudhakar as Additional (Independent) Director for a period of three years w.e.f August 30, 2017. His appointment was later approved by the members at the 10th AGM held on September 28, 2017.

Sri. V. Mohandoss, Independent Director of the Company was re-appointed as Independent Director for a second term by the board on recommendation of the Nomination & Remuneration Committee for a period of three years upto 30th September, 2020. His appointment as Independent Director was subsequently approved by the members at the EGM held on September 1, 2017.

Smt. R.S Isabella, Managing Director of the company was re-appointed as Managing Director by the board on the recommendation of the Nomination & Remuneration Committee for a period of another one year w.e.f from May 30, 2017 which was later approved by the members at the EGM held on September 1, 2017.

In accordance to Articles 91 of the Articles of Associations of the Company and the provisions of the Companies Act, 2013 Sri.R.Varadarajan Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and eligible for re-appointment.

### **EVALUATION OF BOARD, COMMITTEES & INDEPENDENT DIRECTORS**

Board evaluated its performances as a whole, its various committees and was satisfied with its performance and committees. The board (excluding the independent director being evaluated) also evaluated the performance of all the Independent Directors.

### **DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill the entire requirement as stipulated in section 149(6) of the companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

A separate meeting of Independent Directors of the company was held on March 26, 2018 without attendance of Non-Independent Directors and members of the Management. All Independent Directors were present at the meeting and they reviewed the performance of Non-Independent Directors and assessed the quality, quantity and timeliness of flow of information between the company management and the board.

### **NUMBER OF BOARD MEETINGS**

During the period under review four board meetings were held and convened. The board meetings were held on May 30, 2017, August 30, 2017, December 12, 2017 and March 26, 2018.

The details of the number of board and general meeting(s) attended by the each director during the year ended March, 2018 are given below. Three audit committee meetings were held and convened.

Name of Director	No of Board Meetings held during the tenure of director	No of Board Meeting attended by the board	AGM attended by director
R.Varadarajan	4	4	Yes
R. S.Isabella	4	4	Yes
Sripriyakumar	2	2	N.A
V. Mohandoss	4	4	No
P. Mahalingam	4	4	No
A.G.Venkatachalam	1	1	N.A
N.Balasubramanian	3	3	Yes
G.Sudhakar	2	2	No

#### Composition of Committees (As on 31<sup>st</sup>March , 2018):

#### AUDIT COMMITTEE & NOMINATION AND REMUNERATION COMMITTEE

The Audit Committee and Nomination & Remuneration Committee were constituted as per section 177 and 178 of the Companies Act, 2013 respectively and the rules made thereunder. The Audit Committee and Nomination & Remuneration Committee consists of the following members as on 31.03.2018.

- a) Sri. R. Varadarajan            Chairman
- b) Sri. V. Mohandoss            Member
- c) Sri. G. Sudhakar              Member

The above composition of the Committees consists of Independent Directors viz, Shri. V. Mohandoss and Sri. G.Sudhakar, forming the majority. Three audit committees were held and convened during the year under review.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee comprises of 3 Members, viz. Smt. R.S Isabella (Chairperson), Sri. V. Mohandoss and Sri.N.Balasubramanian. The Committee is primarily responsible for formulating and recommending to the Board of Directors, a Corporate Social Responsibility (CSR) Policy, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects.

The Committee met once during the year under review on May, 30, 2017 and attended by all members of the Committee.

The CSR policy of the Company is available on the website of the company and can be accessed in the link given below.

[http://www.repcomicrofin.co.in/pdf\\_files/investors\\_files/file\\_inves\\_3.pdf](http://www.repcomicrofin.co.in/pdf_files/investors_files/file_inves_3.pdf)

### **REMUNERATION POLICY:**

The Company's policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure "C" and is attached to this report.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:-

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis
- e) The directors had laid down internal financial control to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint venture or Associate Company.

### **STATUTORY AUDITORS:**

M/s. P.B. Vijayaragavan and Company, Chartered Accountants Firm (FRN: 004721S) were appointed at the 10<sup>th</sup> Annual General Meeting as Statutory Auditors of the Company for a period of five years till the conclusion of the 15<sup>th</sup> Annual General Meeting of the Company.

The Notes to Accounts forming part of the financial statements are self-explanatory and need no further explanation.

There are no qualifications or adverse remarks in the Auditors Report which require any clarification / explanation.

### **MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN 31<sup>ST</sup> MARCH AND THE DATE OF BOARD'S REPORTS :**

As per the directions of Reserve Bank of India the company has re-credited difference interest after providing for moratorium period. The company after re-calculation credited Rs.60.25 lakh to the respective accounts so far. This re-credit of excess interest is being paid from the current year profit.

### **PENALTY**

No penalty has been paid to any statutory bodies during the period under review.

### **DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has constituted Internal complaints Committee in line with the requirement of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed of during the year 2017-18.

No of complaints received: 1

No of complaints disposed of: Nil



## GRADING AND RATING

During the year, company is rated by ICRA & CARE, rating agency. The CARE has re-affirmed “M2” for MFI grading and “BBB+”rating to the bank facilities. The grading indicates that company’s ability to manage its micro finance activities in a sustainable manner is moderate.

The ICRA has rated “BBB” for Credit facilities.

## ACKNOWLEDGMENT

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation received by the Company from the Bankers, Regulator, Repco Bank, Repco Home Finance, Sa-Dhan and its employees during the year.



**Mr.N.Balasubramanian**

Whole Time Director

DIN-07832970DIN-06871120

**Smt.R.S.Isabella**

Managing Director

Date : **07.08.2018**

Place : **Chennai.**

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.

## I REGISTRATION &amp; OTHER DETAILS:

i	CIN	U74900TN2007PLCO64126
ii	Registration Date	27.06.2007
iii	Name of the Company	Repro Micro Finance Limited
iv	Category/Sub-category of the Company	Company having Share Capital
v	Address of the Registered office & contact details	Repro Towers, No.33, North Usman Road , T.Nagar, Chennai-17
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N.A

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Micro Finance lending	64990	100%

## III PARTICULARS OF HOLDING, SUBSIDIARY &amp; ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	-	-	-	-	-

#### IV SHAREHOLDING PATTERN (Equity Share capital Break up as % of total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% charge during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	3,36,00,000	3,36,00,000	68	-	3,36,00,000	3,36,00,000	68	-
	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	-	3,36,00,000	3,36,00,000	68	-	3,36,00,000	3,36,00,000	68	-
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Share-holding of Promoter (A)= (A) (1)+(A)(2)</b>	-	3,36,00,000	3,36,00,000	68	-	3,36,00,000	3,36,00,000	68	

<b>B. PUBLIC SHAREHOLDING</b>	-				-	-	-	-	-
<b>(1) Institutions</b>	-								
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	1,56,00,000	1,56,00,000	32	-	1,56,00,000	1,56,00,000	32	
C) Cenntralgovt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
<b>(2) Non Institutions</b>	-	-	-	-	-	-	-	-	-
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(2):</b>	-	1,56,00,000	1,56,00,000	32	-	1,56,00,000	1,56,00,000	32	
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	-	1,56,00,000	1,56,00,000	32	-	1,56,00,000	1,56,00,000	32	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	4,92,00,000		100	-	4,92,00,000	4,92,00,000	100	

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	REPCO BANK LTD	3,36,00,000	68	-	3,36,00,000	68	-	-
	Total	3,36,00,000	68	-	3,36,00,000	68	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	-	-	-	0%

Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)

Date	Name of the Promoter	Increase / Decrease	Reason	Number of shares	% of total shares of the company
	NA	NA	NA	NA	NA
	Total				
	At the end of the year				

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	REPCO HOME FINANCE LIMITED	1,56,00,000	32	1,56,00,000	32

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	-	-	-	-	-
2	-	-	-	-	-
3	-	-	-	-	-

\* Few Directors are holding equity shares on behalf of Repco Bank

V **INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amounts in Rs.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3,65,60,27,524	33,47,74,934	0	3,99,08,02,458
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	16,55,373	0	0	16,55,373
<b>Total (i+ii+iii)</b>	<b>3,65,76,82,897</b>	<b>33,47,74,934</b>	<b>0</b>	<b>3,99,24,57,831</b>

<b>Change in Indebtedness during the financial year</b>				
Additions	3,15,00,00,000	0	0	0
Reduction	1,22,75,87,079	6,28,23,270	0	0
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5,58,00,95,818	27,19,51,664	0	5,85,20,47,482
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	12,54,247	0	0	12,54,247
<b>Total (i+ii+iii)</b>	5,58,13,50,065	27,19,51,664	0	5,85,33,01,729

**VI A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Managing Director	Whole Time Director	Total Amount
1	<b>Gross salary</b>	R.S. ISABELLA, MD *	Balasubramanian*	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	2,05,820	17,58,152	19,63,972
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	2,05,820	17,58,152	19,63,972
	<b>Ceiling as per the Act</b>	10 % of Net Profit		
	<b>* Remuneration paid to Repco Bank as re-imburement</b>			

**B. Remuneration to other directors:**

(Amounts in Rs.)

Sl.No	Particulars of Remuneration	Name of the Directors			
1	Independent Directors	Sripriyakumar	V.Mohandass	G.Sudhakar	
	(a) Fee for attending board committee meetings	5,000	55,000	30,000	
	(b) Commission	-	-	-	
	(c) Others, please specify	-	-	-	
	<b>Total (1)</b>	5,000	55,000	<b>30,000</b>	
2	Other Non Executive Directors	P.Mahalingam	R.Varadarajan	A G Venkatachalam*	Total
	(a) Fee for attending board committee meetings	40,000	50,000	-	
	(b) Commission	-	-	-	
	(c) Others, please specify.	-	-	-	
	<b>Total (2)</b>	40,000	-	-	
	<b>Total (B)=(1+2)</b>	45,000	1,05,000	30,000	
	<b>Total Managerial Remuneration</b>				1,80,000
	<b>Overall Ceiling as per the Act</b>	<b>1 % of Net Profit</b>			
<b>*Sitting fee paid to Repco Home Finance Limited</b>					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD  
(Amount in Rs.)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary-Anup Gupta	CFO-V. Balasubramanian
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	Not Applicable	9,59,883	5,83,901
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	as % of profit			
	others, specify			
	Others, please specify			
5				
	Sodex		53,830	49,580
	Incentive		62,014	64,700
	<b>Total</b>		<b>10,75,727</b>	<b>6,98,181</b>

**VIIPENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

By order of the Board of Directors  
For, Repco Micro Finance Limited

**Mr.N.Balasubramanian**  
Whole Time Director  
DIN-07832970

**Smt.R.S.Isabella**  
Managing Director  
DIN- 06871120

Date : **07.08.2018**

Place : **Chennai**



**P.B.Vijayaraghavan & Co.,**

**Chartered Accountants**

**Registered Office:**

New No:14,Old No: 27Cathedral Garden Road,

Nungambakkam,Chennai -600 034.

Tel: +91 – 44 2826 3918/3490

Mobile:+91-09840188734

Fax:+91-44-28276519

### **Independent Auditor's Report**

**To the members of REPCO MICRO FINANCE LIMITED (Formerly Repco MSME Development and Finance Limited) Chennai**

#### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **REPCO MICRO FINANCE LIMITED (Formerly Repco MSME Development and Finance Limited)** (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

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 Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the 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.

The Management is also responsible for ensuring that the Company complies with the requirements of Master Circular and other applicable circulars and guidelines issued by the RBI as applicable and for providing all relevant information to RBI.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Companies Act, RBI regulations, 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.

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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend 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 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 in the circumstances. An audit also includes evaluating the appropriateness of the 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its loss and its cash flow for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2017 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in Annexure - I a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements 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 written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 of the Act.
  - f) With respect to the adequacy of internal financial control systems and the operating effectiveness of such controls, we give our Report in Annexure – II
  - g) 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 does not have any pending litigations and hence there has been no disclosure on its financial position in its financial statements.
    - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and protection fund by the Company.

3. Pursuant to the RBI circulars and regulations, we report that:
- a) The information contained in the Statements with respect to the composition of investments, Capital requirements and with regard to computation of Leverage Ratio have been accurately extracted from the audited financial statements for the year ended 31.03.2018 and/or is matching with the underlying audited books and records maintained by the Company;
  - b) The composition of investment and computation of its contribution to the net assets, the Capital requirements and the Leverage Ratio computation as set out in the Statements are in accordance with Paragraph 8, 11 and 12 of the RBI's master circulars, and
  - c) The computation in the Statements is arithmetically correct.

Place: **Chennai**  
Date: **22.05.2018**

**P. B. Vijayaraghavan & Co.,**  
**Chartered Accountants**  
**FRN: 004721S**

A large, semi-transparent watermark of the Repco Micro Finance logo is centered on the page. It features the word "Repco" in a large, bold, sans-serif font above "Micro Finance" in a smaller, italicized, sans-serif font, all within a light green rectangular border.

**P. B. Santhana Krishnan**  
**Partner**  
**M. No. 020309**

## **Annexure – II to Independent Auditor’s Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **REPCO MICRO FINANCE LIMITED (Formerly Repco MSME Development and Finance Limited)** (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: **Chennai**

Date: **22.05.2018**

**P. B. Vijayaraghavan & Co.,**

**Chartered Accountants**

**FRN: 004721S**

**Repco**  
*Micro Finance*

**P. B. Santhana Krishnan**

**Partner**

**M. No. 020309**

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 2018			
Particulars	Note No	As at 31st March 2018 (Amt in Rs.)	As at 31st March 2017 (Amt in Rs.)
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
-Share Capital	2	49,20,00,000	49,20,00,000
-Reserves and Surplus	3	58,83,47,537	36,93,34,307
<b>Non current liabilities</b>			
-Long Term Borrowings	4	1,51,18,41,839	93,50,94,121
-Deferred Tax Liabilities (Net)		-	-
-Long term Provisions	5	9,94,67,252	6,64,61,837
<b>Current Liabilities</b>			
-Short Term Borrowings	6	2,99,44,41,861	2,19,84,94,056
-Other Current Liabilities	7	1,37,64,89,828	88,06,97,102
-Short Term Provisions	8	1,43,06,143	98,56,630
<b>TOTAL</b>		<b>7,07,68,94,460</b>	<b>4,95,19,38,053</b>
<b>II ASSETS</b>			
<b>Non Current Assets</b>			
-Fixed Assets	9		
-Property, Plant & Equipment		1,90,75,123	1,86,66,963
-Intangible Assets		0	6,823
-Deferred tax assets (net)	10	2,20,44,441	1,75,28,353
-Long term loans and advances	11	3,50,91,53,694	2,73,75,22,920
<b>Current Assets</b>			
-Cash and cash Equivalents	12	32,64,744	17,41,59,786
-Short-Term Loans and Advances	13	3,52,25,73,853	2,00,37,14,471
-Other Current Assets	14	7,82,605	3,38,737
<b>TOTAL</b>		<b>7,07,68,94,460</b>	<b>4,95,19,38,053</b>
Significant Accounting Policies	1		
Notes Forming Part of Accounts	20		

For P.B Vijayaragavan and Company  
Chartered Accountants

**P.B.Santhana Krishnan**  
Partner Membership No.020309

**N.Balasubramanian**  
Director

**R.S.Isabella**  
Managing Director

**Place: Chennai**  
Date: 22.05.2018

**V.Balasubramanian**  
Chief Financial Officer

**Anup Kumar Gupta**  
Company Secretary

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, 2018				
	Particulars	Note No	As at 31st March 2018 (Amt in Rs.)	As at 31st March 2017 (Amt in Rs.)
<b>III</b>	<b>INCOME:</b>			
	Revenue From Operations	15	1,06,58,10,693	72,23,08,453
	Other Income	16	8,20,84,024	5,35,30,754
	<b>Total Revenue</b>		<b>1,14,78,94,717</b>	<b>77,58,39,207</b>
<b>IV</b>	<b>EXPENDITURE</b>			
	Employee Benefit Expenses	17	15,36,03,902	12,99,30,305
	Finance Costs	18	45,34,63,467	31,30,07,862
	Depreciation	9	78,42,584	1,19,31,254
	Other Expenses	19	5,28,90,709	3,72,20,230
	Provision for Non-Performing Assets		2,97,48,080	1,43,76,500
	Provision for Standard Assets & Other Contingencies		43,11,415	74,41,848
	<b>Total expenses</b>		<b>70,18,60,157</b>	<b>51,39,07,999</b>
<b>V</b>	Profit Before Taxation (III-IV)		44,60,34,560	26,19,31,208
<b>VI</b>	Tax Expense:			
	(1) Current Tax		16,04,78,646	9,50,00,000
	(2) Tax expense of earlier years		-	-
	(3) Deferred Tax		(45,16,088)	(35,26,379)
<b>VII</b>	Net Profit/(Loss) for the period		<b>29,00,72,003</b>	<b>17,04,57,587</b>
	Weighted Average Number of Shares Outstanding during the Period		4,92,00,000	4,01,04,110
	Basic and Diluted Earnings per share (Rs.)		5.90	4.25
	Nominal value per Equity Share (Rs.)		10	10
	<b>Significant Accounting Policies</b>	1		
	<b>Notes Forming Part of Accounts</b>	20		

For P.B Vijayaragavan and Company  
Chartered Accountants

**P.B.Santhana Krishnan**  
Partner Membership No.020309

**N.Balasubramanian**  
Director

**R.S.Isabella**  
Managing Director

**Place: Chennai**  
Date: 22.05.2018

**V.Balasubramanian**  
Chief Financial Officer

**Anup Kumar Gupta**  
Company Secretary

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, 2018		As at March 31, 2017	
		Number	Amount (Rs)	Number	Amount (Rs)
<b>Shareholder's fund</b>					
<b>Note 2:</b>					
<b>A : SHARE CAPITAL</b>					
<b>Authorised Capital</b>					
Equity shares of Rs.10/- each	2	10,00,00,000	1,00,00,00,000	6,00,00,000	60,00,00,000
<b>Issued, Subscribed &amp; Paid up Capital</b>					
Equity shares of Rs.10/- each fully paid up.		4,92,00,000	49,20,00,000	4,92,00,000	49,20,00,000
<b>As per Balance Sheet</b>		<b>4,92,00,000</b>	<b>49,20,00,000</b>	<b>4,92,00,000</b>	<b>49,20,00,000</b>
<b>(a) Reconciliation of Share outstanding at the beginning and at the end of the year.</b>					
Shares outstanding at the beginning of the year		4,92,00,000	49,20,00,000	4,92,00,000	49,20,00,000
Shares issued during the year		-	-	-	-
Shares bought back during the year.		-	-	-	-
Shares outstanding at the end of the year		<b>4,92,00,000</b>	<b>49,20,00,000</b>	<b>4,92,00,000</b>	<b>49,20,00,000</b>
Out of the above, shares held by		3,36,00,000	33,60,00,000	3,36,00,000	33,60,00,000
Repco Bank Limited (Promoter)					
<b>b) Shareholder holding more than 5 % of share capital</b>					
<b>Name of Shareholder</b>					
Repco Bank Limited		33,60,00,000	68%	33,60,00,000	68%
Repco Home Finance Limited		15,60,00,000	32%	15,60,00,000	32%
		<b>49,20,00,000</b>	<b>100%</b>	<b>49,20,00,000</b>	<b>100%</b>
<b>c) Shares allotted for consideration other than cash</b>					
Out of the above 74,99,940 Equity shares are allotted to Repco Bank on 31/03/2010 for consideration other than cash.					

<p><b>(d) Terms / rights attached to Equity Shares:</b></p>	3			
<p>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><b>Note 3:</b></p>	3			
<p><b>RESERVES AND SURPLUS</b></p>				
<p><b>a) STATUTORY RESERVE(UNDER SECTION 45IC OF RBI ACT)</b></p>				
<p>Opening Balance</p>		10,00,00,000		6,40,00,000
<p>(+) Current Year Transfer</p>		5,90,00,000		3,60,00,000
<p>(-) Written Back in Current Year</p>		-		-
<p><b>Closing Balance</b></p>		<b>15,90,00,000</b>		<b>10,00,00,000</b>
<p><b>b) General Reserve</b></p>				
<p>Opening Balance</p>		8,50,00,000		8,50,00,000
<p>(+) Current Year Transfer</p>		-		-
<p>(-) Dividend paid with Tax</p>		<b>7,10,58,773</b>		-
<p><b>Closing Balance</b></p>		<b>1,39,41,227</b>		<b>8,50,00,000</b>
<p><b>c. Surplus In Statement of Profit and Loss</b></p>				
<p>Opening balance</p>		18,43,34,307		4,98,76,721
<p>(+)Net Profit / (Loss) for the year</p>		29,00,72,003		17,04,57,587
<p>(-)Appropriations</p>		-		-
<p>(-) Transfer to Statutory Reserve</p>		5,90,00,000		3,60,00,000
<p>(-) Transfer to General Reserve</p>		-		-
<p>(-) Transfer to Proposed dividend 12% (12%)</p>		-		-
<p>(-) Transfer to Dividend Distribution tax</p>		-		-
<p><b>Closing balance</b></p>		<b>41,54,06,310</b>		<b>18,43,34,307</b>
<p><b>Total of Reserves and Surplus (a+b+c)</b></p>		<b>58,83,47,537</b>		<b>36,93,34,307</b>

<b>Note 4:</b>	4			
<b>Non-Current Liabilities</b>				
<b>LONG TERM BORROWINGS</b>	4			
<b>Secured</b>				
Term Loan from Banks			1,31,05,19,617	66,45,65,047
<b>* Long Term Borrowings and current maturities of long term borrowings from Banks are Secured by Hypothecation of Micro finance Receivables</b>				
<b>Unsecured</b>				
Term Loans from Repco Bank			20,13,22,222	27,05,29,074
<b>As per Balance Sheet</b>			<b>1,51,18,41,839</b>	<b>93,50,94,121</b>
<b>Note 5:</b>				
<b>LONG TERM PROVISIONS:</b>	5			
Towards Non Performing advances			7,13,31,143	4,26,37,143
Towards Standard advances			2,78,13,774	2,34,24,694
other contingencies			3,22,335	4,00,000
<b>As per Balance sheet</b>			<b>9,94,67,252</b>	<b>6,64,61,837</b>
<b>Note 6:</b>				
<b>SHORT TERM BORROWINGS:</b>	6			
<b>Secured</b>				
<b>Loans repayable on Demand</b>				
From Related parties - SODL from Repco Bank			2,99,44,41,861	2,19,84,94,056
<b>As per Balance Sheet</b>			<b>2,99,44,41,861</b>	<b>2,19,84,94,056</b>
<b>*Short Term Borrowings from Repco Bank is Secured by Hypothecation of Micro finance Receivables</b>				
<b>Note 7:</b>				
<b>OTHER CURRENT LIABILITIES</b>	7			
Current Maturities of Long Term Borrowings				

<b>Secured</b>				
Term Loans from Banks			1,27,51,34,339	79,29,68,421
<b>Unsecured</b>				
Term Loans from Repco Bank			7,06,29,442	6,42,45,860
Other Liabilities*			3,07,26,047	2,34,82,821
<p>*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 2017. 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. There are no overdues to parties on account of principal amount and/or interest and accordingly no additional disclosures have been made.</p>				
			<b>1,37,64,89,828</b>	<b>88,06,97,102</b>
Note 8:				
SHORT TERM PROVISIONS	8			
Employee benefits			4984830	26,80,445
Income Tax (Net of Advance Tax)			9321313	71,76,185
Proposed Dividend and tax thereon			-	-
As per Balance Sheet			<b>1,43,06,143</b>	<b>98,56,630</b>
Note 10:				
DEFERRED TAX	10			
Deferred Tax Assets:				
Provision towards Non performing advances/ Standard Advances and other contingencies			2,09,97,867	1,80,36,561

Other timing Differences			17,25,150		9,27,648
Gross Deferred Tax Asset(A)			<b>2,27,23,017</b>		<b>1,89,64,209</b>
Deferred Tax Liabilities:					
Difference Between Written Down Value of Fixed Assets as per Companies act and as per Income tax Act.			6,78,576		14,35,856
Gross Deferred Tax Liability (B)			<b>6,78,576</b>		<b>14,35,856</b>
Net Deferred tax Asset/ (Liability) (A-B)			<b>2,20,44,441</b>		<b>1,75,28,353</b>
<b>As per Balance sheet</b>			<b>2,20,44,441</b>		<b>1,75,28,353</b>
Note 11	11				
LONG TERM LOANS & ADVANCES					
(Un Secured & Considered Good excepting Non performing advances )					
Micro Finance Loans to Self Help groups			3,49,76,34,944		2,72,75,24,051
Rent Deposit			1,15,18,750		99,98,869
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					
			<b>3,50,91,53,694</b>		<b>2,73,75,22,920</b>
Note 12:					
CASH AND CASH EQUIVALENTS	12				
Cash on Hand			3,752		152
Balances with Banks					
- Current Account			23,55,428		9,51,43,599
- Savings Bank account			9,05,564		7,90,16,035
			<b>32,64,744</b>		<b>17,41,59,786</b>

Note 13				
SHORT TERM LOANS & ADVANCES	13			
(Un Secured, considered good excepting Non performing advances)				
Current Maturities of Micro finance Loan			3,50,81,53,217	1,99,77,51,588
Current Maturities of Other advances			20,60,076	29,00,469
Prepaid expenses			25,04,040	17,90,881
Advances recoverable in Cash or in Kind or value to be received			98,56,520	12,71,533
Advance Tax/TDS (Net of provision for Income tax)			-	-
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.				
			<b>3,52,25,73,853</b>	<b>2,00,37,14,471</b>
Note 14				
OTHER CURRENT ASSETS				
Interest Accrued on Micro Finance Loans			7,82,605	3,38,737
<b>As per Balance sheet</b>			<b>7,82,605</b>	<b>3,38,737</b>

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 31st March 2018 (Amt in Rs.)	As at 31st March 2017 (Amt in Rs.)
<b>Note 15</b>			
<b><u>Revenue from operations</u></b>	15		
Interest from Micro Finance Loan		1,06,58,10,693	72,23,08,453
<b>Total</b>		<b>1,06,58,10,693</b>	<b>72,23,08,453</b>
<b>Note 16</b>			
<b><u>Other income:</u></b>	16		
Recovery of bad debts written off		7,74,447	27,87,190
Interest on Bank Deposits		2,69,778	3,03,573
Evaluation Fee		7,19,64,468	4,96,85,290
Others		90,75,331	7,54,701
<b>Total</b>		<b>8,20,84,024</b>	<b>5,35,30,754</b>
<b>Note No.17</b>			
<b><u>Employee benefit expenses:</u></b>	17		
Salaries & Allowances		12,19,87,709	11,80,06,216
Contribution to provident and other funds		36,05,254	36,55,981.00
Staff Welfare		2,80,10,939	82,68,108
<b>Total</b>		<b>15,36,03,902</b>	<b>12,99,30,305</b>
<b>Note No.18</b>			
<b><u>Finance Costs:</u></b>	18		
Interest on Term Loans		21,39,74,357	15,52,70,017
Interest on SODL/ Cash Credit		23,40,26,262	14,77,58,576
Others		54,62,848	99,79,268
<b>Total</b>		<b>45,34,63,467</b>	<b>31,30,07,862</b>
<b>Note No.19</b>			
<b><u>Other expenses :</u></b>	19		
Printing and Stationery		24,71,965	20,99,032
Office Expenses, Postage & Telegraph		38,51,392	19,56,555
Rent		1,79,75,197	1,50,35,195
Repairs and Maintenance - others		15,24,968	11,90,776
Telephone Charges		14,30,552	12,71,348
Electricity Charges		19,68,971	19,24,194
Advertisement Expenses		27,798	73,939

Remuneration to Auditors towards			
- Statutory audit fee includes GST of Rs.36000		4,36,000	3,00,000
- Tax audit and tax representation		1,47,150	1,18,800
- Certification and Other Services		1,49,970	1,86,060
Professional & Legal Charges		34,18,779	25,50,552
Waiver on OTS settlement		63,71,109	55,67,084
Leased Line Charges		42,13,182	13,46,367
Bank Charges		9,54,957	8,01,089
Rates & Taxes		2,000	3,000
CSR Activities		21,00,000	7,39,750
Other expenses		58,46,719	20,56,489
<b>Total</b>		<b>5,28,90,709</b>	<b>3,72,20,230</b>



FIXED ASSETS:										
Note : 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 2017	Additions	Deletions	As on 31st March 2018	As on 31st March 2017	For the year	Deletions	As on 31st March 2018	As on 31st March 2018	As on 31st March 2017
<i>Property, Plant &amp; Equipment:</i>										
Furniture and fittings	62,22,209	5,37,090	-	67,59,299	19,14,923	5,67,060	-	24,81,983	42,77,316	43,07,286
Furniture and fittings-Temporary Structures	1,52,23,886	-	-	1,52,23,886	1,45,05,448	-	-	1,45,05,448	7,18,438	7,18,438
Office equipments	15,26,303	21,041	-	15,47,344	4,96,400	2,44,757	-	7,41,157	8,06,187	10,29,903
Electrical equipments	8,92,311	23,73,929	-	32,66,240	2,83,559	2,00,772	-	4,84,331	27,81,909	6,08,752
Computer	2,83,00,894	54,35,060	1,23,200	3,36,12,754	1,72,94,042	65,90,073	-	2,38,84,115	97,28,639	1,10,06,852
Vehicles	15,71,935	-	-	15,71,935	5,76,203	2,33,099	-	8,09,302	7,62,633	9,95,732
<b>Total</b>	<b>5,37,37,538</b>	<b>83,67,120</b>	<b>1,23,200</b>	<b>6,19,81,458</b>	<b>3,50,70,575</b>	<b>78,35,761</b>	<b>-</b>	<b>4,29,06,336</b>	<b>1,90,75,123</b>	<b>1,86,66,963</b>
Software	7,50,293	-	-	7,50,293	7,43,470	6,823	-	7,50,293	0	6,823
<b>Total</b>	<b>7,50,293</b>	<b>-</b>	<b>-</b>	<b>7,50,293</b>	<b>7,43,470</b>	<b>6,823</b>	<b>-</b>	<b>7,50,293</b>	<b>0</b>	<b>6,823</b>
<b>Total</b>	<b>5,44,87,831</b>	<b>83,67,120</b>	<b>1,23,200</b>	<b>6,27,31,751</b>	<b>3,58,14,045</b>	<b>78,42,584</b>	<b>-</b>	<b>4,36,56,628</b>	<b>1,90,75,123</b>	<b>1,86,73,787</b>
Previous year	4,20,96,177	1,23,91,654	-	5,44,87,831	2,38,82,790	1,19,31,254	-	3,58,14,044	1,86,73,787	1,82,13,387

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

Block of assets	Rate of Depreciation	Opening written down value 1 April 2015	Additions made during the year		TOTAL Additions	Deletion Sale of Asset	Total cost	Depreciation for the Year			WDV as on 31.03.2018
			Put to use for <180 days	Put to use for >= 180 days				More than 180 days	Less than 180 days	Total	
Plant & Machinery (Vehicles)	15%	10,71,184	-	-	-	-	10,71,184	1,60,678	-	160678	910506
Furniture & Fixture	10%	45,97,202	3,76,698	1,60,392	5,37,090	-	51,34,292	4,75,759	18,835	494594	4639698
Electrical Fittings, Electronic Equipments and office equipment	15%	17,31,696	4,68,801	19,26,169	23,94,970	-	41,26,666	5,48,680	35,160	583840	3542826
Computer and Software	60%	60,54,732	21,80,760	32,54,300	54,35,060	1,23,200	1,14,89,792	55,11,499	6,54,228	4110485	7379307
Temporary Structure	100%	10,70,059	-	-	-	-	10,70,059	10,70,059	-	428024	642035
<b>Total</b>		<b>1,45,24,872</b>			<b>83,67,120</b>	<b>1,23,200</b>	<b>2,28,91,993</b>			<b>5777620</b>	<b>17114373</b>

**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				
CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2018				
Particulars	For the year ended		For the year ended	
	March 31, 2018		March 31, 2017	
	(Amt in Rs.)		(Amt in Rs.)	
<b>1 CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX</b>		<b>44,60,34,560</b>		<b>26,19,31,208</b>
Adjustments For:				
Depreciation	78,42,584		1,19,31,254	
(Profit)/Loss on Sale of Fixed Assets	-		-	
Interest Earned on Deposits	-2,69,778		-3,03,573	
Bad debts written off	63,71,109		55,67,084	
Provision for Non-Performing Assets/Standard Assets	3,40,59,495		2,18,18,348	
		4,80,03,410		3,90,13,113
<b>Operating Profit Before Working Capital Changes</b>		<b>49,40,37,970</b>		<b>30,09,44,321</b>
<b>Changes in Working Capital</b>				
Increase/(Decrease) in Trade Payables		-		-
Increase/(Decrease) in other current liabilities		72,43,226		6,59,148
(Increase)/Decrease in Long term and short term loans & advances		-1,71,89,137		-90,12,497
(Increase)/Decrease in other current assets		-4,43,868		-37,580
Increase/(Decrease) in current liabilities		23,73,570		27,49,630
<b>Operating Profit after Working Capital Changes</b>		<b>48,60,21,761</b>		<b>29,53,03,022</b>
Direct Taxes Paid		-15,17,95,000		-8,78,93,000

	<b>Net Cash From Operations</b>	<b>33,42,26,761</b>	<b>20,74,10,022</b>
	<b>(Increase)/Decrease in Micro finance loans</b>	<b>-77,01,10,893</b>	<b>-1,22,82,31,360</b>
	<b>(Increase)/Decrease in Current maturities of Micro finance loans</b>	<b>-1,50,95,61,236</b>	<b>-19,51,14,870</b>
	<b>Net Cash Generated from operating activity (A)</b>	<b>-1,94,54,45,368</b>	<b>-1,21,59,36,207</b>
<b>2</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of Fixed Assets	83,67,120	-1,23,91,654
	Sale of Fixed Assets	-	-
	Subscription to Investments	-	-
	Interest Earned on Deposits	2,69,778	3,03,573
	Dividend received on Investments	-	-
	<b>Net Cash Used in Investing Activities (B)</b>	<b>-80,97,342</b>	<b>-1,20,88,081</b>
<b>3</b>	<b>Cash Flow From Financing Activities</b>		
	Proceeds from Issue Share Capital(Net off of Issue Expenses)	-	10,00,00,000
	Increase in Secured and Unsecured Loans(Net)	1,86,12,45,023	1,34,62,46,910
	Dividends Paid(Including Dividend distribution tax)	-	-4,71,80,336
	<b>Net Cash Used in Financing Activities (C)</b>	<b>1,86,12,45,023</b>	<b>1,39,90,66,574</b>
	<b>Net Increase/Decrease in cash and cash equivalent (A+B+C)</b>	<b>-9,22,97,686</b>	<b>17,10,42,286</b>
	Cash and Cash Equivalents - Opening Balance (D)	17,41,59,786	31,17,500
	Cash and Cash Equivalents - Closing Balance *	32,64,744	17,41,59,786

<b>Net Increase/(Decrease) in Cash and Cash Equivalents (E-D)</b>		<b>-17,08,95,042</b>		<b>17,10,42,286</b>
<b>Note:</b>				
<b>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:</b>				
(i) Balances with banks				
- in Current accounts		<b>23,55,428</b>		<b>9,51,43,599</b>
in savings bank account		<b>9,05,564</b>		<b>7,90,16,035</b>
in deposit accounts with original maturity upto 3 months				
(ii) Cash on hand		<b>3,752</b>		<b>152</b>
		<b>32,64,744</b>		<b>17,41,59,786</b>

For P.B Vijayaragavan and Company  
Chartered Accountants

**P.B.Santhana Krishnan**  
Partner Membership No.020309

**N.Balasubramanian**  
Director

**R.S.Isabella**  
Managing Director

**Place: Chennai**  
Date: 22.05.2018

**V.Balasubramanian**  
Chief Financial Officer

**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**

Repco Micro Finance Limited (“RMFL” / “the Company”) was incorporated on 27<sup>th</sup> 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 accounting policies adopted in the preparation of financial statements are consistent with those followed in previous year.

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:**

- 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.
- Interest income on deposits is recognized on a proportionate basis taking into account the amount outstanding and the rates applicable.
- All other income is recognized on an accrual basis.
- 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	6.67

**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 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:**

Basic earnings per share is 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. **Prior Period Items:**

An amount of Rs.4,70,354.00 included under the head depreciation on computers relates to earlier year.

Provision for NPA amounting to Rs. 6,00,000.00 pertains to earlier year.

## O. 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 20

## Other Notes

### a) CRAR

Items	Current Year	Previous Year
i) CRAR (%)	15.38	17.74
II) CRAR-Tier I capital (%)	15.38	17.74
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 lakhs 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-tenant-ed 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 securitised 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:

(inlacs)

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from bank	31165.41	1165.41	1167.82	3449.32	6454.09	15118.42	-	-	58520.47
	(22748.80)	(718.01)	(844.27)	(2287.95)	(3959.05)	(9350.94)	-	-	(39909.02)
Market Borrowings	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
<b>Assets</b>									
Advances	3606.55	3062.34	3058.48	8887.56	16466.60	34976.35	-	-	70057.88
	(2146.29)	(1814.39)	(1795.83)	(5153.32)	(9096.70)	(27275.24)	-	-	(47281.76)
Investments	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

### d) Other disclosures as per RBI Guidelines

	Liabilities side:	Amount Rs. In Lakhs	Amount Rs. In Lakhs
(1)		Amount outstanding	Amount overdue
	Loans and advance availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	Nil [Nil]	NIL [Nil]
	:Unsecured	Nil [Nil]	NIL [Nil]
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	Nil [Nil]	Nil [Nil]
	(c) Terms Loans	28576.05 [17923.08]	Nil [Nil]
	(d) Inter - corporate loans and borrowing	Nil [Nil]	Nil [Nil]
	(e) Commercial paper	Nil [Nil]	Nil [Nil]
	(f) Other Loans (specify nature)		
	(SODL from Repco Bank Ltd)	29944.41 [21984.94]	Nil [Nil]

	Asset Side:	Amount (Rs.)	
		Amount Outstanding (Rs In Lakhs)	
(2)	Break - up of Loans and Advances including bills receivable (other than those included in (4) below):		
	(a) Secured	Nil	Nil
	(b) Unsecured	70057.88	[47281.75]
	Please see Note 1 below		
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors:	Nil	Nil
	(a) Financial lease	Nil	Nil
	(b) Operating lease	Nil	Nil
	(ii) Stock on hire including hire charges under sundry debtors:	Nil	Nil
	(a) Assets on hire	Nil	Nil
	(b) Repossessed Assets	Nil	Nil
	(iii) Other loans counting towards AFC activities	Nil	Nil
	(a) Loans where assets have been repossessed	Nil	Nil
	(b) Loans other than (a) above	Nil	Nil
(4)	Break- up of Investments:	Nil	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)	
		2017-18	2016-17
(1)	Gross Non- Performing Assets	550.54	426.37
	(a) Related Parties	NIL	NIL
	(b) Other than related parties	550.54	426.37
(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. 27.09 Lakhs, [30.58 lakhs]

### e) Related Party Disclosure:

#### Key Management personnel:

- 1) Smt R S Isabella (Managing Director – (from 06-06-2016)
- 2) Shri. N. Balasubramanian (Director)

#### Persons having significant influence:

1. Repco Bank Limited
2. Repco Home Finance Limited

(Amount in Lakhs)

Nature of Transactions	Key Management Personnel		Persons having significant influence			
	Director		Repco Bank		Repco Home Finance Limited	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>Share Capital</b>						
Equity Shares	-	-	3360.00	3360.00	1560.00	1560.00
Balance in savings Bank account maintained with the promoter	-	-	9.06	790.16	-	-
Balance in SODL/Cash Credit account maintained with the promoter	-	-	29944.42	21984.94	-	-
Unsecured Loans availed from the promoter/ Balance outstanding	-	-	2719.52	3347.74	-	-
Remuneration*	-	-	-	-	-	-
Remuneration to Managing Director	*2.55	-	-	-	-	-
Remuneration to Whole Time Director	*17.58	-	-	-	-	-
Reimbursement of establishment cost	-	-	-	-	-	-
Interest Income received from the Repco Bank						
- Savings Bank	-	-	2.70	2.83	-	-
Interest paid to Repco Bank						
- SODL	-	-	2340.26	1477.59	-	-
- Unsecured Loans	-	-	330.38	402.49	-	-

\*Excluding GST

The remuneration paid to Managing Director by Repco Bank has been re-imbursed by the company on pro-rata basis and the remuneration paid to the Whole Time Director by Repco Bank has been re-imbursed

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 01.04.2017	0
No of complaints received during the year	2
No of complaints redressed during the year	2
No of complaints pending as on 31.03.2018	0

B. Details of Registration with Regulators:

Sl 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 2018	As at 31 March 2017
Commercial paper	NA	NA
Working Capital Facility (Cash Credit/WCDL)	NA	NA
Long-Term bank facilities	ICRA ----"BBB"	ICRA – "BBB"
	CARE --- "BBB+"	CARE – "BBB+"
Long-Term Non-Convertible Debentures	NA	NA
MFI Grading	ICRA ----- "M3+"	ICRA – "M3+"
	CARE -----"M2"	CARE -----"M2"
Subordinated Debt	NA	NA
Perpetual Debt	NA	NA

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

Particulars	As at 31 March 2018	As at 31 March 2017
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.30,000 to Rs.1,00,000 to women engaged in various income generating activities. As at 31 March 2018, the Company has provided loans to more than 3.06 lac 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, 2018

Sl. No	Sector	Percentage of NPAs to Total Advances in that sector as on	Percentage of NPAs to Total Advances in that sector as on
		31-Mar-18	31-Mar-17
1	Agriculture & allied activities	NA	NA
2	MSME	0.79%	0.85%
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 2018 (Rs.In lakhs)	As at 31 March 2017 (Rs.In Lakhs)
(i) Net NPAs to Net Advances (%)	NIL	NIL
<b>(ii) Movement of NPAs (Gross)</b>		
(a) Opening balance	426.37	282.61
(b) Additions during the year (Net off reductions)	124.17	143.76
(c) Closing balance	550.54	426.37
<b>(iii) Movement of Net NPAs</b>		
(a) Opening balance	NIL	NIL
(b) Additions during the year	NIL	NIL
(c) Reductions during the year	NIL	NIL
(d) Closing balance	NIL	NIL

(iv) <b>Movement of provisions for NPAs (excluding provisions on standard assets)</b>		
(a) Opening balance (Excluding Housing loan provision)	403.36	282.61
(b) Provisions made during the year	297.48	143.76
(c) Provision for NPA (a+b)	700.84	-
Housing loan provision made	12.47	-
(d) Closing Balance	713.31	426.37

**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:**

There were no cases of frauds found during the period under audit i.e. FY 2017-18. However, balance recoverable from the cash embezzlement, pertaining to the FY 2016-17, had been reduced to Rs. 3,22,335 as on 31.03.2018.

**h) CSR Activities**

The gross amount required to be spent by the company during the year 17-18 as CSR expenditure under section 135 of the Companies Act of 2013 is Rs. 37.68 lakhs (25.10 lakhs) being 2% of the average profits after tax of past three financial years. The amount is required to be spent on qualifying activities as CSR expenditure as per Schedule VII of the Companies Act 2013.

During the financial year 17-18 the company has spent sums aggregating to Rs.21.00 lakhs towards CSR activities. The details of the disclosure as per the guidelines issued by the Institute of Chartered Accountants of India is as follows:

(a) Gross amount required to be spent by the company during the year is Rs. 37.68 lakhs (25.10 Lakhs)

(b) Amount spent during the year:

Particulars	In cash (Rs in lakhs)	Yet to be paid in Cash (Rs in lakhs)	Total (Rs.)
i) Construction or acquisition of any asset	-	-	-
ii) Other purpose other than (i)	21,00,000	0	21,00,000
<b>TOTAL</b>	<b>21,00,000</b>		

### i) Earnings per Share

Particulars	For the year ended 31/03/2018	For the year ended 31/03/2017
Profit after Tax - Rs. in Lakhs	2903.63	1707.19
Weighted Average Number of Equity Shares (Nos.)	49200000	40104110
Earnings Per Share		
Basic - in Rs.	5.90	4.26
Diluted - in Rs.	5.90	4.26
Face Value Per Share (Rs.)	10.00	10.00

### j) Commitments and contingencies

There are no Commitments and Contingencies as at 31-03-18 for the company.

### k) 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.590.00 Lakhs (Previous Year – Rs. 360.00 Lakhs), out of the net profit after tax for the year ended 31 March 2018 to Statutory Reserve.

l) There is no Expenditure incurred in Foreign Currency.

m) There is no amount to be reflected under payable to Investor Protection Fund.

n) Previous year's figures have been regrouped and rearranged wherever necessary to conform to current year's classification.

### Employee benefit – Actuary Valuation report

Disclosure pursuant to accounting standard – 15 (Revised) 'Employee Benefits' are given below:

Accrued Gratuity Liability Valuation Date: 31/3/2018

#### Disclosure Tables

Changes in the present value of obligation in the inter-valuation period	In Rupees
Liability as at the beginning of the period	0
Add Interest Cost:	0

Add Current Service Cost:	1,004,747
Less Benefits Paid:	0
Add Past Service Cost	4,519,484
Add Settlement Cost	0
Add Curtailment Cost	0
Actuarial gain / loss	(0)
<b>Liability as at the end of the period</b>	<b>5,524,231</b>

<b>Changes in the Plan Assets in the inter-valuation Period</b>	<b>In Rupees</b>
Value of Assets as at the beginning of the Period:	1,807,918
Add Adjustments to the Opening Balance:	0
Add Expected Return on Assets:	144,633
Add Contributions made:	0
Less Benefits Paid out of the Assets:	0
Actuarial gain / (loss) on Plan Assets:	(107,982)
<b>Value of Assets as at the end of the period:</b>	<b>1,844,569</b>

<b>Recognition of Actuarial gain / loss as on accounting date</b>	<b>In Rupees</b>
Actuarial gain/(loss) in inter-valuation Period: -- Obligation:	0
Actuarial (gain)/loss in inter-valuation Period: -- Plan Assets:	(107,982)
Actuarial gain/loss recognized in inter-valuation Period:	(107,982)
Unrecognized Actuarial Gain / Loss	0

<b>The Amounts to be Recognized in the Balance Sheet</b>	<b>In Rupees</b>
Present value of obligation on the accounting date:	(5,524,231)
Fair Value of Plan Assets on the accounting date:	1,844,569
Unrecognized Actuarial (gain) / loss	0
<b>Net Asset / (liability) recognised in Balance Sheet</b>	<b>(3,679,662)</b>
<b>Unrecognized Liability</b>	<b>0</b>

Expense to be recognized in P/L a/c	In Rupees
Interest Cost	0
Current Service Cost	1,004,747
Past Service Cost	4,519,484
Curtailment Cost (Credit)	0
Settlement Cost (Credit)	0
Expected Return on Plan Assets	(144,633)
Net actuarial (gain)/loss recognized	107,982
<b>Expense to be recognized in P/L a/c</b>	<b>5,487,580</b>

Reconciliation	In Rupees
Net Liability as at the beginning of the accounting period:	(1,807,918)
Expenses recognized in P/L a/c	5,487,580
less Adjustments to last valuation Closing Balance:	0
less Benefits paid directly by the Company	0
less Contributions made to the fund	0
<b>Liability recognized in the Balance Sheet as on the accounting date:</b>	<b>3,679,662</b>

Actual Return on Plan Assets	Not Applicable
Expected return on Plan Assets	144,633
Actuarial gain (loss) on Plan Assets	(107,982)
<b>Actual return on Plan Assets</b>	<b>36,651</b>

Category of Plan Assets	Not Applicable
Government of India Securities	0%
High quality corporate bonds	0%
Equity shares of listed companies	0%
Property	0%
With Insurance Company	100%
Bank Balance	0%
Others	0%

Principal Actuarial Assumptions	31-Mar-2018
Interest (Discount) Rate (Liabilities)	7.71%
Interest Rate (Rate of Return on Assets)	8.00%
Salary escalation Rate (per annum)	5.00%
Resignations Rate (per annum)	5.00%
Mortality	Ind. (2006-8)

Experience Related Adjustments	In Rupees
Liability Side	0
Asset Side	(107,982)

Compliance with Schedule III of Companies Act 2013	In Rupees
Value of Current Year Obligation:	286,457
Present Value of Non-current Year Obligation:	5,237,774
Expected Additions to the Asset in the Current Year:	0
Net Current Year Obligation:	(286,457)

2. Accrued Earned Leave Liability, Valuation Date: 31/3/2018  
(Earlier Valuation considered: As on 31/3/2017)

#### Disclosure Tables

Changes in the present value of obligation in the inter-valuation period	In Rupees
Liability as at the beginning of the period	0
Add Interest Cost:	0
Add Current Service Cost:	2,304,385
Less Benefits Paid:	0
Add Past Service Cost	0
Add Settlement Cost	0
Add Curtailment Cost	0
Actuarial (gain) loss	0
<b>Liability as at the end of the period</b>	<b>2,304,385</b>
Changes in the Plan Assets in the inter-valuation Period	In Rupees
Value of Assets as at the beginning of the Period:	0
Add Adjustments to the Opening Balance:	0

Add Expected Return on Assets:	0
Add Contributions made:	0
Less Benefits Paid out of the Assets:	(0)
Actuarial gain (loss) on Plan Assets:	0
<b>Value of Assets as at the end of the period:</b>	<b>0</b>
<b>Recognition of Actuarial gain / loss as on accounting date</b>	<b>In Rupees</b>
Actuarial gain/(loss) in inter-valuation Period: -- Obligation:	0
Actuarial (gain)/loss in inter-valuation Period: -- Plan Assets:	0
Actuarial gain/loss recognized in inter-valuation Period:	0
Unrecognized Actuarial Gain / Loss	0
<b>The Amounts to be Recognized in the Balance Sheet</b>	<b>In Rupees</b>
Present value of obligation on the accounting date:	(2,304,385)
Fair Value of Plan Assets on the accounting date:	0
Unrecognized Actuarial (gain) loss	0
<b>Net Asset / (liability) recognised in Balance Sheet</b>	<b>(2,304,385)</b>
<b>Funded Status</b>	<b>(2,304,385)</b>
<b>Unrecognized Liability</b>	<b>0</b>
<b>Expense to be recognized in P/L a/c</b>	<b>In Rupees</b>
Interest Cost	0
Current Service Cost	2,304,385
Past Service Cost	0
Curtailment Cost (Credit)	0
Settlement Cost (Credit)	0
Expected Return on Plan Assets	0
Net actuarial (gain)/loss recognized	(0)
<b>Expense to be recognized in P/L a/c</b>	<b>2,304,385</b>
<b>Reconciliation</b>	<b>In Rupees</b>
Net Liability as at the beginning of the accounting period:	0
Expenses recognized in P/L a/c	2,304,385
less Adjustments to last valuation Closing Balance:	0
less Benefits paid directly by the Company	0
less Contributions made to the fund	0
<b>Liability recognized in the Balance Sheet as on the accounting date:</b>	<b>2,304,385</b>

<b>Actual Return on Plan Assets</b>	<b>In Rupees</b>
Expected return on Plan Assets	0
Actuarial gain (loss) on Plan Assets	0
<b>Actual return on Plan Assets</b>	<b>0</b>
<b>Principal Actuarial Assumptions</b>	
Interest (Discount) Rate (Liabilities)	7.71%
Interest Rate (Rate of Return on Assets)	8.00%
Salary escalation Rate (per annum)	5.00%
Resignations Rate (per annum)	5.00%
Mortality	Ind. (2006-8)
<b>Experience Related Adjustments</b>	
<b>Liability Side</b>	0
<b>Asset Side</b>	0
<b>Compliance with Schedule III of Companies Act 2013</b>	
Value of Current Year Obligation:	163,769
Present Value of Non-current Year Obligation:	2,140,616
Expected Additions to the Asset in the Current Year:	0
Net Current Year Obligation:	(163,769)

For P.B Vijayaragavan and Company  
Chartered Accountants

**P.B.Santhana Krishnan**  
Partner Membership No.020309

**N.Balasubramanian**  
Director

**R.S.Isabella**  
Managing Director

**Place: Chennai**  
Date: 22.05.2018

**V.Balasubramanian**  
Chief Financial Officer

**Anup Kumar Gupta**  
Company Secretary

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that 11<sup>th</sup> Annual General Meeting of Repco Micro Finance Limited will be held at “No. 634 , 2<sup>nd</sup> Floor, Karumuttu Centre, Anna Salai, Nandanam, Chennai-600035 on September 25, 2018 at 3.00 P.M to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the company for the Financial Year ended 31<sup>st</sup> March, 2018, the Reports of Directors and Auditor’s thereon.
2. To declare dividend on the equity shares of the Company for the financial year ended 31<sup>st</sup> March, 2018.
3. To appoint a director in place of Mr.R.Varadarajan, who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

4. Appointment of Mr.V.Dasaraty as Independent Director of the Company.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s) thereof for the time being in force), Mr.V.Dasaraty(DIN:08190101) who was appointed as an Additional Director in the capacity of Independent Director of the company by the board of Directors on August 7, 2018 be and is hereby appointed as an Independent Director for a period up of three years with effect from August 07, 2018 and the term shall not be subject to retirement by rotation and shall be entitled sitting fee for attending board meeting and committee meeting as decided by the board of directors of the company from time time”

“RESOLVED FURTHER THAT Sri.N.Balasubramanian, Whole Time Director of the Company be and is hereby authorised to sign relevant documents, letters, agreement etc and to file relevant documents and forms, if any, with the Ministry of Corporate Officers”

## 5.Re-appointment of Smt. R.S Isabella as Managing Director.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“The Act”) and Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the members of the Company be and is hereby accorded to the re-appointment of Smt.R.S.Isabella (DIN: 06871120) as Managing Director of the company for a period of three years w.e.f May 22, 2018 on remuneration of Rs.20,582 per month which will be paid to Repco Bank, parent organization, as reimbursement.

“RESOLVED FURTHER THAT Sri.N.Balasubramanian, Whole Time Director of the Company be and is hereby authorised to sign relevant documents, letters, agreement etc and to file relevant documents and forms, if any, with the Ministry of Corporate Officers”

**By order of the Board,  
For Repco Micro Finance Limited,**

Date: **01/09/18**

Place: **Chennai.**

**N.Balasubramanian  
Whole Time Director**

**NOTES:-**

- a) An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting under Item No. 5 is annexed hereto.
- b) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. The proxies form should, however, be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
- c) The dividend, after declaration, will be paid to those members of the Company, whose names stand on the register of members on May, 22, 2018.
- d) Shareholders desiring any information as regards the accounts are required to write to the company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.****Item No. 4.**

Pursuant to the recommendation of the Nomination and Remuneration Committee (NRC) of the Board, the Board of Directors of the Company approved the appointment of Mr.V.Dasaraty [DIN: 08190101] as an Additional Director of the Company (category being Independent) with effect from August 07, 2018. Under Section 161 of the Companies Act, 2013, he continues to hold office as an Additional Director of the Company until the conclusion of the ensuing Annual General Meeting.

The NRC at its Meeting held on August 7, 2018 had determined that Mr.V.Dasaraty is a fit and proper person to be appointed as a Director of the Bank, as per the norms prescribed by the Reserve Bank of India (“RBI”). In the opinion of the Board, Mr V.Dasaraty, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for appointment as an Independent Director and he is Independent of Management.

Mr.V.Dasaraty has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

Copy of the draft letter of appointment which includes terms and conditions of appointment of V.Dasaraty will be available for inspection without any fee by the members at the Corporate office of the company at No 634, 2<sup>nd</sup> Floor, Karumuttu Centre, Anna Salai , Chennai- 600035, during the business normal hours on any working day.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 4 of the Notice for the appointment of Mr.V.Dasaraty as Independent Director, not liable to retire by rotation, for a period of three years w.e.f August 7, 2018.

Except Mr .V.Dasaraty, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out .

### **Brief profile of Mr.V.Dasaraty**

Mr. V. Dasaraty, aged 52, is a Chartered Accountant by profession and is having more than 30 years of rich experience in the filed of accounting and taxation. Presently he is senior partner of M/s. Venkatesh & Co, a Chartered Accountant Firm since 1986. He started his career as an auditor and moved on to Tax Advisory. He has in-depth knowledge in International Tax, Transfer Pricing, Indian Income Tax and Regulatory matters specializing across industrial sectors. As a partner of the firm, he has audited books of accounts of various renowned companies such as Empee Group, NPCI, LIC of India, Canara Bank, LIC Housing Finance Limited, Indian Bank, South Indian Bank etc. He has expertise knowledge in devising strategy, corporate restructuring, acquisition and out-bound structuring, financial structuring, divestment advisory, inbound advisory, tax due diligence, promoter stake enhancement.

Mr. V. Dasaraty has also undertaken various assignments as follows:

- a) Appointed as an Arbitrator by the Madras High Court to resolve partnership disputes.
- b) Appointed by the Madras High Court to investigate into the affairs of a Chennai based company.
- c) Appointed by a public sector bank to monitor the affairs of a Chennai based company.

### **Item No.5**

#### **Brief Profile of the Managing Director:**

Smt. R.S. Isabella , Executive Director and MD(Incharge) of the Repco Bank, has an outstanding academic record to her credit. She is State Rank Holder in Higher Secondary Examinations and a Gold Medalist in B.Com and holding a Masters' Degree in Bank Management (MBM) and a Masters' Degree in Business Administration (MBA) from reputed institutions. She is also a Certified Associate of Indian Institute of Bankers. She started her career in KarurVysya Bank as an Officer and has worked in various

capacities in almost all key operational segments of Banking and specializing as a Credit Officer. She joined Repco Bank in the year 1999 and has handled important portfolios such as Credit, Information Technology, Accounts and Audit, Pension, Repatriates Rehabilitation and Human Resource Training. She was instrumental in introduction of Loan Origination System, online processing and sanction of credit proposals and establishment of Disaster Recovery Centre for the Bank's IT Operations and introduction of Redundancy Leased Line for all branches. She is an active member of Credit Committee, Investment Committee, IT Steering Committee, Asset Liability Committee, Settlement Advisory Committee etc., She has a rich experience in banking for more than 2 decades and instrumental in formulation of policies and implementation of systems and procedures in key functional areas.

The board of directors at its meeting held on May 22, 2018 re-appointed Smt. R. S. Isabella as Managing Director of the company with effect from May 22, 2018 for a period of three years on the basis of recommendation of Nomination and Remuneration Committee and subject to the approval of the shareholders. She is also a director in Repco Home Finance Limited and Repco Foundation for Micro Credit.

A broad particular of the terms of appointment of and remuneration payable to Smt. R.S Isabella is as under:

- a) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide the provision contained in section 156 of the Act with regard to duties of Directors.
- b) Remuneration: Rs. 20,582/- per month. (Will be paid to Repco Bank directly as reimbursement)

The above may be treated as a written memorandum setting out the terms of re-appointment of Smt. R. S. Isabella under section 190 of the Companies Act , 2013.

The board therefore recommends the resolution for your approval.

Except Smt. R.S Isabella , none of the directors and Key Managerial Personnel of the Company and their relatives are concerned in the said resolution.

**By order of the Board of Directors**

**For, Repco Micro Finance Limited**

Place: **Chennai**

Date: **01/09/18**

**N.Balasubramanian**

**Whole Time Director**



**REPCO MICRO FINANCE LIMITED**

**CIN - U74900TN2007PLCO64126**

**Registered Office: Repco Tower, No. 33, North Usman Road, T. Nagar, Chennai 600 017**

**Ph: (044) - 24310212 .E-mail :cs@repcomicrofin.co.in,**

**Website: www.repcomicrofin.co.in**

**ATTENDANCE SLIP: 11<sup>th</sup> ANNUAL GENERAL MEETING**

I/We hereby record my/our presence at the 11th Annual General Meeting of the Company held on Tuesday, September 25, 2018 at 3.00 P.M, at Corporate Office: No 634, 2<sup>nd</sup> Floor, Karumuttu Centre, Anna Salai, Chennai- 600 017.

Name of the Shareholder:

Name of the Proxy or Company Representative:

Signature of Shareholder(s) .....

Proxy or Company's Representative

Notes:

1. A Proxy attending on behalf of Shareholder(s) should write the name of the Shareholder(s) from whom he holds Proxy.
2. Members are requested to bring their copy of the Annual Report to the Meeting as additional Copies of the same will not be made available at the Meeting.

Reg. Folio No.....

No. of shares held.....

## PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

### ELEVENTH ANNUAL GENERAL MEETING

Name of the member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

Email id: \_\_\_\_\_

Folio No.: \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him/her
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him/her

As my / our proxy to attend and vote (on a poll) for me / us and on my/ our behalf at the Eleventh Annual General Meeting of the Company, to be held on Tuesday, September 25, 2018 at 3.00 P.M. at No. 634, 2<sup>nd</sup> Floor Karumuttu Centre, Anna Salai, Chennai and any adjournment thereof in respect of such resolutions as are indicated below:

Resolu- tion No.	Description of Resolution		
		For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Audited Financial Statement of the company for the Financial Year ended 31 <sup>st</sup> March, 2018, the Reports of Directors and Auditor's thereon.		
2	To declare dividend on Equity Shares for the FY 2017-18		
3	To appoint a Director in the place of Mr.R. Varadarajan, who re-tires by rotation and eligible, offer himself for re-appointment.		
4.	Appointment of Mr..... as Independent Director		
5.	Re-appointment of Smt. R.S Isabella as Managing Director		

Signed this..... Day of ....., 2018

Signature of Shareholder: \_\_\_\_\_ **Affix Revenue Stamp**

\_\_\_\_\_  
Signature of First Proxy holder

\_\_\_\_\_  
Signature of Second Proxy holder

**NOTE:**

**1. THIS FORM OF PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

## LIST OF BRANCHES

As on 31.03.2018

S.No	Name of the Branch
1	Adyar
2	Ariyalur
3	Attur
4	Chengalpet
5	Coimbatore
6	Coonoor
7	Cuddalore
8	Devakottai
9	Dharmapuri
10	Dindigul
11	Ennore
12	Erode
13	Gobichettipalayam
14	Gudalur
15	Hosur
16	Kancheepuram
17	Karaikudi
18	Karur
19	Kotagiri
20	Kovilpatti
21	Krishnagiri
22	Kumbakonam
23	Madurai
24	Manali
25	Mannargudi
26	Mathukur
27	Mayiladuthurai
28	Mettupalayam
29	Nagapattinam
30	Nagercoil
31	Namakkal
32	Ooty
33	Padi
34	Pallavaram
35	Pandalur
36	Pattukottai
37	Perambalur
38	Perungudi
39	Pollachi
40	Poonthottam

S.No	Name of the Branch
41	Porur
42	Pudukottai
43	Puzhal
44	Rajapalayam
45	Rasipuram
46	Red Hills
47	Royapuram
48	Salem
49	Samayapuram
50	Sembanarkoil
51	Sirkali
52	Sivagangai
53	T. Nagar
54	Tambaram
55	Tanjore
56	Theni
57	Thenkasi
58	Thiruvottriyur
59	Thudiyalur
60	Thuraiyur
61	Tiruchengode
62	Tirunelveli
63	Tiruppur
64	Tiruvallur
65	Tiruvannamalai
66	Tiruvarur
67	Tondiarpet
68	Trichy
69	Tuticorin
70	Valliyur
71	Valparai
72	Vellore
73	Villupuram
74	Virudhunagar
75	Vyasarpadi
76	Musiri
77	Melur
78	Manapparai
79	Tindivanam
80	Avadi

