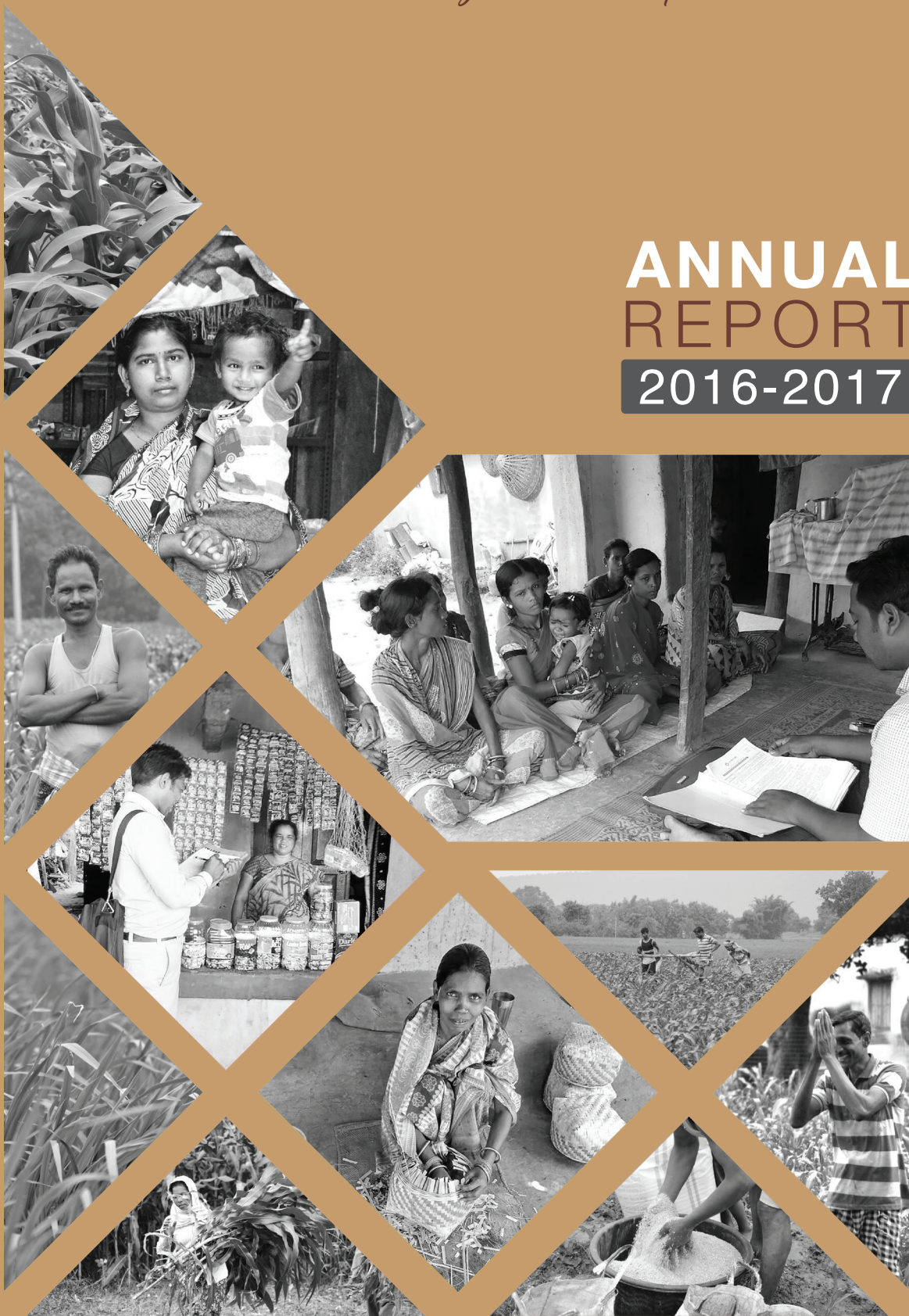




SAMBANDH
FINANCIAL SERVICES

"Enduring Relationships..."

ANNUAL REPORT 2016-2017



**“ Treating every Client as a
Preferred Client ”**

**- Shri Livinus Kindo
IAS (Retd.)**



“

Sambandh aspires to be a listening and caring partner to individuals and house holds in their journey to financial well-being and economic freedom.

”



CONTENTS

INSIDE

2

CHAIRMAN'S
MESSAGE

4

MD & CEO'S
MESSAGE

6

GENESIS

13

MILESTONE

16

CLIENT SUCCESS
STORIES

23

BOARD OF
DIRECTORS

25

SENIOR
MANAGEMENT
TEAM

33

DIRECTOR'S
REPORT

“ VISION STATEMENT

Sambandh envisages a socio-economically prosperous society.

MISSION STATEMENT

To be a preferred provider of inclusive financial services that socially and economically transforms the lives & livelihood of our people..”





CHAIRMAN'S MESSAGE

It gives me a great pleasure to share my thoughts about *Sambandh Finserve Private Limited (SFPL)* in its eleventh year of work. Moving on to the eleventh year has proved a stepping stone that signifies system stability in financial inclusiveness, Human Resource Development (HRD), fruitful management and internalization of credit management policies.

Financial Inclusiveness has meant a widening of ramification of the entrepreneurial ambits. SFPL currently covers over fifty types of micro-business and a very large segment of “rural financial market” in the under-served areas of Odisha, Chhattisgarh and Jharkhand states. With 16 number of MF branches and 22 number of BC branches, SFPL as a whole has reached a turnover of Rs. 24.43 crores where portfolio outstanding touched Rs. 130.27 crores covering 94,561 numbers of clients.

HRD management is no longer a transitory experimentation. The organization boasts of 341 number of employees and their contribution over the years have been immense towards the 360-degree growth of the entity. To give a birds' eye view about the current operational imbroglio - the credit dispensation is managed by the field Operations department involving a regional area manager, 5 area managers, 36 branch managers, 47 Sr. FSOs (Financial Services Officer) and 123 Junior FSOs. Chain of command is almost automatic and “reminder free”. The appraisal system has infused a “working mindset” amongst the employees. Going ahead we believe there going to be many improvements to be done in the employee engagement and building a robust team in the coming future.

Credit Management is most vital to the organization dealing with financial transactions like SFPL has been involved in. Studies have shown that ‘credit cycle’ as the fundamental formula for credit management has still to be internalized, though much of the “lender-borrower” relationship has definitely developed and matured in SFPL as borrowers are treated here as preferred clients. Just to give the esteemed readers an idea, there five steps that SFPL follows while reaching its preferred clients, those are: Sanction, Disbursement, Utilisation, Assessment and Recovery, one leading to and depending upon the preceding step.

While utilization is seen and examined, assessment is the finding the ‘value addition’ in the transaction so that repayment is assured. The report that my team has very well conceptualized has elaborately captures all those things besides many of its sector building as well as client-centric facets.

While I stop here, I would like to thank all our well wishers, investors, lenders, partners from various spectrums for their incessant support and continuing trust on SFPL's mission of serving the people with no or limited access to formal financial services.

I hope the esteemed readers will certainly find this years' Annual Report a useful one.

Sincerely,

Shri. Livinus Kindo IAS (Retd.)
Chairman, Sambandh Finserve Pvt. Ltd.



OUR SOCIAL GOALS

Social Transformation of our people

- Empowering women leading to self confidence and economic freedom
- Access to better housing, sanitation and drinking water facilities
- Access to low cost products for clean and renewable energy
- Access to better health care facilities

Economic Freedom of our people

- Promoting Entrepreneurship & capacity building, access to skill development in urban and rural areas
- Promoting sustainable agro based livelihoods through aggregated community model
- Providing innovative rural products for enhancing the quality of lives of our people
- Creating employment opportunities for the people of Chota Nagpur region

Increasing our Women Workforce

- Balanced Gender diversity ratio
- Creating women friendly workplace





MD & CEO'S MESSAGE

Johari !!

Sambandh completes ten years in its institutional journey, and it is indeed a great pleasure reaching out to all our stakeholders, on this joyous occasion and tremendous feat!

A decade of work puts a lot of things in perspective, with a good measure of nostalgia. A few important ones come to my mind; first, **Gratitude**, that we have made it so far. *Sambandh* started off as an offshoot of the parent NGO, Rural Regional Development Centre, (RRDC), we are grateful to our founding

members for the opportunity. We are also grateful to all our patrons and funding partners for the trust they have bestowed on us. *Sambandhians* are intensively **involved**, and as a result we have the first batch of employees now holding the senior most positions in the company. An all round of appreciation for all those hours of hard work, pushing the limits and **staying on course** despite the shocks that have come our way. We are extremely proud of the **diversity** at our workplace, with a significant number being Tribals and especially a half of the workforce constituting of women. Most importantly, we are grateful to our clients for their time and business and also for making us their **preferred** lender, we are proud to be associated in their journey of **change and transformation**.

The Financial Year 2016-17, has ended with a mixed feeling. Setting the tone, the newly licensed Small Finance Banks (SFBs) launched their businesses, and in a good way the **legitimacy of the sector was further reinforced**. Business grew at a strong pace country-wide, with the exception of the two months ensuing the **Demonetisation**¹ initiative of the Government of India (GoI). During the period, the entire country reeled under currency shortage and the Micro Finance (MF) sector was the hardest hit. The Industry **Portfolio at Risk (PAR) > 1 day rose from 1.3% (September, 2016) to a high of 20.93% (March, 2017)**. Industry Loan Outstanding and Disbursements were also adversely affected, with 7% fall and a decrease by over a third respectively. Geographically Western India, and parts of Uttar Pradesh were badly affected. On a good note, the Micro finance sector is maturing in the Indian context, albeit in the form of mainstreaming, as I write, NBFC-MFIs and similar kind of Institutions engaged in micro finance are actively tapping into the Capital markets in the form of IPOs.

Sambandh and MFIs in the eastern were fortunately unscathed from the effects of the GoI initiative, however, overall business targets were adversely affected. Our PAR > 1 day during the above indicated period rose from 0.50% to 0.58%, and since April 2017, has declined to satisfactory levels. For the FY 16-17 our business grew at a slower than expected pace with 42% increase in our customer base, 34% increase in loans outstanding, and 16 number of branches were added during the year. In a state-wide development, *Sambandh* along with six home grown MFIs formed the Odisha State Association of Financial Inclusion Institutions (OSAFII), promoted under the aegis of Poorest States Inclusive Growth (PSIG) program implemented by SIDBI. The association will primarily focus and undertake steps in establishing responsible practices in financial inclusion.

In our Decennary year, we also revisited the roadmap which was set out in 2006, also known as the Sustainable Enterprise Development Framework (SEDF). As a model of inclusive development in the context of the **Chota Nagpur**² region, SEDF has been gaining strong traction in the last couple of years. As the sectors of practice take an institutional shape, there has been a lot of strategic thinking. We now propose to call the network of institutions as Sarvodaya, taken

¹ Demonetisation- Impact on NBFC-MFIs. MFIN (updated on April 2017).

² Geographic East-Central Indian Region covering parts of Odisha, Jharkhand, Bihar and Chhattisgarh.



again from Gandhian philosophy that essentially means “welfare for all”. As with SEDF, Sarvodaya will advance on a model district approach, and synergise network institutions to provide inclusive development activities in each of the 17 tribal blocks of Sundargarh District. Sambandh will play an important role and will **deepen its services** in remote and underserved locations.

The need for the MF sector to **evolve is more important than ever**. With a crisis like situation surfacing every two-three years, we have to go back to the basics, and provide demand driven products and services and more importantly connect with the customer. Micro finance is all about simplicity and ease for the customers, with technology easily available it is possible now for **a meaningful customer connect**. Further, meeting the newer customer needs like MSME loans, Micro-housing Loans etc., is now a strong emerging market segment.

In this Decennary year, we realise that we are now at an **inflexion** point and therefore the need to put in place a sound strategy to scale up. Pulling all our learnings together over the last one decade in **inclusive finance**, we propose to scale up based on three pillars of growth :-

1. **Digital Financial Services-** Focus on technology and provide a comprehensive product suite that enables cost efficiency and maximise client connect. We believe, technology to be the gamechanger, and will make it possible to reach out to the underserved customers and also touch base with remote locations that is typical to Chota Nagpur.
2. **Promote Financial Well-Being- Sambandh** will support in the economic and social transformation of customers. Provide a comprehensive product line and simultaneously strengthen the social performance management initiatives organisation- wide.
3. **Empowering Women-** Risk free growth can be achieved if we have the right people at the right place. As a means to connect strongly with our women customers, we will align our workforce by significantly increasing women participation.

At *Sambandh* we have always believed that **‘Happy Employees make Happy Customers’**. In this Decennary year we propose to make the **‘Sambandh Experience’** even better than before, by strengthening the virtual **‘Sambandh Centre for Leadership and Excellence’** initiative. We had a wonderful **decennary Celebrations, held on 2nd October 2016** which was also combined with all the other network Institutions under Sarvodaya. I would like to congratulate all our team members for conducting the occasion so wonderfully. Further, I would also take this opportunity to thank our Board Members for their time and valuable suggestions.

Last, but not least, I also take this opportunity to thank our patrons, Funders and Banking partners for the whole-hearted support all around the year, we are humbled by the trust bestowed on us and in return we assure you the best of our services. I would like to specially put on record, the support from our existing investors SIDBI and Dia Vikas for their fresh round of infusions in the current year.

This current year's Annual Report has been meticulously put together by members of our Finance, Designing and SPM & CE team, it is indeed an impressive layout and I am certain that the readers will find it as a memorable read!!.

Johar once again and Warm Regards on Behalf of the Entire Sambandh Family.

Sincerely,

Shri. Deepak Kindo

MD & CEO, Sambandh Finserve Pvt. Ltd.

Established in 1992, Regional Rural Development Centre (RRDC) started as a not-for-profit organisation working to build a better society in the villages of the southern Gram Panchayats of Maldihi, Buchkupada, Jaraikela, Budham and Kutunia of Rajgangpur block where the rural set up was leading a barter-led-crypto credit life and was in dire need of upliftment & rehabilitation.



**Diagrammatic Representation
of Chota Nagpur Topography**

RRDC was an initiative put forward by Mr. Livinus Kindo, IAS (Retd.), a native of the area and who wanted to bring about a change in the way of living and uplift the existing economy of the area. The area being predominantly hilly was a treasure trove of natural produces and agriculture. Mr. Kindo wanted the locals to harness this resource to uplift themselves and the economy of the region. The products of Surplus Agriculture Produce (SAP) comprising vegetables, lentils and cereals become marketable, while the bountiful seasonal harvest of Minor Forest Produce (MFP) comprising Mahul, Char, Kusum and all edible jungle mushrooms constitute a majority of the marketable items and were the target products.

With a view to improve the income generating capability and develop the economy of the region, a participatory development model was initiated by organising a registered society under the name Regional Rural Development Centre (RRDC) in the year 1992. RRDC advanced soft loans for agriculture, animal resources, education and health services. The attempt moved at snail's pace and the concept of a benevolent enterprise could not reach the levels of sustainability it intended to.

As a result, Sambandh Financial Services started as Micro Finance project under the aegis of RRDC in the year 2006. It was an off-shoot of the Sustainable Enterprise Development Framework (SEDF). The project started with only 5 staffs which has since then risen to 341 by the year 2017. Sambandh Financial Services borrowed the Grameen Bank lending model focusing on empowering women, spreading financial literacy and financial inclusion. Sambandh believes that with the right kind of products and services it can impact its clients (economic freedom and well being of its clients) and also run sustainable operations.



Sustainable Enterprise Development Framework

Sambandh Finserve Private Limited is an effort to bring about 'positive change' in the lives of the poor and the underprivileged. Sambandh emerged as a part of the roadmap to sustainable development of local communities and this aspiration is based on 'Sustainable Enterprise Development Framework' (SEDF), a holistic solution for individuals and households alike in their path to economic freedom. SEDF is a strategic approach to promote financial well-being, grassroot entrepreneurship and wealth creation at the Bottom of the Pyramid (BOP).

The framework is built on three foundations called the Sectors of Practice (SoP).



Enterprise & Livelihood Development SoP: Creation of sustainable and replicable livelihood models to create wealth in the rural areas.

Human Resource & Ecosystem Development SoP: Development of skill, knowledge and behavioral change among people at the grassroots and facilitation for creation of sustainable enterprises and livelihoods.

Financial Services SoP: Distribution of financial and essential services to individuals, households and enterprises.

SEDF is a framework that is operating through a network of institutions and is mostly concerned with upliftment of the economy of the Chota Nagpur region. Path to the development of an economy lies in the access to financial services. The Chota Nagpur region is in need of the much desired access to financial services. Given the level of industrialisation, education, urbanisation and the need for various services in the area there is a gaping hole when it comes to mobilization of finance leading to the people being financially excluded.



The objective of financial inclusion is to ensure access to formal credit for people who depend on informal sources for fulfilling their financial needs, at an affordable cost in a fair and transparent manner, and to promote financial education. The Chota Nagpur region has a substantial network of institutional credit but the stringent credit norms & lack of financial literacy is a laggard that has failed to include the poor in the financial inclusion ambit.

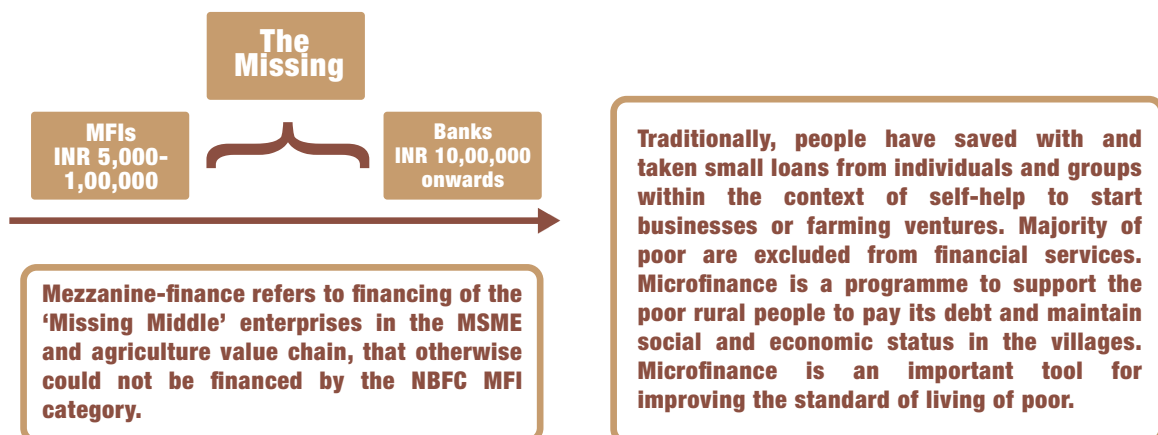


Sectoral View of Chota Nagpur

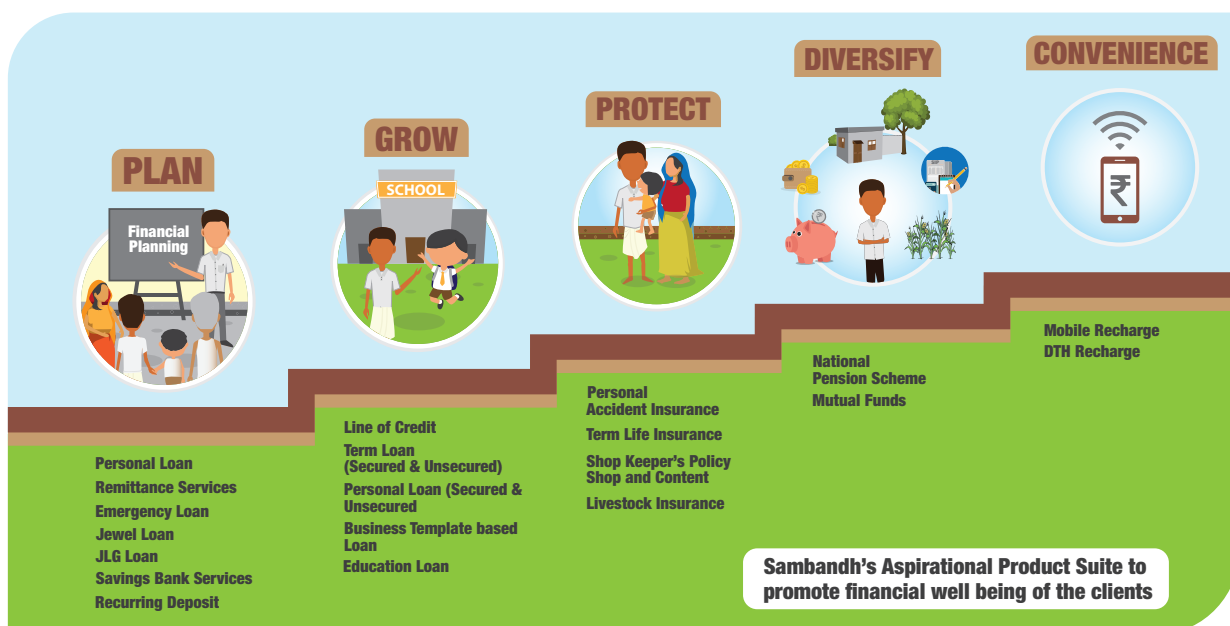
Access to Finance + Financial Literacy = Financial Inclusion

Sambandh acts as a bridge and facilitates serving the people of the region by mobilizing the much needed finance. Sambandh is the axle facilitating the financial services SoP in the SEDF framework. The Financial SoP envisages helping individuals and households transition from micro to the mezzanine levels and also providing essential financial services in an impactful manner.

Factor use and factor efficiency are declining among the tribes in Chota Nagpur Plateau mainly due to their less or marginal dependence on agriculture as the educational and job-seekers are deserting villages and throng to urban locales for job.



Financial institutions of standardized nature do not form the “rural financial markets” that are actually the need of the day to create and sustain the rural entrepreneurs. This challenging region is home to 40% of the tribal population in India and is rich in mineral, forest and natural resources and is characterized by high industrialization. Out of this population, 70.6% are below the poverty line. Sambandh strives to uniquely work in this region by focusing on empowering women, spreading financial literacy, financial inclusion, and ecosystem development. Sambandh believes that with the right kind of products and services it can impact its clients (economic freedom and well-being of its clients) and also run sustainable operations.



Sambandh's Aspirational Product Suite



Transition Phases of the Client

Transition of MFI Client —————> Livelihood/Enterprise Finance, Digital Financial Services



About Sambandh Finserve Private Limited

Sambandh Finserve Private Limited (Sambandh) is an Inclusive Financial Institution, registered as a Non Banking Finance Company – Micro Finance Institution (NBFC-MFI) with the Reserve Bank of India and offers customized solutions in the areas of Inclusive Finance through it's lending and financing solutions. It operates in the under-served Chota Nagpur region of Central India. Sambandh follows the SHG and JLG model to impact over 1,00,000 low income clients with a financing portfolio of more than Rs.1,000 Mn., helping them to pursue and augment their micro enterprise with an objective to raise their standard of living, execute value-creating transactions while furthering their business, empowering women and bridging the gap between the access for informal and mainstream financial products.

Sambandh's Clientele

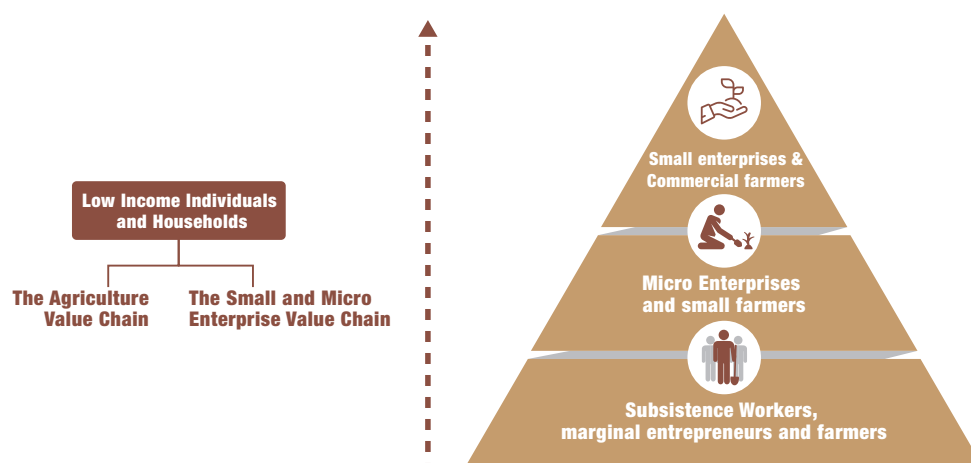
"Sambandh envisages a socio-economically prosperous society" and in a broader sense wants to meet the financial requirements of the informal economy which includes mainly the poor households. This targeting is very much in line with the concept of "the bottom of the pyramid" as coined by famous management guru Late Prof. C.K. Prahalad, however, it also applies to the economic/financial services.

Sambandh's clientele falls into three major categories:

The Micro/Small Enterprise Value Chain- This category includes small and marginal entrepreneurs mainly requiring financial support for running their enterprises¹. Their requirement will be mainly in the form of working capital, seed capital and capital for expansion.

The Agriculture Value Chain- This includes marginal, small and big farmers who depend on the informal sources for their finances. Since the concept of value chain is used all the participants right from the producers to the seller are included.

Poor households- In general requiring financial services to reduce vulnerability and improve their standard of living. This category will include marginal and subsistence workers who require financial support for engaging in income generation activities, for meeting crucial life cycle expenses and contingencies.



Diagrammatic representation of Sambandh's clientele

1

Here it may be worthwhile to note that enterprises will be viewed very differently than just income generation activities where the latter only serves as supplementing and smoothening income and unlike an enterprise activity intended to undertake risk, achieve a certain scale, with a certain degree of permanence and with a motive of earning profit. Income generation activities will be also covered by the project but will fall in the last clientele category.



Pillars of Growth

Digital Financial Services- Sambandh is looking forward towards Digital Financial Services as a main strategy going forward – which clearly spells out in terms of elements namely- Branchless banking, Cashless disbursements/collection and Vodafone M-Pesa powered branches (Currently we are the first MFI in Odisha to partner with them and use cashless technology to disburse loans).

Promote Financial Well-Being- Support in the economic and social transformation of customers. Provide a comprehensive product line and simultaneously strengthen the social performance management initiatives organisation- wide.

Empowering Women- Sambandh has always held the value of being customer centric in high regard. Our clients mostly being women lead us to strongly believe that women employees are always in the best position to cater to their needs with a sense of passion and empathy. Sambandh looks forward to engage and employ more women staff on board so as to serve its clients better.



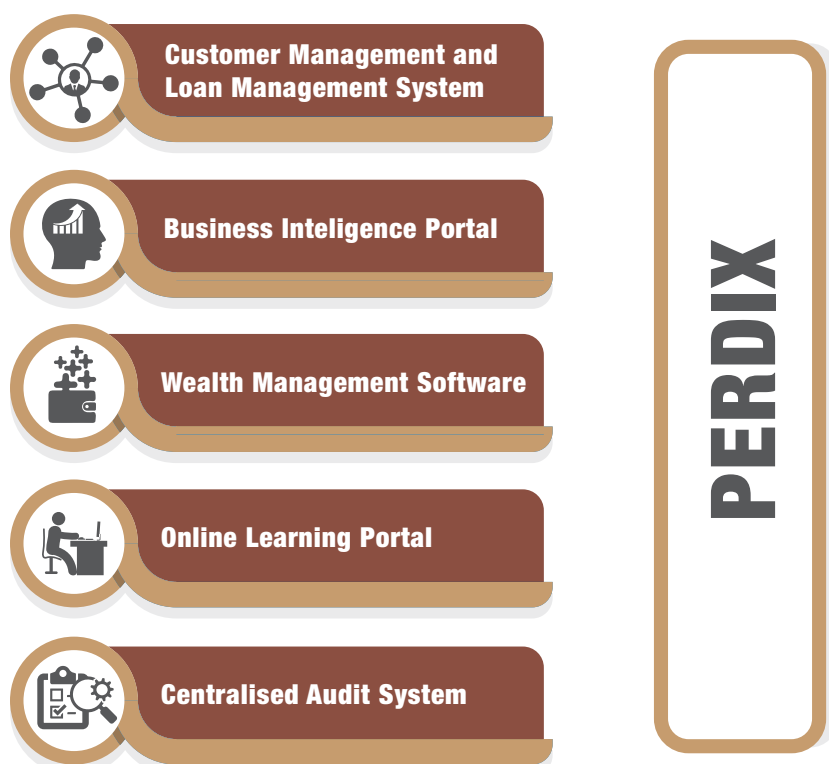
Three Pillars of Growth

Technology & Digital Financing Services

Technology Scale-up has been made possible for clients by the implementation of the new ERP software product suite Perdix for operations and by further mirroring the wealth management and financial product suite of the KGFS model of IFMR Rural Channels. The same is under process and powered by the Technology Inclusion Fund of SIDBI-PSIG. This core banking software solution would replace the current existing software presently being used at Sambandh (e-Fimo by Jayam Solutions). This CBS solution has a strong internet credit model to ensure close monitoring of operations.



Perdix being an adaptive technology would be a single unified platform to cater to all the needs of the organization. Mostly, we look forward to route all our activities through the technological platform and the ease of using the software would lead to reduction in the operating expenditure, better tracking system, field force automation, elimination of paperwork, enhanced operational controls and overall increase in the efficiency in the operations. The suite is designed to also be integrated with multiple credit bureaus and provide back-end support to the bank's CBS in performance with BC operations. Sambandh is looking forward towards Digital Financial Services as a critical strategy going forward – serving offerings namely- Branchless banking, Cashless disbursements/collection and Vodafone M-Pesa powered branches (Currently we are the first MFI in Odisha to partner with them and use cashless technology to disburse loans).



Perdix Product Suite

It is proposed that Sambandh will invest heavily on various digital initiatives. Moving forward Sambandh will collaborate with technological and digital platform like NPCI to ensure optimum customer reach and maximize efficiency in operation.



SEDF

The Chota Nagpur region in entirety lacked systematic and impactful interventions for confronting issues of economic vulnerability and poverty. Tribals of this region, constitute about 40% of the total tribal population in India, are the majority and most distressed communities. Strategic Enterprise Development Framework (SEDF) was envisaged to create an ecosystem of institutions for socio-economic prosperity of communities in the Chota Nagpur region. Sambandh Financial Services was set up as a project under RRDC to provide financial value added services to the low income households.

The tribal dwellers of the hilly areas in Sundergarh district of Odisha were perplexed with their situation of backwardness, unawareness, under development and poor health. Regional Rural Development Centre (RRDC) was established by Mr. Livinus Kindo IAS Retd. in 1992 with a vision to develop those villages.



Acquisition of an NBFC and renamed as Sambandh Finserve Pvt.

Microfinance crisis hits the industry.



Received investment from Dia Vikas Pvt. Ltd.



SIDBI subscribed to preference shares



Re-classified as NBFC-MFI



Yes Bank Business Correspondent



IDBI Bank Business Correspondent



SBI Bank Business Correspondent



Reliance Capital Business Correspondent



Issue of NCD (L&T Finance)



Subordinated Tier II Capital (Capital First Ltd.)



OCPS to Equity Conversion (SIDBI)



States Covered	1
Clients	7,580
Branches	5
Staff	46
AUM (In Lakh)	788.31

States Covered	1
Clients	11,226
Branches	5
Staff	54
AUM (In Lakh)	1,348.51

States Covered	2
Clients	20,583
Branches	7
Staff	72
AUM (In Lakh)	1,965.10

States Covered	3
Clients	41,416
Branches	17
Staff	174
AUM (In Lakh)	4,676.26

States Covered	3
Clients	67,412
Branches	26
Staff	242
AUM (In Lakh)	9,688.94

States Covered	3
Clients	94,576
Branches	38
Staff	344
AUM (In Lakh)	13,027.08

STATE WISE DISTRICT COVERAGE

Chhattisgarh

Bilaspur
Janjgir - Champa
Raigarh
Mahasamund
Raipur

Jharkhand

Ranchi
Simdega
East Singhbhum

Odisha

Mayurbhanj
Keonjhar
Angul
Deogarh
Sambalpur
Sundergarh
Jharsuguda
Khurda

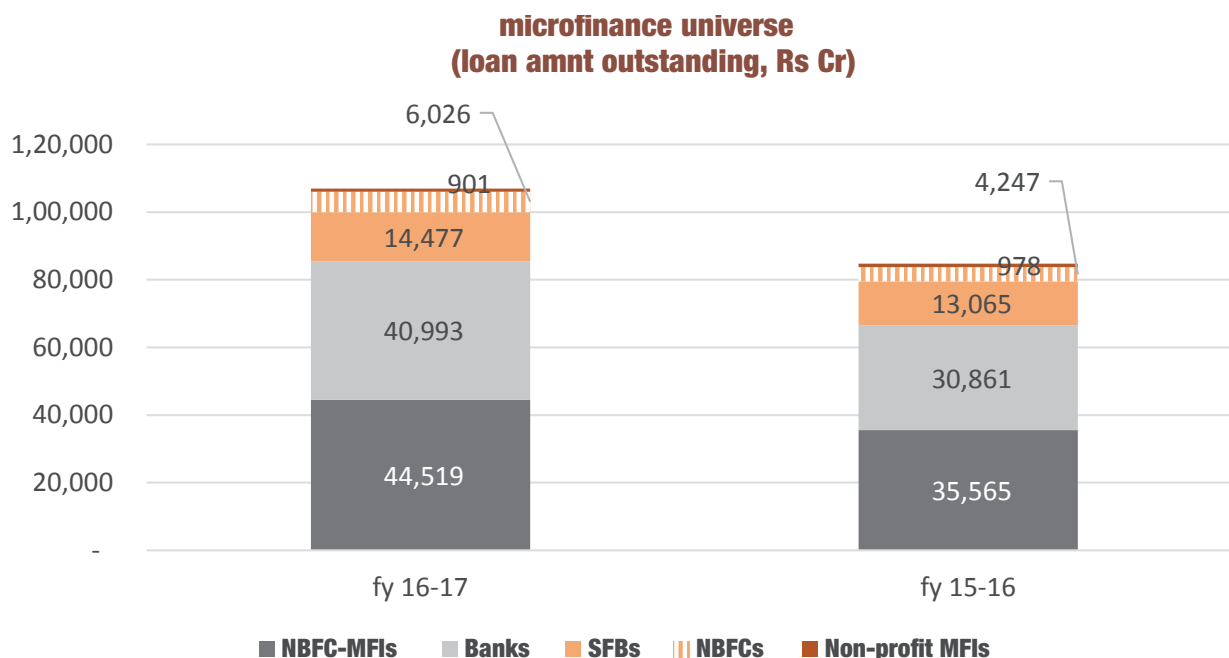
OUR COVERAGE



◆ ◆ ◆

¹After years of subdued growth, the Indian microfinance (MFI) industry expanded more than 60% to Rs.54,329 crore in 2015-16 compared to the previous year, according to a report prepared by Sa-Dhan, the self regulatory organisation of MFIs. The MFI client base expanded by 2.8 million in the year, taking the total number of clients to 39.9 million, said the report. This growth was despite the fact that Bandhan, which was the largest MFI, moved out of the space to become a full fledged bank.

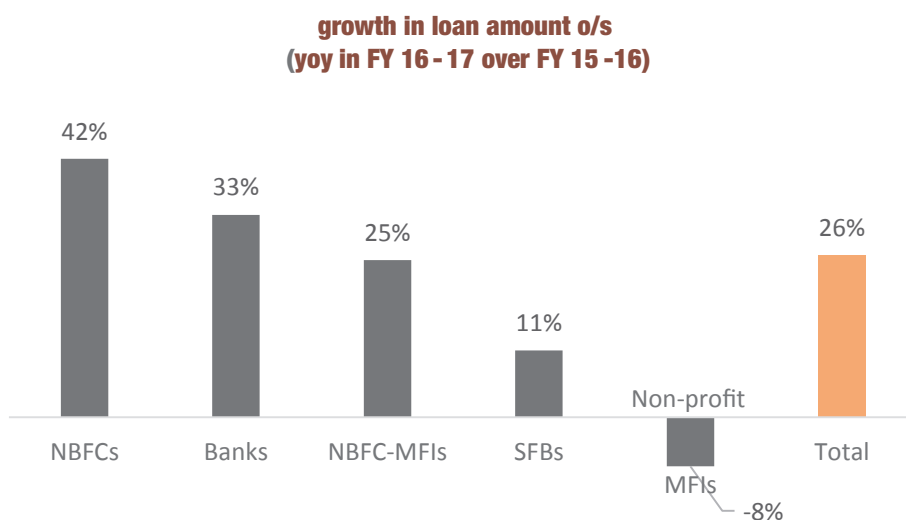
²The below section gives an overall microfinance industry position with data received from NBFC-MFIs (MFIN members) and other key lenders under the category of Banks, SFBs, NBFCs and non-profit MFIs. On the basis of updated data reported by lending institutions as of 31st March 2017, microfinance industry has total loan portfolio (i.e. loan amount outstanding) of Rs 106,916 Cr. This represents a growth of 26% over the last year. It is estimated that this GLP number roughly represents over 90% of the total industry portfolio excluding SHGs and portfolio under NGO-MFIs.



2 Source: MFIN, Micrometer- Issue 21



As of FY 16-17, NBFC-MFI represents 42% of the microfinance lending, followed by Banks at 38% and SFBs at 14%. On a YOY basis, the industry grew by 26%. As customer transactions in the microfinance industry are cash-intensive, demonetization severely impacted the microfinance business in multiple ways including slowing down of growth due to non-availability of cash for a few months.



On the path to Freedom & Confidence

Afsana Khatun, 26 years old, settled at Nala Road, a slum situated at about a distance of a km away from the Rourkela railway station, was never able to see a future without hardships. A single mother, having an eight year old son and the sole bread winner of the family, she was in complete despair when her husband left her to fend for herself. She was clueless as to how she would be able to survive in this world on her own. However, with encouragement from her only surviving family member, her grandmother, a septuagenarian she took the lead and setup a small shack selling snacks and FMCG products. But, even then she could not make ends meet. Unable to gather further financial support from her friends and relatives her business was on the verge of collapse. Soon enough she heard about the success stories of SFPL's initiative and became a member of SHG/JLG group named "Chhoti Si Asha" created under the patronage of Sambandh Finserve Pvt. Ltd. Since, then there has been no looking back for Afsana. She is presently in the third cycle of her loan. Her first loan helped her to restructure her makeshift shack into a proper shop, her second loan stabilised her business and now the third cycle she has further helped her diversify into textiles and garments.

Her confidence stems from the fact that now she has a sustaining business to support herself, and lives a modest lifestyle and is able to afford all the basic amenities for herself and her family. She attributes all her success to Sambandh and is grateful for being a part of the Sambandh family now. Afsana is one amongst the many success stories that Sambandh Finserve Pvt. Ltd. has fulfilled as a part of its legacy.



Quoting Afsana, *"I want my son to go for higher studies and be capable enough to run his own business one day. Thank you Sambandh for making my dreams come true"*





Rebati says “*Sambandh has come to her as a great ray of hope.*”

The power of Financial Literacy

“Don’t let the fear of losing be greater than the excitement of winning.” This very well sums up the courage Rebati Das showed in the hardships which life threw at her. Losing her husband at an early age of 32, she has been widowed for almost a decade now. Her hopes were dashed when neither of her family members nor any relatives came forward to help her out. Fighting a lot of adversities, she could manage to raise a measly sum of five hundred rupees only, which she used to open up a small tea shack near Panposh LIC office at Rourkela.

Sambandh has helped her to be financially stable and made her financially literate now. After her association with Sambandh Finserve Pvt. Ltd. her monthly income has grown from a mere Rs.2800 to around Rs.9000 per month. After our Financial Services Officer mentored her, she now understands very well the concept of savings, investment and feels it to be very important for the future of her children and follows the same. Her elder son is now pursuing post graduation in Sanskrit and she plans to marry off her only daughter very soon and then expand her business from a tea stall to a tiffin center and supply lunch to nearby offices.

Sambandh feels proud that it could make a difference in her life, and hopes that it can do so in many more lives.



Phulmati says *“she owes her gratitude to Sambandh which helped her to find her own identity and garner respect in the society.”*

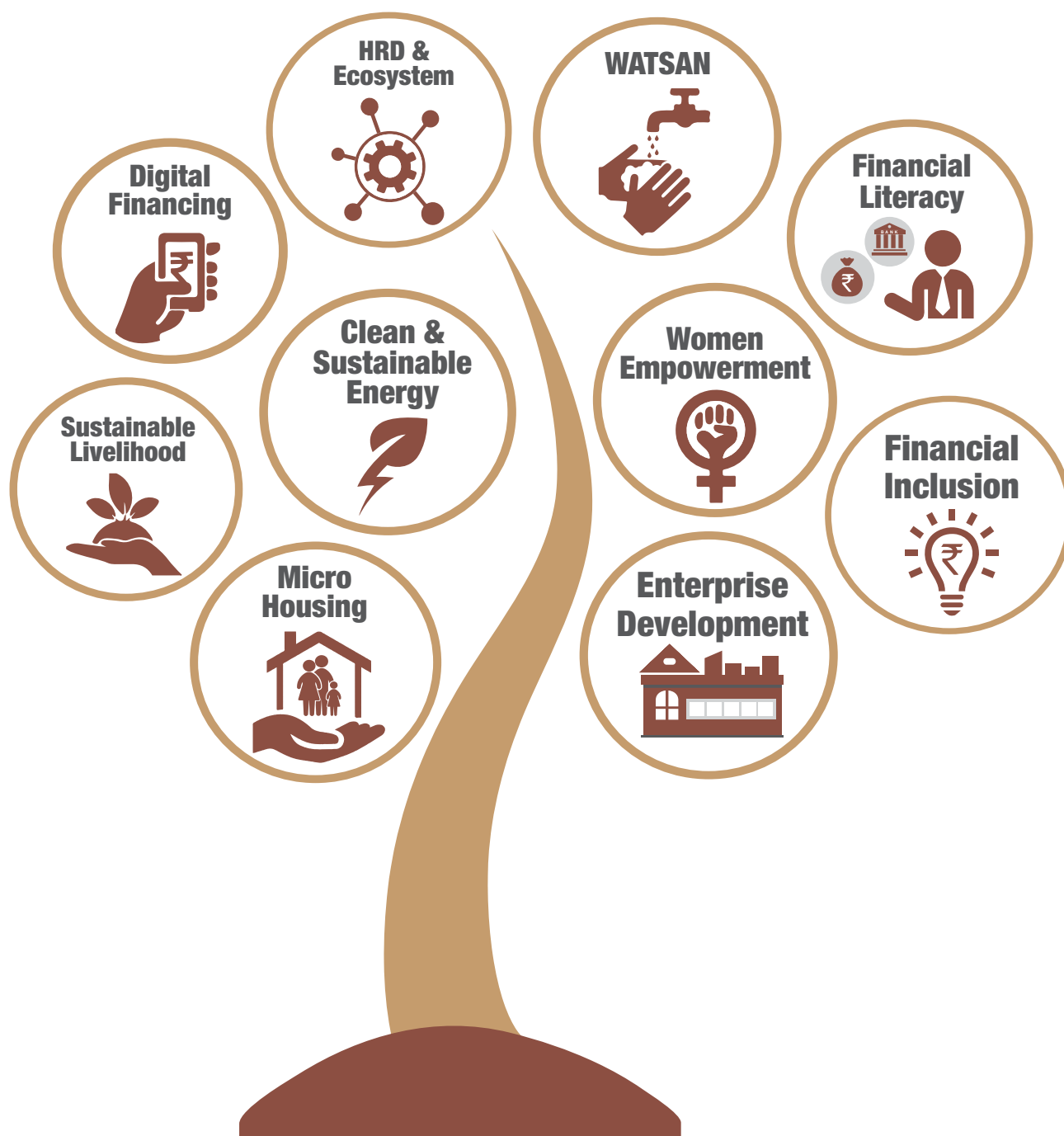
Liberation in Self-Sufficiency

Mrs. Phulmati Badaik, a housewife, lives at the Malgodown area in Rourkela with her husband and three children. With a monthly income of only Rs.6,000/- she was finding it extremely difficult to make ends meet. Her wish to help her husband in supporting the family was stonewalled because she has to take care of her children and moreover she could not gather sufficient funds to do so. Hence, her dream of doing something on her own could not see the light of day.

That ended when she heard about Sambandh Finserve Pvt. Ltd. and she has never looked back since her first association with Sambandh. Her first loan of a sum of Rs.10,000 helped her to set up a small grocery shop inside her residence. Now she is in her second loan cycle which has helped her monthly income to grow from Rs.2500 to Rs.6000 now. Phulmati is now a contented woman. With her goals clear before her eyes she can now dream of fulfilling them too. Her eldest daughter is now a college student and she wants to give her the best education so that she can have her standing in life. Her sons are now in high school and her husband is very proud of her. With a twinkle in her eye and gleam of happiness, Phulmati is thankful to be a part of the Sambandh family.







Making a difference through workplace giving

SPM & CE- "The effective translation of the institution's social vision and mission into practice for the social and financial development of the society."

Sambandh Center for Leadership & Excellence (SCLE)- Creating a Learning Environment for Professional and Personal Growth





Mr. Livinus Kindo, IAS (Retd.)

Chairman

Area of Expertise:

Administration, Co-operative Banks and Societies,
Rural and Agriculture Finance, Economic Development

Mr. Deepak Kindo

MD & CEO

Area of Expertise:

Micro Finance ,
Rural Finance, Entrepreneurship, Strategic Management



Mr. Dibyalochan Jena

Director

Area of Expertise:

Co-operative Banks & Societies,
Local & Regional market knowledge

Mr. Saurabh Baroi (DGM, Dia Vikas Capital Pvt Ltd)

Nominee Director

Area of Expertise:

Institutional Development, Partnership Management, Mentoring,
Technical Capacity Building, Legal Transformation & Due Diligence





Mr. Santanu Sarma Barua *(DGM, SIDBI)*

Nominee Director

Area of Expertise:

Commercial Banking,
Housing Finance and Development Banking, Financing Risk Manager,
Treasury Mid-Office, Market Risk & Resource Mobilisation

Mr. Kuchibhatla Prasad *(Ex. CGM, RBI Retd.)*

Independent Director

Area of Expertise:

Supervision and Examination of NBFC's &
Banks including the Developmental Financial Institutions



Prof. Prabal Kumar Sen

Independent Director

Area of Expertise:

Economic Research, General Management, Rural Credit Policy Planning,
Development and Operations

Mr. Vinod Jha

Independent Director

Area of Expertise:

Strategic Business Advisory in the areas of finance,
marketing and business development, Institutional Development,
Strategic Ideation, Mentoring and Incubation





Mr. Deepak Kindo

MD & CEO

Area of Expertise:

Micro Finance , Rural Finance, Entrepreneurship, Strategic Management

“The exciting thing about microfinance, is the true potential it holds in transforming the economic lives of the poor. At Sambandh we strongly believe that in addition to the economic transformation, we can definitely bring about a social transformation. With a holistic approach and strategic collaboration, mainstreaming of the excluded is possible . At Sambandh we are confident to achieve this end within a short period of time .We have the capable hands and the passion to execute ”



Mr. James Dinesh Raj

Chief Financial Officer

Area of Expertise:

Retail consumer finance, Personal Loans, Mortgage, Insurance, Sales, Credit and Branch Operations, Soft Skill Development, Logistics and Accounting, compliance, Risk Management, Financial Modelling

“ It has been 8 years since I have joined Sambandh, a professional organization. In this remarkable journey, I got the opportunity to handle various functions and roles, meet new people and travel a lot. Sambandh is a second home and family to me, and we have grown over the years with each other as family, our strength is the enduring relationships which manifests among all our stakeholders. My adult formative years has a strong foundation from Sambandh, whose value system has impacted my personal value system and probably for the rest of my life too. Sambandh has taught me a lot about life, work and most importantly, about myself in the most positive way possible. ”



Mr. Felix Xess

Manager, Accounts

Area of Expertise:

Book Keeping and Accounting

“ I have been working in Sambandh since the inception of the Organization. I have been working for over 11 years with Sambandh. Initially because of my prior experience, I was working in the accounts department and now head the accounts team. In these past years, I have seen the organization grow from strength to strength and I feel really proud and fortunate to be part of the Sambandh family. Over the years I have likewise learned a lot and have grown in my personal and professional life. I have come across and met with various people, bankers and stake holders and it has given me a great experience and learning. ”





Mr. Manoj Kumar Ekka

Chief Manager Operation

Area of Expertise:

Microfinance Operations, Information Technology

“Working with Sambandh has been a phenomenal experience. Sambandh is more of a family than an organisation. The emphasis laid on treating every individual with respect irrespective of the level or grade is something that I really admire. My work at Sambandh, has been a fulfilling one in terms of exposure, knowledge and the speed with which goals are accomplished. Appreciated most about working in the team and keep everyone happy, and deliver the expected results on time. Sambandh believes in creating visionary leadership, promoting corporate culture and giving opportunity to everyone to use their knowledge & expertise. I am very happy to be a part of the Sambandh Family that helped me to grow and enhance my skills.”



Mr. Bimal Kumar Lakra

Manager, HR

Area of Expertise:

Communication and Interpersonal Skills, Community Development, Training and Improvement

“Sambandh has been my first choice to work with as I could relate my passion with the Vision of the company, which has been working for our tribal people and community service. I have had the option of joining NGOs but was motivated to join a Microfinance Institution as it directly impacts the development of the people by enhancing their financial capability.”



Mr. Elias Lugun

Manager, Internal Audit & Control

Area of Expertise:

Policy Formulation, Internal Control, Compliance

“I was the first employee to have joined Sambandh Finserve Pvt Ltd and have been working for the past 11 years with Sambandh. I am currently working as head of the Internal Audit & Control Department and have seen the organization grow from a team of 5 employees to 340 to this date. Valuing the clients has been the base for designing and forming the organization's mission, vision, values and culture that gives the company a unique distinction. The process & policies which are designed mainly focus on clients as preferred client and the welfare of the employees. The past 11 years have brought many adversities and still the company has been going strong. I see the company as leader in financial inclusion and help our clients build a better life for themselves.”





Mr. Manoj Felix Ekka

Dy. Chief Manager Operation

Area of Expertise:

People Management Skills, Operations, Marketing

“I have been with Sambandh since its inception and have acquired hands-on experience working at the grass-root level. Sambandh has provided me with exposure in Communication, People Management Skills, Policy Formulation, Team Building, Strategic Business Planning, Process Mapping etc. My experience with Sambandh has been a pleasant one and the work culture has had a good impact on my personal and professional life. The organizational ethos at Sambandh encourages me to be a better person and I feel really privileged to be a part of Sambandh and help it to build a better society.”



Mr. Dhiraj Kumar Sinha

Head, Small Finance Work

Area of Expertise:

Program Management, Microfinance, Project Management & Implementation, Business Development, Core Banking System implementation in Domestic & International Microfinance Institutions and Cooperative banks.

“Sambandh is a unique institution which works with the tribal community and women which I have been long dreaming to work with. Working at Sambandh has been the most fulfilling experience so far in my career journey. At Sambandh, I have had the opportunity to automate the critical and non critical process of the institution which is challenging and rewarding for me to be involved and get it executed successfully.... Proud and satisfying to be associated with Sambandhians and look forward to see it achieve greater heights in future.”



Mr. Budhnath Oram

Dy. Manager MIS

Area of Expertise:

Book Keeping and Accounting

“I see “Sambandh” as leading the way in product development, delivery channels and service quality that will pave way for the last mile delivery in financial inclusion. I truly believe in supporting the objective of the organization of reaching out to millions of financially excluded people. Sambandh has given me the opportunity to work for something close to my heart- “Development & Upliftment of the Lower stratas of the society”. I have not only gained personally but also professionally as a human being from my experience of working with Sambandh Finservice private Limited”





Mr. Krishna Chandra Mohanta

Company Secretary

Area of Expertise:

Secretarial & Legal Compliance, Risk Management

“I have been associated with Sambandh since August 2016 and looking after the secretarial and legal compliances of the company. It is good to see that the sector is being closely monitored and continuously been transformed with the entry of new players like that of Small Finance Banks & Payment Banks. We at Sambandh always keep ourselves ready to adapt in response to the changes as well as challenges in the Sector. Besides handling the legal compliance role, I’m also involved in the risk management framework of the company. What separates Sambandh from other entities that it keeps its employees at the centre stage in each of the endeavors it involves in. Working here has been truly enjoyable experience so far.”





Creating Equal Opportunities

Mina Kerketta | *Manager, Grievance Redressal*

It has been almost a decade since Ms. Mina Kerketta has joined Sambandh. She has grown personally as well as professionally in these past years. She looks back to the day when she joined the organization as a shy, inexperienced, timid person and how today she has transformed into a person with good people skills and leadership capabilities. Sambandh is her first corporate experience and she has faced a lot of challenges but has taken them in stride.

She joined as a Trainee Financial Services Officer, moved up the ladder, at one point as an Area Manager handling one of the largest branches portfolio-wise. She is currently heading the Grievance Redressal Cell for clients. Her growth conveys her hard work and perseverance demonstrating Sambandh's commitment to creating equal opportunities for all.

Cross-Functional Expert

Manoj Kumar Ekka | *Head of Operations*

Mr. Manoj Kumar Ekka has been working with Sambandh for almost a decade now. His stint at Sambandh has been a valuable and eventful one. He started his career at Sambandh as a Data Entry Officer with the MIS department in 2007. His transition at Sambandh is an inspiration to all and since then he has taken up various roles and positions, he has not limited himself to being in his domain i.e. the MIS department, but has taken up the challenge to cross over and eventually head Operations. Manoj has been instrumental in developing innovative solutions that has helped the organization internally to bring efficiency in operations.



Aspiration and Ambition

Jaywant Minz | *Trainee Executive, Administration*

Mr. Jaywant Minz joined Sambandh as a Trainee in the Administration Department. He comes from a rural background and his family is entirely dependent on agriculture for their subsistence. He is the first person across generations in his family to be employed in a company. At Sambandh, being the first job, has helped him develop professionally and on the personal front as well. He firmly believes in the values of Sambandh and follows it through in his personal life too. He dreams to be a successful manager in Administration Department, leading a team and be computer literate as well. Currently he is pursuing his higher studies and he is thankful to Sambandh for giving him the opportunity to work with dignity and being able to fulfill his dreams as well.



Summary on other Activities

Sambandh has been fortunate enough to receive grant supports from larger entities like SIDBI and Asian Development Bank, among others, to undertake capacity building programs at various levels. A brief overview of all those programs are jotted down below:

SIDBI-PSIG (CB Support)- SIDBI as an institution has always been supportive towards Sambandh, and shown the way of growth through different mediums, that has invariably supported the organization in establishing its image in the microfinance domain. In this phase of capacity building (CB) support, SIDBI has extended grant of Rs.70.80 Lakh which is being utilized for various institutional building as well as HRD programs in the organization.



SIDBI PSIG-FL&WE- Sambandh had earlier received a grant of Rs. 29.00 Lakh for the SIDBI-PSIG Financial Literacy and Women Empowerment program. The program had strategic focus on building a pool of well trained Master Trainers, who then move around in the field by delivering different innovative FLT modules to the target clients. Subsequently, the clients have learned to manage their finance prudently that ultimately helps to accomplish the mission of the organization in the long run. The success of the initiative has facilitated in setting the second phase of the program, where another Rs.35.08 lakh as assistance being provided under the program. Some of the highlights of the program include:



SIDBI PSIG TIF- This is a separate arm under the PSIG program solely aimed towards the technological upgradation of its partners. Sambandh has received grant sanction of Rs.55.00 lakh from SIDBI-PSIG for the purpose of establishing a new software system. The total cost of the project came out as Rs. 69.40 lakh, out of which 20% is to be borne by Sambandh. This software will be a comprehensive ERP solution and will capture the total needs/life cycle needs of the clients and enterprises.

SIDBI PSIG & Sa-Dhan Support- This is another grant support where it helps Sambandh in recruitment and developing policies/manuals at different levels. This support is being implemented through Nimbus Consulting Pvt. Ltd.

Asian Development Bank (ADB) Technical Assistance- Sambandh is one of six institutions from India to have received technical assistance from ADB. The total quantum of assistance is of \$0.75 million.

ICICI foundation for Inclusive Growth- This is a unique initiative taken up by Sambandh to help the wards of its clients to gain economic freedom by sending them to the Foundation to receive skill-based training programs.

ACCION (Technical Assistance Partner) had done the data analysis which covers the baseline survey and end line survey.

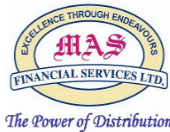


Our Strategic Partners

BANKS



FI'S



OTHERS



Sambandh's Past Year at a Glance

- ▶ Purchase and Implementation of new software suite "Perdix" from IFMR Rural Finance under support from SIDBI-PSIG-Technology Inclusion Fund.
- ▶ Implementation of Client IVRS system
- ▶ Tie-up with new Credit Bureau (CIBIL and Experian) - June - 2016, Oct-2016
- ▶ Revision in Internal Audit Committee members.
- ▶ Use of centralized CB Report for proper screening of clients.
- ▶ Used bar code scanner or QR code scanner by FO field staffs in their mobile app for proper screening
- ▶ Government portal is being used by Field Operation for better verification of KYC.
- ▶ Commencement of Business Correspondent operations with State Bank of India and Reliance Commercial Finance Ltd.
- ▶ Issue of Non Convertible Debentures (NCDs) from L&T Finance Ltd.
- ▶ SIDBI conversation from OCPS to Equity.
- ▶ Sub-Debt received from Capital First Ltd.
- ▶ Credit rating agency SMERA Ratings Ltd has assigned comprehensive grading of M3C3
- ▶ Credit rating agency SMERA Ratings Ltd has assigned a SMERA MFI grading of MF3 which indicates Above Average credit strength.



Counselling the Sambandh Experience Ms. Stella Toppo

Sr. Executive, HR

“ I had joined Sambandh as a Jr. Executive, HR and in the past three years have learnt a lot and currently working as a Sr. Executive. Sambandh has been a great platform and a greater learning experience for me. Being the sole bread winner in my family, I have always found adequate support from my colleagues and superiors both on professional and personal front. I am really grateful to be a part of Sambandh as it has helped me a lot. I am a experienced counsellor and i hope to spread the Sambandh Experience across the organisation. ”



To,

The Members,
Sambandh Finserve Private Limited,
Jubilee Villa, 1st floor, Plot No 7,
Sindhi Colony, Mission Hata,
Rajgangpur, Orissa,
India – 770017.

Dear Members,

The Directors have pleasure in presenting before you the Twenty First Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL HIGHLIGHTS

Particulars Year Ended 31st March 2017	(Amount in Rupees)	
	FY 2016-17	FY 2015-16
Gross Income	244,268,208.94	172,589,847.57
Profit Before Interest and Depreciation	162,601,754.78	120,786,157.88
Finance Charges	138,400,985.42	99,483,978.00
Gross Profit	24,200,769.36	21,302,179.88
Provision for Depreciation	2,647,982.00	4,024,529.35
Net Profit Before Tax	21,552,787.36	17,277,650.53
Proposed Dividend on Preference Shares	2,700,000	2,700,000
Tax on proposed Dividend	549,656	549,656
Transfer to General Reserve	2,978,595	2,199,052
Surplus carried to Balance Sheet	8,664,725	5,546,550

2. PRESENT INDUSTRY SCENARIO

The year 2016-17 was the most turbulent year for the microfinance industry. After the November demonetization, the entire Industry faced the problem of cash crunch and repayment was hampered. Otherwise prior to demonetization, the industry consolidated mainly due to the Government's importance on financial inclusion. The Micro Finance Industry has a tremendous growth potential in rural dominated India and will change the rural livelihood by empowering women entrepreneurs.

Highlights:

- As of 31st Mar 2017, NBFC-MFIs provided microcredit around 2.75 Cr clients, an increase of 30% over Q4 FY 15-16.
- The aggregate gross loan portfolio (GLP) of MFIs stood at Rs 46,847 Cr (excluding non-performing portfolio i.e. PAR > 180 days in Andhra Pradesh and Telangana). This represents a YOY growth of 25% over FY 15-16 and 5% over the last quarter.
- Loan amount disbursed in FY 16-17 increased by 13% compared to FY 15-16 reaching to Rs 50,266 Cr.
- Total number of loans disbursed by NBFC-MFIs increased by 13% in FY 16-17 compared with FY 15-16 reaching to 2.83 Cr.



- Portfolio at Risk (PAR) 30 has increased considerably from 0.4% in FY 15-16 to 14.1% in FY 16- 17. This is directly attributed to the impact of demonetization.
- Average loan amount disbursed per account is reduced to Rs 17,779 in FY 16-17 from Rs 17,812 in FY 15-16.
- MFIs now cover 32 states/union territories.
- In terms of regional distribution of portfolio (GLP), south accounts for 31% of the total industry portfolio, north for 27%, west for 24%, and east for 18%. Top five top states, viz. Karnataka, Tamil Nadu, Uttar Pradesh, Maharashtra and Madhya Pradesh account for 56% of GLP.

SHARE CAPITAL

As on March 31, 2017 the authorized Capital of SFPL was Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs Only) equity shares of Rs. 10/- (Rupees Ten Only) each, and 30,00,000 (Thirty Lakhs Only) Preference Shares of Rs. 10/- (Rupees Ten Only) each.

The paid up share capital of SFPL is Rs. 133,014,680/- (Rupees Thirteen Crore Thirty Lakh Fourteen Thousand Six Hundred Eighty Only) divided into 11,801,468 (One Crore Eighteen Lakh One Thousand Four Hundred Sixty Eight) equity shares of Rs. 10/- (Rupees Ten Only) each, and 15,00,000 (Fifteen Lakh Only) paid up Optionally Convertible Preference Shares of Rs. 10/- (Rupees Ten Only) each.

ISSUE OF NON CONVERTIBLE DEBENTURE

The Company has issued 100 nos of Non-Convertible Debentures of Rs.10, 00,000/- each to L&T Finance Ltd. The issue was made through private placement.

3. DIRECTORS

DIN/PAN	FULL NAME	PRESENT RESIDENTIAL ADDRESS	DESIGNATION	DATE OF APPOINTMENT
01502243	Deepak Kindo	Plot No.7 Sindhi Colony, Rajgangpur, Rourkela, Rajgangpur-770017, Odisha, India	Managing Director	12/03/2009
02255028	Kuchibhatla Prasad	Flat No. 21, 11 Middleton Row, New Asiatic Mansions, Kolkata, 700071, West Bengal, India	Director	17/09/2010
02541650	Livinus Kindo	Jubilee Villa, Plot No-7, Sindhi Colony, Mission Hata, Rajgangpur, Rourkela- 770017, Odisha, India	Director	21/04/2009
02541689	Dibya Lochan Jena	Master Colony, Rajgangpur-770017, Odisha, India	Director	21/04/2009
02594965	Prabal Kumar Sen	Qtrs 103, XLRI Campus, CH Area (east), Jamshedpur, 831001, Jharkhand, India	Director	17/09/2010
02723687	Saurabh Baroi	House No. S-303, Sispal Vihar, AWHO Society, Sector - 49, Gurgaon-122018, Haryana, India	Nominee Director	14/04/2010
06723830	Vinod Kumar Jha	303, Tuli – Shyam Highway Junction, Wagle, P.O Thane 400604 Maharashtra,	Director	04/12/2015
07351144	Santanu Sarma Barua	4/A001, Kalyani Apartments Unit-8, Near Power House Bhubaneswar 751012 Odisha, India	Nominee Director	04/12/2015



4. NUMBER OF BOARD OF DIRECTOR'S MEETING

S.NO.	DATE OF MEETING	BOD'S	DIRECTOR'S PRESENT
01	21/06/2016		1. Sri. Livinus Kindo I.A.S (Rtd.) Chairman, SFPL 2. Sri. Deepak Kindo, MD, SFPL 3. Sri. Santanu Sarma Barua , Nominee Director, SIDBI 4. Prof. Prabal Kumar Sen, Independent Director, SFPL 5. Sri. Saurabh Baroi, Nominee Director, DIA VIKAS 6. Sri. Kuchibhatla Prasad, Independent Director, SFPL 7. Mr. Vinod Kumar Jha, Independent Director, SFPL
02	03/09/2016		1. Sri. LivinusKindo I.A.S (Rtd.) Chairman, SFPL 2. Sri. Deepak Kindo, MD, SFPL 3. Sri. DibyaLochan Jena, Director, SFPL 4. Sri. SantanuSarmaBarua , Nominee Director, SIDBI 5. Prof. Prabal Kumar Sen, Independent Director, SFPL 6. Sri. Saurabh Baroi, Nominee Director, DIA VIKAS 7. Sri. Kuchibhatla Prasad, Independent Director, SFPL 8. Mr. Vinod Kumar Jha, Independent Director, SFPL
03	28/12/2016		1. Sri. LivinusKindo I.A.S (Rtd.) Chairman, SFPL 2. Sri. Deepak Kindo, MD, SFPL 3. Prof. Prabal Kumar Sen, Independent Director, SFPL 4. Sri. Saurabh Baroi, Nominee Director, DIA VIKAS 5. Sri. Kuchibhatla Prasad, Independent Director, SFPL
04	31/01/2017		1. Sri. LivinusKindo I.A.S (Rtd.) Chairman, SFPL 2. Sri. Deepak Kindo, MD, SFPL 3. Prof. Prabal Kumar Sen, Independent Director, SFPL 4. Sri. Saurabh Baroi, Nominee Director, DIA VIKAS 5. Sri. Santanu Sarma Barua , Nominee Director, SIDBI
05	31/03/2017		1. Sri. Livinus Kindo I.A.S (Rtd.) Chairman, SFPL 2. Sri. Deepak Kindo, MD, SFPL 3. Sri. Santantu Sarma Barua, Nominee Director, SIDBI 4. Sri. Saurabh Baroi, Nominee Director, DIA VIKAS 5. Sri. Kuchibhatla Prasad, Independent Director, SFPL through teleconferencing. 6. Prof. Prabal Kumar Sen, Independent Director, SFPL 7. Sri. Vinod Kumar Jha, Independent Director, SFPL

5. DIRECTOR'S RESPONSIBILITY STATEMENT

(a) Adherence to applicable Accounting Standards:

In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(b) Selection and Application of Accounting Policies.

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)Safeguarding the assets of the company.

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)Going concern basis.

The directors had prepared the annual accounts on a going concern basis.

6. RESERVATION AND QUALIFICATION ON AUDITOR REPORT

There is no qualification reservation made by the Auditors in their report which is self explanatory and attached to this report.

7. LOANS AND GUARANTEE UNDER SECTION 186

The Company has not given any loan nor provided any guarantee to any entity coming under the purview of provisions of Section 186 of the Companies Act, 2013.

8. PARTICULAR OF CONTRACT AND ARRANGEMENT UNDER SECTION 188

Details of contracts or arrangements or transactions not at arm's length basis		Details of material contracts or arrangement or transactions at arm's length basis	
Name(s) of the related party and nature of relationship	Nil	Name(s) of the related party and nature of relationship	NA
Nature of contracts/ arrangements/transactions	Nil	Nature of contracts/ arrangements/transactions	NA
Duration of the contracts/ arrangements/transactions	NA	Duration of the contracts / arrangements/transactions	NA
Salient terms of the contracts or arrangements or transactions including the value, if any	NA	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
Justification for entering into such contracts or arrangements or transactions	NA	Date(s) of approval by the Board, if any	NA
Date(s) of approval by the Board	NA	Amount paid as advances, if any	NIL
Amount paid as advances, if any	Nil		
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NA		

9. STATE OF THE COMPANY'S AFFAIRS

The company is a registered NBFC-MFI with Reserve Bank of India with a grading of MF3 by SMERA Ratings Limited and SMERA comprehensive grading as M3C3. The company operates in three states namely Odisha, Jharkhand and Chhattisgarh.

Your Company during FY 2016-17, consolidated its operations which remained robust in terms of operational outreach, processes, technology and human resources. This has resulted in steady and stable growth and improvement in operating efficiencies. The Company, during the year added around 27,148 new borrowers and also opened 12 new branches in the States of Odisha, Jharkhand and Chhattisgarh. While the employee strength increased to 341 from 242 during the year, which was mainly the frontline field staff level, there has been no change in the senior management team of the company.



The Company has put in place a strong system of thoroughly scrutinizing all loan applications so as to ensure that loan sanctions are given only to such clients who do not have multiple borrowings from MFIs, are not over indebted and are not defaulting borrowers. The Company thus has ensured to be compliant as per RBI guidelines. Your Company has maintained high asset quality throughout the year. The Company's IT system continues to evolve under the online e-FIMO software and in its ability to provide live operational information.

Your Company's organizational highlights for FY 2016-2017 are as follows:

Year Ended	FY 2016-17	FY 2015-16
Branches	38	26
Districts	16	10
Centres	2,999	1,871
Active Borrowers	94,561	67,413
Loans Disbursed (Rs. In Cr)	87.27	81.37
Asset Under Management (Rs. In Cr)	130.27	96.89
Portfolio Outstanding _Own (Rs. In Cr)	90.03	68.01
Portfolio Outstanding _Managed (Rs. In Cr)	40.24	28.88
Total Employees	341	242

10. RESERVE

The Company has adequate Reserve and Surplus and total Reserve at the beginning of the year was Rs. 172.35 Lakhs and during the year an amount of Rs. 141.86 Lakhs was transferred to reserve Account making the total Reserve Rs.314.21 Lakhs.

11. DIVIDEND

Keeping in mind the future projections of the company and as also the company has made a marginal profit, the directors of your company do not recommend any dividend on equity shares. However, the preference dividend of Rs. 2,700,000.00 is declared on the OCPS invested by SIDBI. The said payout of dividend is in accordance and compliance with the share Holders Agreement signed with SIDBI on 07 December, 2012, and the terms and conditions of sanction vide letter SIDBI/337/SFPL/IMEF dated 21 September, 2012 and subject to provisions of Companies Act, 2013.

12. MATERIAL CHANGES

There is no significant material changes between the end of the financial year and the date of signing of this report except that the borrowing of Rs.119 crores made by the company in the intermittent Period.

13. EXTRACT OF ANNUAL RETURN

An extract of the Annual Return in the form of MGT-9 is annexed herein as Annexure-1 which form part of this Board Report.

14. CONSERVATION OF ENERGY. TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Conservation of energy: Since the company is not in energy intensive industry the particulars as prescribed the Companies Act, 2013, read with the rules made there under are not set out in the report. Nevertheless the company is taking adequate steps to conserve energy.

Technology Absorption: The Company has put in all efforts to use the latest technology.

Foreign Exchange earnings and outgo: During the year under review there was no earning or expenses in foreign exchange.



Your company is guided by its mission to deliver financial and credit services to women from low income households in urban and rural areas. Your vision is to be a financially sustainable microfinance institution for the poor.

16. CORPORATE SOCIAL RESPONSIBILITY POLICY AND ITS IMPLEMENTATION

17. DIRECTORS/KMP APPOINTED/RESIGNED DURING THE YEAR

18. DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES

19. DEPOSITS

20. SIGNIFICANT AND MATERIAL ORDERS PASSED

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

22. ESTABLISHMENT OF VIGIL MECHANISM

23. REVISION OF FINANCIAL STATEMENT OR BOARD REPORT

The Board of Directors has constituted one Audit Committee even though it was not mandatory for the company. During the year, the Committee was reconstituted with three nos. of Independent Directors namely Mr. Kuchibhatla. Prasad, Prof. Prabal Kumar Sen and Mr. Vinod Kumar Jha along with one Nominee Director Mr. Saurabh Baroi. Mr. Kuchibhatla Prasad is the Chairman of the Committee. The Committee sits regularly and reviews the Audit Programme and it's findings. The Committee also forms policies and guidelines for implementation of Internal Audit. The committee submits it's report to the Board of Directors.

During the year under review, Nomination and Remuneration Committee was re-constituted with three nos. of independent Directors i.e. Mr. Vinod Kumar Jha, Mr. Kuchibhata Prasad and Prof. Prabal Kumar Sen. Mr. Vinod Kumar Jha is the Chairman of the Committee. The committee meets at regular intervals and discuss the related matter and provide the report to the Board. However, the company has a HR Department which takes care of all appointment and remuneration matters.

During the year under review, ALM and Risk Committee was re-constituted with three nos. of Independent Directors namely Mr. K. Prasad, Prof. Prabal Sen and Mr. Vinod Kumar Jha along with one Nominee Director Mr. Saurabh Baroi. Mr. K. Prasad is the Chairman of the Committee. The Committee meets regularly and provide the report to the Board of Directors.

Your Company is committed to best practices in corporate governance and recognizes that transparency, ethical behaviour, integrity and protection of the interests of all the Stakeholders form the keystones of the Governance. As per the Guidelines on Corporate Governance for Non-Banking Financial (Non - Deposit Accepting or Holding) issued by the RBI, the Company has had an Audit Committee to ensure strong internal controls and corporate reporting systems including financial reporting in pursuance with provisions of Companies Act, 2013.

Internal Control System: The Company's internal control system comprises audit and compliance by in-house Internal Audit Division. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms of Independence of the audit and compliance is ensured by the direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

The Board appointed Gopinath Nayak & Associates, Practising Company Secretaries Firm to conduct the Secretarial Audit for the financial year 2016-17 in terms of Section 204 of the Companies Act, 2013.

Secretarial Audit Report for the year ended March 31, 2017 provided by Gopinath Nayak & Associates, Practicing Company Secretaries Firm, Plot No.197, District Centre, Chandrasekharapur, Bhubaneswar, Odisha-751016, is annexed to this Report as Annexure-2

The Debt instrument of the Company is listed with Bombay Stock Exchange.

ACKNOWLEDGEMENT

SFPL Directors thank the customers, vendors and bankers for their support to your company's growth. SFPL Directors also wish to place on record their sincere appreciation of the devoted and efficient services rendered by all the concerned people of the company. We are also thankful to the Government of Orissa and local Authorities for their continued co-operation and support at all times.

For and on behalf of the Board of Directors

Date: 08/09/2017

Place: Rourkela

Chairman



[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

41

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)

S.No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Monetary Intermediation. NBFC MFI	651	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

S.No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	NA		

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	58,27,273	58,27,273	66.17	-	73,22,999	73,22,999	62.05	-4.12
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	15,00,000	15,00,000	12.71	12.71
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	58,27,273	58,27,273	66.17	-	88,22,999	88,22,999	74.76	8.59
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-



Sub-total (B)(1):-	-								
2. Non-Institutions									
a) Bodies Corp.	-	29,78,469	29,78,469	33.83	-	29,78,469	29,78,469	25.24	-8.59
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-

B. Shareholding of Promoter

		Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
S.No	Shareholder's Name	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	Mr. Deepak Kindo	2,248,636	25.53	-	2,248,636	19.05	-	-6.48
2	Mr. Livinus Kindo	668,910	7.59	-	1,352,670	11.46	-	3.87
3	Mr. Dibyalochan Jena	60,000	0.68	-	60,000	0.51	-	-0.17
4	Mrs. M. M. Kindo	599,727	6.81	-	1,411,693	11.96	-	5.15
5	Mr. Alok Tirkey	2,250,000	25.55	-	2,250,000	19.06	-	-6.49

C. Change in Promoters' Shareholding (please specify, if there is no change)

SN		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
	At the beginning of the year	58,27,273	66.17	73,22,999	62.05
	Date wise Increase 31/01/2017 / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	8,04,546 18,18,182	-	14,95,726	-
	At the end of the year	58,27,273	66.17	58,27,273	62.05



D. Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	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
	At the beginning of the year	2,978,469	33.82	2,978,469	25.24
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	2,978,469	33.82	2,978,469	25.24

E. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	DEEPAK KINDO	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,248,636	25.53	2,248,636	19.05
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g.allotment transfer/bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	2,248,636	25.53	2,248,636	19.05

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	LIVINUS KINDO	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	668910	7.59	1352670	11.46
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g.allotment transfer/bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	668910	7.59	1352670	11.46

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	DIBYALLOCHAN JENA	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	60000	0.98	60000	0.51
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g.allotment transfer/bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	60000	0.98	60000	0.51



F. INDEBTEDNESS- Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	711,231,085	47,047,500	-	758,278,585
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	711,231,085	47,047,500	-	758,278,585
Change in Indebtedness during the financial year				
* Addition	398,233,741	33,523,928	-	431,757,669
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	1,109,464,826	80,571,428	-	1,190,036,254
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,109,464,826	80,571,428	-	1,190,036,254

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Deepak Kindo	Total Amount
	Managing Director's Remuneration		
1	Gross salary		1177798.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission - as % of profit - others, specify...		-
5	Others, please specify		
	Total (A)		-
	Ceiling as per the Act		1177798.00



A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	---
1	Independent Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non -Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial personnel other than MD/Manager/WT D

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income tax-Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income -tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-



VI. PENALTIES / 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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

CHAIRMAN



The Members,
Sambandh Finserve Private Limited
Jubilee Villa, 1st Floor, Plot No 7,
Sindhi Colony, Mission Hata,
Rajgangpur, Orissa,
India- 770017.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31.03.2017, according to the provisions of:

1. The Companies Act, 2013/1956(the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - g. The requirements under the Debt Listing Agreements entered into with BSE Limited and The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
 - h. The Memorandum and Articles of Association.
6. RBI Act, 1934 and Rules & Guidelines made there under.



We have also examined compliance with the applicable clauses of the following:

The Listing Agreements entered into by the Company with the BSE Limited for its debt instruments. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following observations:

- i. Minutes of Board, Committees of Boards, Annual General Meeting and Extra Ordinary General Meeting have been drafted in due time and signed.
- ii. In terms of Regulation 57(1) of the LODR the company needs to submit a certificate to the Stock Exchange within two days of payment of interest or principal or both about timely payment. As per the representation made by management, the submission was made on quarterly basis in consultation with BSE.
- iii. Some of the Statutory Returns filed with the ROC were beyond the prescribed date and filed with additional fee.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the company has issued shares on right basis as detailed herein below;

S.No.	Date of Allotment	Amount of Share Capital	Name of Allottees	Date of Filing of Return of Allotment.
1	21/01/2017	Rs.1,49,57,260	1. Mr.Livinus Kindo 2. Mrs. Mary Margaret Kindo	20/02/2017

We further report that during the audit period, the company has issued debentures through private placement as detailed herein below;

S.No.	Date of Allotment	Amount of offer (In INR, in Crores)	Name of Allottees	Date of Filing of Return of Allotment.
1	03/10/2016	10.00	L&T Finance Limited	21/12/2016

We further report that during the audit period, the company has issued debentures through private placement as detailed herein below;

S.No.	Date of Allotment	Amount of offer (In INR, in Crores)	Name of Allottees	Date of Filing of Return of Allotment.
1	31/03/2017	1.5	Small Industries and Development Bank of India	17/04/2017



We further report that during the audit period, the company has issued debentures through private placement as detailed herein below;

S.No.	Bank Name/FI's	Amount of Loan (in Rs.)	Date of Filing Of Charge Documents
1.	MAS Financial Services Limited	30,000,000	17/05/2016
2.	IFMR Capital Finance Private Limited	50,000,000	07/06/2016
3.	MAS Financial Services Limited	100,000,000	09/07/2016
4.	MAS Financial Services Limited	50,000,000	01/10/2016
5.	Catalyst Trusteeship Limited (Trustee of L&T Finance Limited)	100,000,000	21/12/2016
6.	Reliance Capital Limited	100,000,000	24/11/2016
7.	Friends of WWB India	5,000,000	01/12/2016
8.	Ananya Finance for Inclusive Growth Private Limited	10,000,000	17/11/2016
9.	MAS Financial Services Limited	40,000,000	23/11/2016
10.	MAS Financial Services Limited	50,000,000	04/01/2017
11.	NABARD Financial Services Limited	20,000,000	07/03/2017
12.	MAS Financial Services Limited	50,000,000	24/01/2017
13.	Ananya Finance for Inclusive Growth Private Limited	10,000,000	19/01/2017
14.	State Bank of India	50,000,000	15/03/2017
15.	MAS Financial Services Limited	100,000,000	11/03/2017
16.	Manappuram Finance Limited	50,000,000	25/02/2017
17.	Capital First Limited	100,000,000	13/04/2017
18.	UCO Bank	50,000,000	30/03/2017
19.	Bandhan Bank Limited	50,000,000	30/03/2017
20.	Ananya Finance for Inclusive Growth Private Limited	20000000	06/04/2017
21.	Muthoot Capital Services Limited	50,000,000	17/04/2017



The Company has a overall Borrowing Limit of Rs. 200.00 Crores (Rupees Two Hundred Crores) as approved by the Shareholders in their meeting on 3rd September, 2016 and out of which the company has borrowed Rupees 119 Crores as on 31st March, 2017.

During the period of Audit, the company has filed all statutory returns with Income Tax Authority, ROC, RBI, Service Tax, Authorities under Labour Law, SEBI and Stock Exchange.

Place: Bhubaneswar

Date: 26.07.2017

CS Biswaranjan Jena

Partner

For Gopinath Nayak &

Associates

ACS No: 32700

CP No: 11981



To the Members of

Report on the Standalone Financial Statements.

We have audited the accompanying financial statements of SAMBANDH FINSERVE PRIVATE LIMITED. ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of 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 and presentation of these standalone 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.

Auditor's Responsibility.

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 March 2017 and its profit and its cash flows 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 the "Annexure A" 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 as 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 the written representations received from the directors as on 31 March taken on record by the Board of Directors, none of the directors is disqualified as on 31 March from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- 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 did not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection Fund by the Company.

For M/s N. GAHAN & ASOCIATES

(Chartered Accountants)

Firm Regd. No-326078E

Place: Bhubaneswar

Date: 9th June 2017

CA. N. Gahan FCA

Partner

Mem No.079100





Based on the audit procedures performed for the purpose of reporting a true & fair view on the financial statements of the company and taking in to consideration the information and explanation given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, the fixed assets have been physically verified by the Management in phased periodic manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification
(c) According to the information and explanations received by us, as the company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the company is not applicable.
2. The company is a Non Banking Finance Company and does not have any Inventory.
3. (a) As information to us the Company has not granted any loan, Secured or Unsecured to companies, firms or other parties during the year covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Except amount paid towards advance for purchases of immovable assets.
(b) As informed to us the company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act-2013.
(c) There is no overdue for more than 90 days amounts in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
4. Based on our scrutiny of the companies Records and according to the information and explanation provide by the management , in our opinion , the company has complied with the provisions of sections 185 and 186 of the company Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from public.
6. The Company is not a manufacturing Company and hence it does not require keeping any cost records U/S
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs, Income Tax, Sales Tax and cess which have not been deposited with the appropriate authorities on account of any dispute.



8. Based on our scrutiny of the companies Records and according to the information and explanation provide by the management , in our opinion , the company has complied with the provisions of sections 185 and 186 of the company Act, 2013 in respect of loans, investments, guarantees, and security.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term loans during the year. Accordingly, paragraph3 (ix) of the order is not applicable.
10. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term loans during the year. Accordingly, paragraph3 (ix) of the order is not applicable.
11. In our opinion and according to the information and explanations given to us the company is not a Nidhi Company. Therefore, the provisions of clause 4(xii) of the order are not applicable to the Company.
12. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act,2013 and the details have been disclosed in the financial Statements as required by the applicable accounting Standard.
13. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
15. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act1934 and such registration has been obtained by the company.
16. As per the amended Schedule-III of Companies Act, 2013 and notification of Ministry of Corporate Affairs dated 30th March 2017, the company has disclosed the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 31st December 2016 as specified in the table below:

Particulars	SBN	Other Notes/Coins	Total
Closing cash in hand as on 08.11.2016	11,37,000	1,56,65,787	1,68,02,787
(+) Permitted Receipts	74,45,500	14,71,17,822	15,45,63,322
(-) Permitted Payments	-	8,59,85,000	8,59,85,000
(-) Amount Deposited in banks	85,85,000	6,18,99,513	7,04,82,013
Closing cash in hand as on 31.12.2016	-	1,48,99,096	1,48,99,096

For M/s N. GAHAN & ASSOCIATES
(Chartered Accountants)
Firm regd. No-326078E

Place: Bhubaneswar
Date:-9th June 2017

CA. N. Gahan FCA
Partner
Mem. No-079100





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 Sambandh Finserve Private Limited (“the Company”) as of March 31, 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 Accountant of India (ICAI). 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.

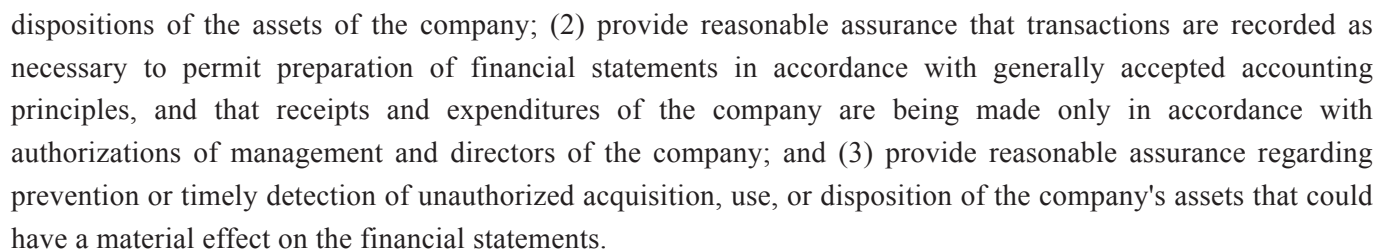
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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 purpose 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





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.

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, , 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.

(Chartered Accountants)
Firm regd. No-326078E

CA. N. Gahan FCA
Partner
Mem. No-079100

SAM BANDH FINSERVE PRIVATE LIMITED
JUBILEE VILLA, PLOT NO-7, SINDHI COLONY, MISSION HATA
RAJGANGPUR-770017, SUNDERGARH

(Amount in INR)

Particulars		Note No.	As at 31st March 2017	As at 31st March 2016
1		2	3	4
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	133,014,680	118,057,420
	(b) Reserves and surplus	2	31,421,347	17,235,287
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	3	473,966,514	249,376,351
	(b) Deferred tax liabilities (Net)		-	-
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions	4	9,003,219	6,800,506
4	Current liabilities			
	(a) Short-term borrowings	5	720,623,978	510,777,436
	(b) Trade payables		-	-
	(c) Other current liabilities	6	10,925,308	9,020,291
	(d) Short-term provisions	7	11,389,042	12,481,432
	TOTAL		1,390,344,088	923,748,722
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets	8		
	(i) Tangible assets		6,807,171	5,302,316
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments	9	153,185,561	119,000,000
	(c) Deferred tax assets (net)	23	922,859	478,740
	(d) Long-term loans and advances	10	147,669,616	284,478,011
	(e) Other non-current assets	11	2,657,748	2,938,748
2	Current assets			
	(a) Current investments	12	89,907,089	40,300,637
	(b) Inventories		-	-
	(c) Trade receivables		-	-
	(d) Cash and cash equivalents	13	189,370,781	38,968,806
	(e) Short-term loans and advances	14	761,070,878	405,348,019
	(f) Other current assets	15	38,752,385	26,933,445
	TOTAL		1,390,344,088	923,748,722

For N. Gahan & Associates
Chartered Accountants
Firm Regd. No-326078E

For & on behalf of the Board of Directors of
Sambandh Finserve Pvt. Ltd.

CA. N. Gahan FCA
Partner
Memb. No.079100

DIRECTOR

MANAGING DIRECTOR

Place : Bhubaneswar

Date : 09.06.2017



SAMBANDH FINSERVE PRIVATE LIMITED
JUBILEE VILLA, PLOT NO-7, SINDHI COLONY, MISSION HATA
RAJGANGPUR-770017, SUNDERGARH

(Amount in INR)

Particulars		Note No.	For the year ended 31st March 2017	For the year ended 31st March 2016
I.	Income:			
	Revenue From Operations	16	227,822,009	161,388,648
II.	Other income	17	16,446,200	11,201,199
III.	Total Revenue (I + II)		244,268,209	172,589,848
IV.	Expenses:			
	Employee benefits expense	18	46,454,668	27,640,232
	Finance costs	19	138,400,985	99,483,978
	Depreciation and amortization expense	20	2,647,982	4,024,529
	Provision for loan loss	21	2,804,610	3,456,041
	Miscellaneous Expenditure Written-off		-	-
	Other expenses	22	32,407,176	20,707,417
	Total expenses		222,715,422	155,312,197
V.	Profit before exceptional and extraordinary items and tax (III-IV)		21,552,787	17,277,651
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		21,552,787	17,277,651
VII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		21,552,787	17,277,651
X.	Tax expense:			
	(1) Current tax		7,103,930	6,282,393
	(2) Additional Income Tax Provision		-	-
	(3) Deferred tax	23	444,119	-
XI.	Profit/(Loss) for the period from continuing operations (IX - X)		14,892,976	10,995,258
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV.	Profit (Loss) for the period (XI + XIV)		14,892,976	10,995,258
	Add/(Less): Excess/Short Provision for Income tax for earlier year		-	-
	Add/(Less): Differed tax for earlier year		-	-
	Add: Prior Period Income		-	-
			14,892,976	10,995,258
(C)	Special Reserve under 45IC of RBI Act,1934:-		2,978,595	2,199,052
	20% Profit/ loss (XV)			
	Preference Dividend for SIDBI(9%)		2,700,000	2,700,000
	Provision for dividend Tax(U/s-115-O) (20.357647%)		549,656	549,656
	Profit/ Loss transferred to Reserve & surplus		8,664,725	5,546,550
XVI.	Earnings per equity share:			
	Basic & Diluted		1.26	1.25

For N. Gahan& Associates
Chartered Accountants
Firm Regd. No-326078E

For & on behalf of the Board of Directors of
Sambandh Finserve Pvt. Ltd.

CA. N.Gahan FCA
Partner
Memb. No.079100

DIRECTOR MANAGING DIRECTOR

Place : Bhubaneswar Date : 09.06.2017



CASH FLOW STATEMENT

SAMBANDH FINSERVE PRIVATE LIMITED JUBILEE VILLA, PLOT NO-7, SINDHI COLONY, MISSION HATA RAJGANGPUR-770017, SUNDERGARH

(Amount in INR)

Particulars	As at 31st March 2017	As at 31st March 2016
Sources		
Retained Profit	11,643,320	7,745,602
Depreciation	2,097,982	3,474,529
Amortisation	550,000	550,000
Loan Loss Provisions	2,804,610	3,456,041
Increase in Capital	17,500,000	30,000,002
Repayment received from Clients	593,879,203	381,984,961
Loans received from Banks/FIs	1,121,971,970	783,124,692
Securitization and Assignment	183,973,763	132,679,446
Increase in Liabilities	812,627	-4,924,366
Total ₹	1,935,233,476	1,338,090,906
Uses		
Increase in Fixed Assets	3,602,836	4,385,227
Disbursements to Clients	872,729,714	813,661,008
Repayment to Banks/FIs	687,535,265	438,347,196
Securitization and Assignment	126,440,656	9,499,581
Increase in Other Assets	10,731,016	20,259,787
Increase in Investments	83,792,013	36,014,248
Total	1,784,831,500	1,322,167,047
Net Change in Cash & Bank	150,401,976	15,923,860
Opening Cash & Bank Balance	38,968,806	23,044,946
Closing Cash & Bank Balance	189,370,782	38,968,806

For N. Gahan & Associates
Chartered Accountants
Firm Regd. No-326078E

CA. N.Gahan FCA
Partner
Memb. No.079100

Place : Bhubaneswar
Date : 09.06.2017

For & on behalf of the Board of Directors of
Sambandh Finserve Pvt. Ltd.

DIRECTOR

MANAGING DIRECTOR



Note to the Financial Statements:

Note 1	Share Capital	As at 31st March 2017		As at 31st March 2016	
		Number	Amount (Rs.)	Number	Amount(Rs.)
	<u>Authorised</u>				
	Equity Shares of Rs.10/- each	12,000,000	120,000,000	12,000,000	120,000,000
	Preference shares of Rs.10/- each	3,000,000	30,000,000	3,000,000	30,000,000
	TOTAL	15,000,000	150,000,000	15,000,000	150,000,000
	<u>Issued</u>				
	Equity Shares of Rs.10/- each	11,801,468	118,014,680	8,805,742	88,057,420
	Preference shares of Rs.10/-each	1,500,000	15,000,000	3,000,000	30,000,000
	TOTAL	13,301,468	133,014,680	11,805,742	118,057,420
	<u>Subscribed & Fully Paid-up</u>				
	Equity Shares of Rs.10/- each	11,801,468	118,014,680	8,805,742	88,057,420
	Preference shares of Rs.10/-each	1,500,000	15,000,000	3,000,000	30,000,000
	<u>Subscribed but not fully Paid up</u>	-	-	-	-
	Equity Shares of Rs.10/-each	-	-	-	-
	Preference shares of Rs.10/- each	-	-	-	-
	TOTAL	13,301,468	133,014,680	11,805,742	118,057,420

Note 1-a	Particulars	Equity Shares			
		As at 31st March 2017		As at 31st March 2016	
		Number	Amount(Rs.)	Number	Amount(Rs.)
	Shares outstanding at the beginning of the period	8,805,742	88,057,420	6,078,469	60,784,690
	Shares Issued during the period	2,995,726	29,957,260	2,727,273	27,272,730
	Shares outstanding at the end of the period	11,801,468	118,014,680	8,805,742	88,057,420
	Particulars	Preference Shares			
		As at 31st March 2017		As at 31st March 2016	
		Number	Amount(Rs.)	Number	Amount(Rs.)
	Shares outstanding at the beginning of the period	3,000,000	30,000,000	3,000,000	30,000,000
	Shares Issued during the period	-	-	-	-
	Shares bought back during the period	1,500,000	15,000,000	-	-
	Any other movement	-	-	-	-
	Shares o/s at the end of the period	1,500,000	15,000,000	3,000,000	30,000,000



Note 1-b	Name of Shareholder	Equity Shares			
		As at 31st March 2017		As at 31st March 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Mr. Deepak Kindo	2,248,636	19.05	2,248,636	26
	Mr. Livinus Kindo	1,352,670	11.46	668,910	8
	Mr. Dibyalochan Jena	60,000	0.51	60,000	1
	Mrs. M. M. Kindo	1,411,693	11.96	599,727	7
	Mr. Alok Tirkey (Friends of Sambandh Trust)	2,250,000	19.07	2,250,000	26
	Dia Vikas Capital Private Limited	2,978,469	25.24	2,978,469	34
	SIDBI	1,500,000	12.71	-	-
	TOTAL	11,801,468	100.00	8,805,742	100

	Name of Shareholder	Preference Shares			
		As at 31st March 2017		As at 31st March 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	SIDBI (Optionally Convertible Preference Share)	1,500,000	100	3,000,000	100
	TOTAL	1,500,000	100	3,000,000	100

Note 1-c	Particulars	Aggregate No. of Shares (for last 5 Financial Years)
	Equity Shares :	
	Fully paid up pursuant to contract(s) without payment being received in cash	Nil
	Fully paid up by way of bonus shares	Nil
	Shares bought back	Nil
	Preference Shares :	
	Fully paid up pursuant to contract(s) without payment being received in cash	Nil
	Fully paid up by way of bonus shares	Nil
	Shares bought back	Nil



Note 2	Reserves & Surplus	As at 31st March 2017	As at 31st March 2016
		Amount (Rs.)	Amount (Rs.)
	<u>a. Securities Premium Account</u>		
	Opening Balance	2,942,583	215,311
	Add : Securities premium credited on Share issue	2,542,740	2,727,272
	Less : Premium Utilised for various reasons	-	-
	Closing Balance	5,485,323	2,942,583
	<u>b. Surplus</u>		
	Opening balance	9,485,073	3,938,523
	(+) Net Profit/(Net Loss) For the current period	14,892,976	10,995,258
	(+) Transfer from Reserves		-
	(-) Proposed Dividends	2,700,000	2,700,000
	(-) Dividends Tax	549,656	549,656
	(-) Transfer to Reserves (u/s.45IC-RBI)	2,978,595	2,199,052
	Closing Balance	18,149,798	9,485,073
	<u>I. Reserve Fund(Sec. 45IC-RBI)</u>		
	Opening Balance	4,807,631	2,608,579
	(+) Current period Transfer	2,978,595	2,199,052
	(-) Written back in Current period	-	-
	Closing Balance	7,786,226	4,807,631
	TOTAL	31,421,347	17,235,287

Note 3	Long Term Borrowings	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	<u>(i) Secured Loans:</u>		
	(A) Borrowings from Ananya Finance for Inclusive Growth Private Limited :-		
	Opening Balance	38,472,205	19,861,107
	Add:- Loan received during the year	40,000,000	40,000,000
	Less:- Loan repaid during the year	30,972,209	21,388,902
	TOTAL(A)	47,499,996	38,472,205
	Out of (A) above		
	(A1) Borrowings from Ananya F.I.G. Pvt Ltd. due less than 1 year	32,777,768	27,361,097
	(A2) Borrowings from Ananya F.I.G. Pvt Ltd. due greater than 1 year	14,722,228	11,111,108
	(B) Borrowings from MAS Financial Services Ltd :-		
	Opening Balance	247,291,671	203,541,665
	Add:- Loan received during the year	420,000,000	220,000,000
	Less:- Loan repaid during the year	255,624,983	176,249,994
	TOTAL(B)	411,666,688	247,291,671
	Out of (B) above		
	(B1) Borrowings from MAS Financial Services Ltd. due less than 1 year	276,250,001	179,791,669
	(B2) Borrowings from MAS Financial Services Ltd. due greater than 1 year	135,416,687	67,500,002



(C) Borrowings from IDBI Bank :-			
Opening Balance		42,500,000	32,500,008
Add:- Loan received during the year		-	30,000,000
Less:- Loan repaid during the year		29,642,852	20,000,008
TOTAL(C)		12,857,148	42,500,000
Out of (C) above			
(C1) Borrowings from IDBI Bank due less than 1 year		12,857,148	11,430,000
(C2) Borrowings from IDBI Bank due greater than 1 year		-	31,070,000
(D) Borrowings from CANARA BANK :-			
Opening Balance		12,908,673	23,235,609
Add:- Loan received during the year		-	-
Less:- Loan repaid during the year		10,326,939	10,326,936
TOTAL(D)		2,581,734	12,908,673
Out of (D) above			
(D1) Borrowings from Canara Bank due less than 1 year		2,581,734	10,326,936
(D2) Borrowings from Canara Bank due greater than 1 year		-	2,581,737
(E) Borrowings from UCO Bank :-			
Opening Balance		37,738,868	6,728,368
Add:- Loan received during the year		50,466,728	40,000,000
Less:- Loan repaid during the year		16,752,287	8,989,500
TOTAL(E)		71,453,309	37,738,868
Out of (E) above			
(E1) Borrowings from UCO Bank due less than 1 year		14,170,332	16,665,332
(E2) Borrowings from UCO Bank due greater than 1 year		57,282,977	21,073,536
(F) Borrowings from IFMR Capital Finance Private Limited :-			
Opening Balance		170,095,716	88,211,867
Add:- Loan received during the year		50,000,000	200,000,000
Less:- Loan repaid during the year		147,746,955	118,116,151
TOTAL(F)		72,348,761	170,095,716
Out of (FG) above			
(F1) Borrowings from IFMR Capital Finance Pvt. Ltd due less than 1 year		69,903,959	126,772,923
(F2) Borrowings from IFMR Capital Finance Pvt. Ltd due greater than 1 year		2,444,802	43,322,793
(G) Borrowings from Reliance Home Finance Limited :-			
Opening Balance		-	27,675,372
Add:- Loan received during the year		-	-
Less:- Loan repaid during the year		-	27,675,372
TOTAL(G)		-	-
Out of (G) above			
(G1) Borrowings from Reliance Home Finance Ltd due less than 1 year		-	-
(G2) Borrowings from Reliance Home Finance Ltd due greater than 1 year		-	-



(H) Borrowings from Reliance Commercial finance Limited :-		
Opening Balance	110,003,027	-
Add:- Loan received during the year	100,000,000	150,000,000
Less:- Loan repaid during the year	98,006,241	39,996,973
TOTAL(H)	111,996,786	110,003,027
Out of (I) above		
(H1) Borrowings from Reliance Commercial Finance Ltd due less than 1 year	93,724,166	82,868,766
(H2) Borrowings from Reliance Commercial Finance Limited greater than 1 year	18,272,620	27,134,261
(I) Muthoot Capital Services Limited. :-		
Opening Balance	50,000,000	-
Add:- Loan received during the year	50,000,000	50,000,000
Less:- Loan repaid during the year	25,000,000	-
TOTAL(I)	75,000,000	50,000,000
Out of (I) above		
(I1) Borrowings from Muthoot Capital Services Limited due less than 1 year	50,000,000	25,000,000
(I2) Borrowings from Muthoot Capital Services Limited greater than 1 year	25,000,000	25,000,000
(J) Manappuram Finance Limited. :-		
Opening Balance	-	-
Add:- Loan received during the year	50,000,000	-
Less:- Loan repaid during the year	-	-
TOTAL(J)	50,000,000	-
Out of (J) above		
(J1) Borrowings from Manappuram Finance Limited due less than 1 year	16,666,667	-
(J2) Borrowings from Manappuram Finance Limited greater than 1 year	33,333,333	-
(K) Capital First Limited :-		
Opening Balance	-	-
Add:- Loan received during the year	50,000,000	-
Less:- Loan repaid during the year	-	-
TOTAL(K)	50,000,000	-
Out of (K) above		
(K1) Borrowings from Capital First Limited due less than 1 year	8,333,333	-
(K2) Borrowings from Capital First Limited greater than 1 year	41,666,667	-
(L) State Bank of India :-		
Opening Balance	-	-
Add:- Loan received during the year	50,000,000	-
Less:- Loan repaid during the year	-	-
TOTAL(L)	50,000,000	-





Out of (M) above		
(L1) Borrowings from State Bank of India due less than 1 year	16,000,000	
(L2) Borrowings from State Bank of India greater than 1 year	34,000,000	
(M) Bandhan Bank :-		
Opening Balance	-	-
Add:- Loan received during the year	50,000,000	-
Less:- Loan repaid during the year	-	-
TOTAL(M)	50,000,000	-
Out of (M) above		
(M1) Borrowings from Bandhan Bank Limited due less than 1 year	14,285,714	-
(M2) Borrowings from Bandhan Bank Limited greater than 1 year	35,714,286	-
(N) NABARD Financial Services Limited :-		
Opening Balance	-	-
Add:- Loan received during the year	20,000,000	-
Less:- Loan repaid during the year	2,515,431	-
TOTAL(N)	17,484,569	-
Out of (O) above		
(N1) Borrowings from NABARD Financial Services Limited due less than 1 year	7,500,000	-
(N2) Borrowings from NABARD Financial Services Limited greater than 1 year	9,984,569	-
(O) Borrowings from SIDBI :-		
Opening Balance	19,047,500	-
Add:- Loan received during the year	-	20,000,000
Less:- Loan repaid during the year	11,430,000	952,500
TOTAL(O)	7,617,500	19,047,500
Out of (B) above		
(O1) Borrowings from SIDBI due less than 1 year	7,617,500	12,382,500
(O2) Borrowings from SIDBI due greater than 1 year	-	6,665,000
(P) Borrowings from L & T Finance Ltd. (NCD) :-		
Opening Balance	-	-
Add:- Loan received during the year	100,000,000	-
Less:- Loan repaid during the year	25,000,000	-
TOTAL(P)	75,000,000	-
Out of (Q) above		
(P1) Borrowings from L & T Finance Ltd. (NCD) due less than 1 year	50,000,000	-
(P2) Borrowings from L & T Finance Ltd. (NCD) due greater than 1 year	25,000,000	-
(Q) Borrowings from FWWB, India (WATSAN) :-		
Opening Balance	-	451,744
Add:- Loan received during the year	5,000,000	-
Less:- Loan repaid during the year	1,041,665	451,744
TOTAL(Q)	3,958,335	-



Out of (R) above		
(Q1) Borrowings from FWFB, India(WATSAN) due less than 1 year	2,499,996	-
(Q2) Borrowings from FWFB, India(WATSAN) due greater than 1 year	1,458,339	-
(R) Vehicle Loan. :-		
Opening Balance	2,220,925	1,286,465
Add:- Loan received during the year	865,561	1,249,490
Less:- Loan repaid during the year	403,483	315,030
TOTAL(R)	2,683,003	2,220,925
Out of (S) above		
(R1) Vehicle Loan due less than 1 year	327,283	303,011
(R2) Vehicle Loan due greater than 1 year	2,355,720	1,917,914
GRAND TOTAL LESS THAN 1 YEAR		
(A1+B1+C1+D1+E1+F1+G1+H1+I1+J1+K1+L1+M1+N1+O1+P1+Q1+R1)	675,495,601	492,902,234
GRAND TOTAL GREATER THAN 1 YEAR		
(A2+B2+C2+D2+E2+F2+G2+H2+I2+J2+K2+L2+M2+N2+O2+P2+Q2+R2)	436,652,228	237,376,351
(ii) Unsecured Loans:		
From Banks and Financial Institutions:		
(A) Borrowings from Dia Vikas Capital Pvt Ltd. :-		
Opening Balance	28,000,000	10,000,000
Add:- Loan received during the year	50,000,000	30,000,000
Less:- Loan repaid during the year	27,428,572	12,000,000
TOTAL(A)	50,571,428	28,000,000
Out of (A) above		
(A1) Borrowings from Dia Vikas Capital Pvt Ltd. due less than 1 year	43,257,142	16,000,000
(A2) Borrowings from Dia Vikas Capital Pvt Ltd. due greater than 1 year	7,314,286	12,000,000
(B) Capital First Limited (Sub-Debt) :-		
Opening Balance	-	-
Add:- Loan received during the year	30,000,000	-
Less:- Loan repaid during the year	-	-
TOTAL(B)	30,000,000	-
Out of (B) above		
(B1) Borrowings from Capital First Limited (Sub-debt) due less than 1 year	-	-
(B2) Borrowings from Capital First Limited (Sub-debt) greater than 1 year	30,000,000	-
TOTAL LESS THAN 1 YEAR (A1+B1)	43,257,142	16,000,000
TOTAL GREATER THAN 1 YEAR (A2+B2)	37,314,286	12,000,000
GRAND TOTAL LESS THAN 1 YEAR (i+ii) SHORT TERM	718,752,743	508,902,234
GRAND TOTAL GREATER THAN 1 YEAR (i+ii) LONG TERM	473,966,514	249,376,351
GRAND TOTAL	1,192,719,257	758,278,585



Note 4	Long Term Provision	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Provision for Doubtful Debts(1% Of Loan O/s)	9,003,219	6,800,506
	TOTAL	9,003,219	6,800,506

Note 5	Short Term Borrowings	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	(a) Secured Loans		
	From Banks :		
	State Bank of India (Overdraft)	1,871,235	1,875,202
	TOTAL LESS THAN 1 YEAR (i+ii) SHORT TERM	718,752,743	508,902,234
	GRAND TOTAL	720,623,978	510,777,436

Note 6	Other Current Liabilities	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Medical Allowance Payable	-	-
	Mess Contribution	16,610	20,850
	Milk purchase	-	19,757
	TDS Payable	1,845,590	1,036,447
	Employees Provident Fund Payable	322,150	205,048
	Employees state Insurance	190,621	28,081
	Employees Professional Tax Payable	14,350	9,025
	Gratuity Payable	-	-
	Credit link Insurance payable	90,000	-
	CRIF High Mark CIS Pvt. Ltd.	108,133	-
	GSLI Payable	3,293	-
	Staff group Insurance	46,800	33,000
	Office Rent Payable	339,782	253,180
	Directors Salaries payable	19,204	32,046
	Staff Salaries payable	1,849,044	679,982
	Service tax Payable	253,713	67,896
	Interest payable to Ananya Finance for Inclusive Growth Pvt. Ltd	20,822	67,945
	Interest payable to MAS Financial Services Ltd	1,703,016	1,002,375
	Interest payable to Bandhan Bank	36,986	-
	Interest payable to UCO Bank	-	506,916
	Interest payable to IDBI Bank	129,452	447,046
	Interest payable to IFMR Capital Finance Ltd	234,346	1,029,804
	Interest payable to Reliance Commercial Finance Ltd.	1,342,487	1,199,587



Interest payable to SIDBI	48,209	126,288
Interest payable to Muthoot Capital Services Ltd	174,315	306,849
Interest payable to NABARD Financial Services Limited	7,671	-
Interest payable to Canara Bank	2,599	-
Stipend Payable	1,953,456	321,647
Kshamta Foundation (Solar Light)	158,334	-
Received from Yes Bank Limited for Disb. to clients (BC)	14,325	931,857
Collection Received and Repay to IDBI Bank	-	694,665
TOTAL	10,925,308	9,020,291

Note 7	Short Term Provisions	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	(A) Provision for Statutory Audit Fees:-		
	Opening Balance	100,000	80,000
	Add:- New Provision made during the year	115,000	100,000
	Less:- Old Provision write off/paid during the year	100,000	80,000
	TOTAL(A)	115,000	100,000
	(B) Provision for Tax Audit Fees:-		
	Opening Balance	20,000	20,000
	Add:- New Provision made during the year	25,000	20,000
	Less:- Old Provision write off/paid during the year	20,000	20,000
	TOTAL(B)	25,000	20,000
	(C) Provision for Taxes		
	Opening Balance	9,111,776	4,535,309
	Add:- New Provision made during the year	7,103,930	6,282,393
	Add:- Additional Provision made by IT Dept.	-	-
	Less:- Old Provision write off during the year	9,111,776	1,705,926
	TOTAL(C)	7,103,930	9,111,776
	(D) Provision for Preference Dividend for SIDBI		
	Opening Balance	2,700,000	2,700,000
	Add:- New Provision made during the year	2,700,000	2,700,000
	Less:- Old Provision write off/paid during the year	5,400,000	2,700,000
	TOTAL (D)	-	2,700,000
	(E) Provision for Dividend Tax		
	Opening Balance	549,656	540,000
	Add: New Provision made during the year (20.357647%)	549,656	549,656
	Add: Additional Provision made by IT Dept.	-	-
	Less:- Old Provision write off during the year	549,656	540,000
	TOTAL (E)	549,656	549,656
	(F) Unearned Premium Income from IFMR Capital Mosec Enigma		
	Opening Balance	-	-
	Add: Unearned Premium Income received during the period	4,675,416	-
	Less: Unearned Premium Income Written off during the period	2,206,012	-



	TOTAL (F)	2,469,404	-
(G) Unutilized PISG grant from SIDBI			
Opening Balance		-	-
Add: Unutilized Grant received during the period		2,592,000	-
Less: Unutilized Grant Written off during the period		1,465,948	-
TOTAL (G)		1,126,052	-
GRAND TOTAL(A+B+C+D+E+F+G)		11,389,042	12,481,432

Note 9	Non Current Investment	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	IFMR Capital Finance Pvt. Ltd.	6,935,561	23,750,000
	MAS Financial services Ltd	89,250,000	57,750,000
	Canara Bank	3,000,000	3,000,000
	IDBI Bank	6,000,000	6,000,000
	UCO Bank	12,500,000	7,500,000
	NABARD Financial Services Limited	1,000,000	-
	Ananya Finance for Inclusive Growth Private Limited	7,000,000	6,000,000
	Bandhan Bank	2,500,000	-
	State Bank of India	5,000,000	-
	Reliance Commercial Finance Limited	20,000,000	15,000,000
	TOTAL	153,185,561	119,000,000

Note 10	Loans and Advances	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Assets Under Management	1,302,707,659	968,893,588
	Less- Managed portfolio (Yes Bank)	95,511,004	128,074,667
	Less- Managed portfolio (IDBI Bank)	78,754,434	37,588,503
	Less- Managed portfolio (Reliance Commercial Finance Ltd)	43,454,691	-
	Less: IFMR Capital Mosec Phaenna 2015 (Securitization)	11,237,291	43,212,397
	Less: IFMR Capital Mosec Enigma (Securitization)	24,092,698	-
	Less: Muthoot Capital Services Limited (Assignment)	16,187,384	51,971,061
	Less: MAS Financial Services Limited (Assignment)	133,148,216	27,996,407
	Own portfolio	900,321,941	680,050,553
	(A) Total Loans Outstanding with Members:- (Saral)		
	Opening Balance	802,626,921	369,196,146
	Add:-Loan disbursed to Members	865,952,034	813,027,500
	Add:-Managed portfolio buy back	3,508,497	-
	Less: Loan recovered from Members	593,440,382	379,221,898
		1,078,647,070	803,001,748
	Less: Loan written off	601,897	374,827
		1,078,045,173	802,626,921





Less: IFMR Capital Mosec Phaenna 2015 (Securitization)	11,237,290	43,212,397
Less: IFMR Capital Mosec Enigma (Securitization)	24,092,698	-
Less: Muthoot Capital Services Limited (Assignment)	16,187,384	51,971,061
Less: MAS Financial Services Limited (Assignment)	133,148,216	27,996,407
TOTAL(A)	893,379,585	679,447,056
Out of (A) above		
(A1) Loans Outstanding with Members:-(Saral) due less than 1 year	746,421,780	395,013,142
(A2) Loans Outstanding with Members:-(Saral) due greater than 1 year	146,957,805	284,433,914
(B) Loans Outstanding with Members:-(Suvidha)		
Opening Balance	313,814	-
Add:-Loan disbursed to Members	-	417,508
Less: Loan recovered from Members	38,008	103,694
	275,806	313,814
Less: Loan written off	-	-
TOTAL(B)	275,806	313,814
Out of (B) above		
(B1) Loans Outstanding with Members:-(Suvidha) due less than 1 year	181,625	274,146
(B2) Loans Outstanding with Members:-(Suvidha) due greater than 1 year	94,181	39,668
(C) Loans Outstanding with Members:-(WATSAN)		
Opening Balance	289,683	2,733,052
Add:-Loan disbursed to Members	6,010,000	216,000
Less: Loan recovered from Members	290,449	2,659,369
	6,009,234	289,683
Less: Loan written off	-	-
TOTAL(C)	6,009,234	289,683
Out of (C) above		
(C1) Loans Outstanding with Members:-(WATSAN) due less than 1 year	5,391,604	285,254
(C2) Loans Outstanding with Members:-(WATSAN) due greater than 1 year	617,630	4,429
(D) Loans Outstanding with Members:-(Solar Light)		
Opening Balance	-	-
Add:-Loan disbursed to Members	767,680	-
Less: Loan recovered from Members	110,364	-
	657,316	-
Less: Loan written off	-	-
TOTAL(D)	657,316	-
Out of (D) above		
(D1) Loans Outstanding with Members:-(Solar Light) due less than 1 year	657,316	-
(D2) Loans Outstanding with Members:-(Solar Light) due greater than 1 year	-	-
Grand Total Loans Outstanding with Members due less than 1 year (A1+B1+C1+D1)	752,652,325	395,572,542



Note 11	Other Non Current Assets	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	(A)Preliminary expenses	2,200,000	2,750,000
	Less: Written off during the year	550,000	550,000
	TOTAL(A)	1,650,000	2,200,000
	(B)Vehicle Contribution to Staff	677,372	584,372
	Add: Contribution during the period	269,000	103,000
	Less: Recovery during the year	-	10,000
	Less: Written off during the period	-	-
	TOTAL(B)	946,372	677,372
	(C) Cell Phone Contribution to Staff	61,376	-
	Add: Contribution during the period	-	61,376
	Less: Written off during the period	-	-
	TOTAL(C)	61,376	61,376
	TOTAL(A+B+C)	2,657,748	2,938,748

Note 12	Current Investment	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	State Bank of India	1,336,389	1,336,389
	State Bank of India-BC	1,000,000	-
	IFMR Capital Mosec Phaenna 2015	5,104,248	5,104,248
	IFMR Capital Mosec Enigma	4,294,452	-
	Reliance Commercial Finance Ltd	3,012,000	-
	IDBI Bank	3,300,000	3,300,000
	Bandhan Bank	20,000,000	-
	Yes Bank	51,860,000	30,560,000
	TOTAL	89,907,089	40,300,637

Note 13	Cash and Bank equivalents	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Cash in Hand	2,258,195	1,253,625
	Cash at AXIS Bank(Current A/C No-12148)	83,250,037	13,734,714
	Cash at AXIS Bank(Current A/C No-67556)	15,378	69,243
	Cash at AXIS Bank(Current A/C No-57656)	708,151	1,059,370
	Cash at AXIS Bank(Current A/C No-53058)	26,201	7,386
	Cash at AXIS Bank (Current A/C No-89398)	80,969	-
	Cash at AXIS Bank (Current A/C No-89369)	163,021	4,146
	Cash at AXIS Bank (Current A/C No-56832)	1,070,348	574,819
	Cash at AXIS Bank (Current A/C No-53227)	54,172	58,111
	Cash at AXIS Bank (Current A/C No-36702)	21,894	80,863
	Cash at AXIS Bank (Current A/C No-16763)	98,776	-
	Cash at AXIS Bank (Current A/C No-93806)	161,083	-
	Cash at ICICI Bank (MCOM281990)	-	-
	Cash at Corporation Bank (00365)	100,000	100,000
	Cash at DCB(A/C No-1908)	15,789	15,789



Cash at DCB(A/C No-00001)	99,000	1,100,000
Cash at HDFC Bank (Current A/C No-50200013839992)	-	540,061
Cash at HDFC Bank (Current A/C No-21983)	-	103,000
Cash at HDFC Bank (Current A/C No-75762)	-	109,886
Cash at HDFC Bank (Current A/C No-13199)	-	100,000
Cash at SBI(A/C No-0777)	2,084,371	467,072
Cash at SBI(A/C No-5987)	2,416,982	4,134
Cash at SBI(A/C No-35033704512)	61,234	50,200
Cash at SBI(A/C No-35110266864)	82,419	37,627
Cash at SBI(A/C No-35110349297)	793,571	205,292
Cash at SBI(A/C No-00000035285096253)	985,398	10,427
Cash at SBI BC commission (A/C No-37910)	48,310	-
Cash at SBI BC Settlement (A/C No-37591)	48,310	-
Cash at SBI SME (CA A/C No-1189)	30,000	-
Cash at Canara Bank(Current A/C No-13243)	2,234,548	552,526
Cash at Canara Bank(Current A/C No-00001)	1,245,048	2,233,374
Cash at IDBI Bank(Current A/C No-0921)	52,353	-
Cash at IDBI Bank(Current A/C No-7744)	731,923	-
Cash at IDBI Bank(Current A/C No-5158)	80,989	-
Cash at IDBI Bank(Current A/C No-5766)	33,949	-
Cash at IDBI Bank(Current A/C No-06958)	437,343	-
Cash at IDBI Bank(Current A/C No-2028)	2,214,445	3,368,389
Cash at IDBI Bank(Current A/C No-6590)	13,238	5,050,762
Cash at IDBI Bank(Current A/C No-6941)	10,336	7,986
Cash at IDBI Bank(Current A/C No-00842)	374,502	-
Cash at UCO Bank(Current A/C No-1363)	55,828,911	7,245,577
Cash at Vijay Bank (A/C N0-00347)	19,749	20,000
Cash at Yes Bank(Current A/C No-0190)	639,030	7,150
Cash at Yes Bank(BC Collection Current A/C No-00350)	298,311	656,925
Cash at Yes Bank(BC Disbursement Current A/C No-00093)	174,488	140,351
Cash at Yes Bank(JLG Collection A/C No-00632)	30,000	-
Cash at Bandhan Bank(A/C No-42645)	30,278,010	-
TOTAL	189,370,781	38,968,806



Note 14	Short term loan and advances	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Staff Loan Receivable	2,432,505	2,675,148
	Advance to Staff	1,768,476	2,578,465
	Advance Income-Tax	3,000,000	4,300,000
	Advance for Software development	-	1,116
	CUG Cell Phone Advance	13,750	13,750
	Advance for Office Rent	-	69,000
	Advance for Board Meeting	10,000	-
	Advance to Peocit Technologies Pvt. Ltd	1,000,000	-
	Advance for Petty Cash (cash at branches)	193,822	137,998
	TOTAL	8,418,553	9,775,477
	Grand Total Loans Outstanding with Members due less than 1 year (A1+B1+C1)	752,652,325	395,572,542
	GRAND TOTAL	761,070,878	405,348,019

Note 15	Other Current Assets:-	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Accrued Interest Receivable from AFIG	610,914	613,232
	Accrued Interest Receivable from IFMR Capital Pvt. Ltd	703,960	1,063,572
	Accrued Interest Receivable from UCO Bank	1,183,806	557,380
	Accrued Interest Receivable from Yes Bank (FLDG)	914,877	1,069,835
	Accrued Interest Receivable from Reliance Commercial Finance Limited -BC	59,821	-
	Accrued interest Receivable from IDBI Lien FD Reliance Commercial finance Limited	999,053	999,053
	Accrued Interest Receivable from Canara Bank	823,984	527,101
	Accrued Interest Receivable from State Bank of India	738,694	534,016
	Accrued interest Receivable from Bandhan Bank	1,541	-
	Accrued interest Receivable from MAS Financial Services Ltd.	7,164,586	4,568,838
	Accrued Interest Receivable from clients - Saral	12,993,367	10,128,167
	Accrued Interest Receivable from clients - WATSAN	19,651	1,817
	Accrued Commission Receivable From YBL BC ,DBI BC & RCL BC	2,054,572	353,661
	Accrued interest Receivable from IDBI .	2,425,886	-
	Cenvat Received	528,379	-
	TDS Receivable	2,479,182	2,966,836
	Gratuity Scheme	1,622,590	1,267,557
	SD for Electricity Connection	78,576	78,576
	Security Deposit for LPG Gas Connection	4,800	1,250
	Security Deposit for Telephone	26,903	26,903
	SD for Rental Premise	1,091,200	844,800
	ESCROW For Micro Pension	18,934	8,100



TDS Receivable from Reliance Home Finance Ltd	-	186,355
TDS Receivable from Reliance Commercial Finance Limited	749,199	570,258
SIDBI PSIG FL & WE Remuneration	1,457,910	61,800
Solar Light	-	504,338
TOTAL	38,752,385	26,933,445

Note 16	Revenue from Operations	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Interest collected from Suvidha Loan	39,752	75,506
	Interest collected from Saral Loan	186,516,799	136,201,939
	Interest collected from WATSAN Loan	58,412	323,792
	Interest collected from Solar Light Loan	8,496	-
	Loan Processing Fees Saral Loan	8,556,099	8,028,033
	Loan Processing Fees from Suvidha Loan	-	3,000
	Loan Processing Fees WATSAN Loan	60,100	2,258
	Income from IFMR Capital Mosec Phaenna 2015 (Securitization)	-	4,785,896
	Income from IFMR Capital Mosec Enigma (Securitization)	2,206,012	-
	Commission Received From YBL - BC	15,224,605	11,659,350
	Commission Received From IDBI BC	5,341,118	308,875
	Commission Received From Reliance Commercial Finance Ltd BC	659,541	-
	Income from MAS Financial Services Ltd Assignment	4,499,179	-
	Income from Muthoot Capital Ltd Assignment	4,651,396	-
	Bad Debt Recovery	500	-
	TOTAL	227,822,009	161,388,648

Note 17	Other Income	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	(A)Income from Investments:-	-	-
	YES Bank	2,229,091	453,253
	IDBI Bank	-	561,993
	TOTAL(A)	2,229,091	1,015,246
	(B)Other Miscellaneous Income:-	-	-
	Interest on Staff Loan	355,830	286,679
	Interest on MAS Financial Services Ltd FLDG	6,374,389	4,192,112
	Interest on IDBI Bank FLDG	-	161,800
	Interest on Lien FD to Reliance Commercial Finance Limited at IDBI Bank	407,119	-
	Interest on FLDG State Bank of India	227,421	-
	Interest on FLDG Canara Bank	329,871	304,674
	Interest on FLDG UCO Bank	696,029	480,053
	Interest on FLDG Bandhan Bank	1,541	-
	Interest on FLDG IFMR Capital Finance Pvt. Ltd	1,383,953	1,497,165
	Interest on FLDG Yes Bank	1,016,530	1,077,301
	Interest on FLDG Reliance Commercial Finance Limited	66,482	-



Interest on FLDG Ananya Finance for Inclusive Growth Pvt. Ltd.	412,184	635,033
Interest on IDBI Bank FLDG	2,695,428	1,478,542
Full & Final settlement of salaries received	104,324	3,576
Training fees From Trainee staff	-	7,500
Insurance Claim Received	30,650	45,320
Commission Received From Muthoot Capital Services Ltd	-	1,145
Commission Received From IFMR Mosec Phaenna 2015	-	5,725
Commission Received	115,000	-
Miscellaneous Income	358	9,329
TOTAL(B)	14,217,109	10,185,954
GRAND TOTAL(A+B)	16,446,200	11,201,199

Note 18	Employee Benefits Expense	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Directors' Salary	1,177,798	1,140,044
	Staff Salaries & Allowance	35,478,865	20,295,059
	Capacity Building Training to Staff	-	32,641
	Medical Reimbursement	667,988	171,874
	Staff Welfare	2,015,092	678,177
	Stipend	7,114,925	5,322,437
	TOTAL	46,454,668	27,640,232

Note 19	Financial Cost	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Processing Fees paid:-		
	Ananya Finance for Inclusive Growth Pvt. Ltd.	500,000	393,500
	MAS Financial Services Ltd.	7,103,257	6,181,369
	Reliance Commercial Finance Limited	1,297,500	-
	SIDBI	-	1,286,250
	UCO Bank	450,000	57,000
	IDBI Bank	-	349,725
	IFMR Capital Finance Private Limited	1,947,247	372,125
	Muthoot Capital Services Limited	500,000	2,982,190
	Dia Vikas Capital Pvt Ltd	500,000	1,452,092
	State Bank of India	650,000	-
	Capital First Limited	300,000	-
	Bandhan Bank Limited	264,490	-
	Manappuram Finance Limited	250,000	-
	NABARD Financial Services Limited	300,740	-
	Fund arranger Fee paid:-		
	IFMR Capital Finance Private Limited	2,875,000	-





Interest on Borrowings:-		
Ananya Finance for Inclusive Growth Pvt. Ltd.	4,428,801	3,130,830
Bandhan Bank	36,986	-
Canara Bank	1,017,538	2,328,004
Capital First Limited	184,932	-
Capital First Limited-Sub debt	129,452	-
Dia Vikas Capital Pvt Ltd	6,085,113	3,454,822
Friends of WWB, India	222,672	5,123
IDBI Bank	3,110,444	3,771,430
IFMR Capital Finance Private Limited	21,890,894	20,288,461
IFMR Capital Finance Private Limited (NCD)	5,428,605	-
MAS Financial Services Ltd.	51,189,495	35,834,148
Muthoot Capital Services Limited	6,377,057	306,849
Reliance Commercial finance Limited	14,389,662	7,011,527
Reliance Home Finance Ltd.	-	2,029,911
SIDBI	1,444,472	837,521
State Bank of India	235,616	-
NABARD Financial Services Limited	682,651	-
Manappuram Finance Limited	584,932	-
State Bank of India (Overdraft)	32,589	86,495
UCO Bank	3,774,049	3,975,665
Vehicle Loan	216,791	160,461
Interest on IFMR Mosec Phaena	-	2,659,422
Interest on Muthoot Capital Limited (Assignment)	-	529,058
TOTAL	138,400,985	99,483,978
	Amount(Rs.)	Amount(Rs.)
Depreciation on Fixed Assets	2,097,982	3,474,529
Preliminary Expenses written off	550,000	550,000
TOTAL	2,647,982	4,024,529

Note 21	Portfolio	Aging	Rate-RBI Norm	Outstanding	Rate Applied	Provision
	Standard	0-89 Days	0.00%	897,297,187	-	-
	Sub-Std	90-179 Days	50.00%	550,793	1	275,397
	Doubtful	180 & above Days	100.00%	2,473,961	1	2,473,961
	Total:			900,321,941		2,749,358
	1% of Loan outstanding					9,003,219
	Provision required (Higher of above two as per NBFC-MFI Master Circular Dt. July 1,2013)					9,003,219
	Provision made for the period					9,003,219
	Opening Balance in Loan Loss Reserve as on 01/04/2016				6,800,506	-
	Less: Bad Debt (Loan write off this year)				601,897	-
	Closing Balance of Existing Provision					6,198,609
	New Provision made at 31/03/2017					2,804,610



Note 22	Other Expenses	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Advertisement	47,552	-
	Annual Maintenance Charges	146,000	-
	Bank Charges	1,643,691	994,272
	Board Meeting Expenses	534,713	366,098
	Books & Periodicals	53,905	55,144
	Business Development & Promotion Expenses	3,927,455	1,434,876
	Cancelled Case Processing Fee Yes Bank Ltd	4,403	-
	Cancelled Case Processing Fee Reliance Commercial Finance Ltd.	800	-
	Certification Work	357,100	285,000
	Client Welfare Expenses	214,000	143,000
	Client Group Insurance	759,209	618,717
	Consultancy Fees	2,956,100	2,204,978
	Daily Labour Charges	1,500	1,400
	Demand Income Tax	-	920
	Donation	5,101	1,200
	EDLI & Administrative charges	212,810	117,374
	Electricity Charges	611,757	391,068
	Employer Contribution towards U.H.S Premium	-	1,644
	Employer Contribution to EPF	1,659,115	953,944
	Employer Contribution to ESI	784,325	244,218
	Entertainment Expenses	35,649	122,713
	ESIC Interest /Panel Charges	-	39,016
	E-TDS & Income-Tax return filing	31,953	29,804
	Fuel Expenses	76,840	-
	Fuel Expenses (DG)	-	8,669
	Gratuity scheme reimbursement	43,269	-
	Guest Refreshment Expenses	5,359	4,233
	Incentives	14,600	30,000
	Insurance	507,870	499,445
	Interest on Service Tax	1,746	-
	Interest Charges YBL BC	-	740,124
	Legal Expenses	281,357	780,310
	Loan Processing Charges for Vehicle purchase	4,514	-
	Membership Fee-MFIN	327,915	126,351
	Membership Fee-Sa-Dhan	150,000	5,048
	Membership Fee IFC	210,000	-
	Membership Fee OSAFII	100,000	-
	Miscellaneous Expenses	2	14,280
	M_Pesa Disb Processing Charges	509,245	111,610



Office Expenses	928,744	633,398
Office Rent & Utilities	4,412,630	3,078,284
Penal Interest (MAS)	24,647	-
Postage & Courier Charges	122,103	100,522
Printing & Stationery	2,376,687	1,458,515
Professional Charges	-	-
Provision for Statutory Audit Fees	115,000	100,000
Provision for Tax Audit Fees	25,000	20,000
Repair & Maintenance	524,304	267,241
Research & Documentation	-	1,879
ROC Expenses	51,700	321,000
Security Guard Expenses	510,423	384,388
Staff Medical insurance	51,155	74,053
Swatch Bharat Cess	94,236	-
TDS Demand	-	35,428
Telecommunication Charges	2,619,715	1,431,799
Tour & Travelling Expenses	1,700,059	1,617,491
Travelling Allowance	2,449,648	779,313
Utilization Certificate Fees	56,100	78,650
Cash loss(due to theft)	125,170	-
TOTAL	32,407,176	20,707,417

Note 23	Calculation Of Deferred Tax Assets for the year 201617	As at 31st March 2017	As at 31st March 2016
		Amount(Rs.)	Amount(Rs.)
	Opening Balance	478,740	-
	Tax on Taxable Income of Rs.2,07,47,860.00	7,103,930	3,149,252
	Tax on Accountable Income Rs. 2,15,52,787.00	6,659,811	2,670,512
	Deferred Tax Assets for current year	444,119	478,740
	Total Deferred Tax Assets Closing	922,859	478,740

Note -24

Notes on Accounts and Significant Accounting Policies forming an integral part of the Profit & Loss Account for the period ended on 31st March, 2017 and Balance Sheet as on that date.

A. SIGNIFICANT ACCOUNTING POLICIES:-

1. Accounting Assumptions :-

The accounts have been prepared under the historical cost convention method and on the basis of going concern concept.

2. Fixed Assets :-

Fixed assets are accounted for at the book value on the date transfer of such asset.



3. Investment :-

Investments are stated at cost.

4. Inventories :-

Inventories are valued at cost or market price whichever is lower.

5. Depreciation:-

Depreciation has been provided for in the accounts on the basis of written down value method at the rates prescribed in Schedule –II of the companies Act, 2013.

6. Preliminary Expenses:-

Due to the non-availability of sufficient profit it was decided by the management that Preliminary Expenses are to be amortized over 10 years instead of 5 years (as mentioned in Audit Report of 2009-10) commencing from financial year 2010-11.

B. 1. DEFERRED TAX

Deferred tax is recognized, subject to consideration of prudence on timing differences representing the difference between the Taxable income 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 tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.

2. Computation of Deferred Tax Assets

	Amount.(Rs.)	Tax.(Rs)
Tax On Taxable Income	2,08,73,030	71,49,889
Tax On Accounting Income	2,16,77,957	66,98,489
Deferred Tax Asset	-	4,51,400

NOTES ON ACCOUNTS

1. The company has no loan portfolio exposure in the state of Andhra Pradesh.
2. The maximum interest on loan products offered by the company is 25.99% per annum on reducing balance basis and the upfront fee is not more than 1% of the aggregate loan.
3. The company does not charge in excess of the insurance premium and administrative charges from clients in compliance with IRDA guidelines.
4. The company does not charge any penalty for delayed payment of dues from clients.
5. The company does not charge any penalty for pre-settlement or pre-closure of loans from clients.
6. The company also does not take collateral security and margin / security deposit for its loans since inception.
7. The margin for the MFI as on 10.61% and within the prescribed cap of 12%.
8. The company's qualifying assets as on Rs. 89,36,55,391/- and its ratio to net assets (excluding cash, balances with banks and financial institutions, government securities and money market instruments) is 93.55% which is greater than 85% as prescribed by RBI.
9. The company fulfills all conditions stipulated to be classified as an NBFC-MFI during the current financial year as specified in DNBS.CC.PD.No.250/03.10.01/2011-12 dated December 2, 2011 and as may have been updated and issued from time to time by RBI in connection with the above guidelines.



10. As on 31st March 2017, the Net Owned Funds (NOF)/Tangible Net Worth (TNW) of the company is Rs. 16,17,78,278.12 and the Capital to Risk-weighted Assets Ratio(CRAR) is 16.97%.

11. Staff benefits arising on retirement/death are treated on cash basis and no provisions are made on accrual basis.

12. Income recognition based on accrual basis.

13. The board is duly constituted and there are no changes in the composition of the Board for the financial year,2016-17. The list of Directors is as under.

S.NO	NAME	DIN NO	DESIGNATION
1	Mr. Deepak Kindo	01502243	Managing Director
2	Mr. Livinus Kindo	02541650	Chairman
3	Mr. Dibyalochan Jena	02541689	Director
4	Mr. Saurabh Baroi	02723687	Nominee Director
5	Mr. Prasad Kuchibhatla	02255028	Independent Director
6	Mr. Prabal Kumar Sen	02594965	Independent Director
7	Mr. Vinod Jha	06723830	Independent Director
8	Mr. Santanu Sarma Barua	07351144	Nominee Director

14. The company has made following provision during the year as follows.

Sl. No.	Particulars	Amount (Rs.)
A)	Provision for Income Tax	71,49,889/-
B)	Provision for Dividend Tax (20.357647%)	5,49,656/-

15. The company has made the provision on its Advances Assets as per the revised Master Circular- DNBS. (PD) CC. No. 347 /03.10.38/2013-14 dated 01st July 2013 - Introduction of New Category of NBFCs - 'Non Banking Financial Company -Micro Finance Institutions' (NBFC-MFIs) - Directions of the Reserve Bank of India. The aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of:-

- 1% of outstanding loan portfolio : Rs. 90,03,219/- Or
- 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more as below,



Classification of Assets	Days	Aggregate overdue loan installments as on 31st March 2017 (Rs.)	Provision %	Provision Amount
Standard Assets	0-90	12,03,526	0%	-
Non Performing Assets	90-179	9,48,486	50%	4,74,243
Non-Performing Assets	180 & above	13,70,718	100%	13,70,718
	Total	35,22,730		18,44,961

As calculated from the above, the gross loan loss provision as on 31st March 2017 is taken at Rs. 90,03,219/-

16. There are related party transactions with Dia Vikas Capital Pvt. Ltd., SIDBI and Kshamta Foundation in the current financial year.

S. No.	Particulars	Opening Balance	Debit	Credit	Closing Balance
1	Dia Vikas Capital Pvt. Ltd.	2,80,00,000	2,74,28,572	5,00,00,000	5,05,71,428
2	SIDBI	1,90,47,500	1,14,30,000	-	76,17,500
3	Kshamta Foundation	-	7,67,680.00	6,09,346.00	1,58,334.00

17. The company gave a proposal to SIDBI for converting its preference shares in to equity and the same was sanctioned by SIDBI in February 2017 for an amount of Rs.1,50,00,000/-. The same was converted to equity shares on 31st March 2017.

18. The company has undertaken a credit based Business Correspondent program under Yes Bank Ltd, IDBI Bank and Reliance Capital Ltd and has commenced operations in August 2014, September, 2015 and July 2016 respectively. The company has opened separate branches in Rourkela, Rajgangpur, Sundargarh, Jharsuguda, Bargaon, Bonaigarh, Kuchinda, Rengali, Brajrajnagar, Deogarh, Keonjhar, Baripada, Anugul, Udala, Panchgaon, Sambalpur with 19,340 active borrowers and closing with an outstanding of Rs. 21,72,87,983/- as on 31st March 2017.

19. The Company has also Securitized/Assigned its book debts to the following institutions.

Name of the company	Type	Active Borrower	Outstanding as on 31 st March, 2017
IFMR Mosec Phaenna	Securitization	2,487	11,237,291
IFMR Mosec Enigma	Securitization	2,414	24,092,698
Muthoot Capital Services	Assignment	2,888	1,61,87,384
MAS Financial Services Limited	Assignment	11,588	13,31,48,216
Total		19,377	18,46,65,589

20. No External Commercial Borrowings has been availed by the Company during the period in question.



21. Note on Demonetisation - Post demonetisation on 08th November 2016, we have collected the SBNs from our clients in the form of repayments against loan availed from us. The details of movement of SBNs is detailed below,

Particulars	SBN- Specified Bank Notes (Rs.)	Other Notes/Coins (Rs.)	Total
Closing cash in hand as on 08.11.2016	11,37,000	1,56,65,787	1,68,02,787
(+) Permitted Receipts	74,45,500	14,71,17,822	15,45,63,322
(-) Permitted Payments	-	8,59,85,000	8,59,85,000
(-) Amount deposited in banks	85,82,500	6,18,99,513	7,04,82,013
Closing cash in hand as on 31.12.2016	-	1,48,99,096	1,48,99,096

During this period we have encouraged our clients to use their bank accounts for making transactions. However, our targeted disbursements were not achieved as we had difficulty in obtaining cash for disbursement in view of the restrictions imposed on withdrawals from Banks. We used the cash collected towards repayment for our disbursements. Our collections saw considerable stress in the 0-30 days past due (DPD) bracket, but overall our credit quality was not adversely affected as we were able to collect the same in the subsequent buckets.

22. There was no contingent liability against the company.

23. Previous year's figures have been re-grouped, rearranged and recast wherever necessary so as to make them comparable with the current year's figures.

24. An amount of Rs.1,25,170/- has been debited to P/L Account as cash loss due to snatching in Angul branch. FIR for the same was lodged at the police station and insurance claim for the same has been lodged with United India Insurance Company Ltd. Currently, the claim is under process. The matter was discussed in the Audit Committee of the Board who recommended for write off.

25. The company has received an amount of Rs.25.92 lakhs as support from SIDBI-PSIG for Capacity Building. The funds utilized as of 31st March 2017 was Rs.15.18 lakhs. The details for the same is given below:

Sl. No.	Particulars	Amount
1	Updation of Manuals	2,00,000/-
2	Setting up a Centralised Grievance Redressal System	2,00,000/-
2	Branch expenses & TA of Staff- Keonjhar & Baripada	1,98,122/-
3	Salary of Social Development Officer	2,00,000/-
4	Staff support for increasing client outreach	7,20,000/-
	TOTAL	15,18,122/-



26. The company has received an amount of Rs. 46,75,416/- as premium on the portfolio securitization transaction from IFMR Capital Mosec Enigma June 2016. The income proportionally amortized for the year 2016-17 being Rs. 22,06,012. The details are follows-

Transaction Size			47,169,932 /-
Less: Principal to be Repaid			42,494,516/-
Premium Amount			46,75,416 /-
Period	Principal Repayment as per Schedule for 2016-17	Principal Repayment % = Principal Repayment/Total Principal Repayment (47,169,932)	Earned Premium Share = Premium Amount (46,75,416)*Principal Repayment %
13-Jun-16	2,464,991	5.80%	271,208
01-Aug-16	2,368,380	5.57%	260,579
05-Sep-16	1,884,633	4.44%	207,355
03-Oct-16	2,936,477	6.91%	323,083
07-Nov-16	1,809,470	4.26%	199,085
05-Dec-16	2,014,882	4.74%	221,685
02-Jan-17	2,721,697	6.40%	299,452
06-Feb-17	2,201,288	5.18%	242,194
06-Mar-17	1,648,461	3.88%	181,370
			2,206,012

27. The company has paid the following managerial remuneration under sec. 198 of the Companies Act.

	For the year ended	
	Current Year	Previous Year
Directors Salary	11,77,798	1,140,044
Reimbursement of Medical Expenses	NIL	NIL

28. Payment to Auditor :-

	For the year ended	
	31.03.2017	31.03.2016
Audit fees (Provision)	115,000.00	100,000.00
Tax Audit fees (Provision) (Rs.)	25,000.00	20,000.00



29. The financial year witnessed the demise of 51 clients with the loan amount outstanding at Rs.6,01,897/- and the company has written off the same amount off its books.

For and on behalf of
N. Gahan & Associates
Chartered Accountants
Firm Regd. No-326078E

For and on behalf of the Board
SAMBANDH FINSERVE PRIVATE LIMITED

CA. N. Gahan FCA
Partner
Membership No-079100

Director

Managing Director

Place: Bhubaneswar
Date: 9th June 2017



Write-off details:

S. No.	Name of Borrower	Branch Name	Center Name	Group Name	Outstanding as on 31-03-2017	Remarks
1	Talhat Nasreen	Simdega	Eidgah Mahalla 1	Gulab	14,970	Deceased
2	Jyotimayee Bahidar	Sundargarh	Katnidihi 1	Shital	10,445	Deceased
3	Sharda Mate	Bilaspur	Mandwa Basti 1	Arti	22,500	Deceased
4	Kuntala Khanda	Sundargarh	Budabahal	Bishnupriya	7,835	Deceased
5	Julia Minz	Rourkela - I	Diesel Chowk-3	Mamali	10,445	Deceased
6	Shuldshana Buda	Sundargarh	Rangadhipa-1	Ruhan	1,351	Deceased
7	Parween Sultana	Rourkela - I	Kalunga -3	Mohammad	12,688	Deceased
8	Pratibha Devi	Ranchi	Krishna Puri 2	Anmol	22,530	Deceased
9	Shibani Panda	Rourkela - I	Nayabazar-7	Sai Prava	9,397	Deceased
10	Hasina	Raipur1	Naya para1	Rista	18,698	Deceased
11	Sarlim Kumari Rajak	Rourkela - I	Orampada-2	Poppy	21,671	Deceased
12	Basanti Namdev	Raipur1	Mathpurena 1	Safal	18,025	Deceased
13	Jubeda Khatun	Rourkela - I	Nala Road-3	Muskan	17,010	Deceased
14	Padma Munda	Belpahar	Khukrikani 1	Om Sai	13,664	Deceased
15	Kamala Nayak	Rourkela - I	Kesrinagar-1	Maa Mangala	1,351	Deceased
16	Sujata Devi	Simdega	GET Toli 1	Rohan	15,467	Deceased
17	Anita Minz	Rourkela - I	Kantajhar 1	Marry	8,724	Deceased
18	Biroshi Devi	Ranchi	Ram Nagar 2	Durga	13,664	Deceased
19	Manisha Yadav	Raigarh	Nayaganj 1	Samalai	6,315	Deceased
20	Sadhna	Raigarh	Krishna Nagar 1	Meera	7,836	Deceased
21	Madhu Mandal	Raigarh	Sindhi Colony 1	Sai	15,919	Deceased
22	Afasana Qurashi	Jharsuguda	Charkha Gali-1	Pakija	15,919	Deceased
23	Panchami Dhrua	Sundargarh	Remenda 1	Singhabahini	9,161	Deceased
24	Padma Pruset	Sundargarh	Chhatenapali 2	Swayngprabha	13,053	Deceased
25	Arati	Sundargarh	Sankra Amlipali-2	Heena	9,072	Deceased
26	Ram Bai	Raigarh	Chandmari 1	Uma	13,605	Deceased
27	Namita Ray	Rourkela - I	Orampada-1	Khush	14,509	Deceased
28	Bilasa Sahasia	Jharsuguda	Kumudapali 1	Darsan	17,010	Deceased
29	Sujata Saraph	Jharsuguda	Kalopada 3	Gajalaxmi	7,453	Deceased
30	Kamala Kisan	Rourkela - I	Shivshankar Nagar-1	Abhinash	10,881	Deceased
31	Shital Devi	Jamshedpur	Railway Colony 2	Priya	11,751	Deceased
32	Renu Devi	Ranchi	ShantiNagar 1	Milan	16,636	Deceased
33	Basanti Devi	Ranchi	Jagannathpur Bazar1	Simi	6,928	Deceased
34	Abda Khatoon	Rourkela - I	Mitti Road-2	Gulzar	16,111	Deceased
35	Vandana Devi	Ranchi	Dhobiline 1	Tanu	8,816	Deceased
36	Shantilata Bag	Sundargarh	Sanpatrapali 1	Maa Basundhara	1,876	Deceased



37	Pal Eka	Rajgangpur	Telighana 1	Chumki	15,454	Deceased
38	Archana Lohani	Rourkela - I	Uditnagar-3	Rangoli	10,147	Deceased
39	Manti Gour	Ranchi	Birsanagar 2	Jagruti	15,186	Deceased
40	Radha Nayak	Rourkela - I	Basanti Colony-1	Manini	12,632	Deceased
41	Rupani Sharma	Rourkela - I	Biswakarama Basti 1	Biswa	7,728	Deceased
42	Manjit Kaur	Rourkela - I	Gandhi Road-1	Har Krishan	4,480	Deceased
43	Sulochana Goud	Rourkela - I	Jhirpani-3	Prachee	3,675	Deceased
44	Sabita Dandapat	Rourkela - I	Malgodown-6	Anjum	842	Deceased
45	Rita Sagar	Rourkela - I	Ramgarh Basti-1	Ritik	13,672	Deceased
46	Srabani Routray	Rourkela - I	Vedvyas Gopopali 1	Shristi	10,445	Deceased
47	Gudi Begum	Sundargarh	Mundapada 1	Maa Kali	21,671	Deceased
48	Farida Begam	Jamshedpur	Shastri Nagar 1	Sanjog	17,088	Deceased
49	Shanti Singh	Rourkela - I	Pradhanpali 1	Sumiran	3,675	Deceased
50	Gita Naik	Rourkela - I	Akhandalamani Basti 1	Ambi	18,123	Deceased
51	Kashi	Bilaspur	Bilasa Dairy 1	Mahamaya	3,793	Deceased
Total					601,897	



Note: 8 Schedule showing Depreciation of Fixed Assets for the period ended on 31.03.2017 (under Companies Act)

S. N	PARTICULARS	GROSS BLOCK						DEPRECIATION				NET BLOCK	
		Balance as on 01.04.16 (Rs.)	Addition during the Year (Rs.)	Deletion during the Year (Rs.)	Total as on 31.03.17 (Rs.)	Useful life (year)	Residual Value (5%)	Balance as on 01.04.16 (Rs.)	Addition during the Year (Rs.)	Adjustment during the Year (Rs.)	Total as on 31.03.17 (Rs.)	W.D.V as on 31.03.17 (Rs.)	W.D.V as on 01.04.16 (Rs.)
1	Computer Accessories	5,484,786	1,441,361	-	6,926,147	3	346,307	4,568,886	906,663	-	5,475,549	1,450,598	915,900
2	Furniture & Fixture	3,639,905	650,788	-	4,290,693	10	214,535	1,850,268	384,037	-	2,234,305	2,056,388	1,789,637
3	Office Equipments	1,605,583	202,980	-	1,808,563	5	90,428	1,070,860	315,488	-	1,386,348	422,215	534,723
4	Motor Cycle	85,930	40,000	-	125,930	10	6,297	73,803	9,266	-	83,069	42,861	12,127
5	Vehicle(Tata Sumo)	741,928	-	-	741,928	8	37,096	515,552	88,141	-	603,693	138,235	226,376
6	Vehicle (XYLO)	1,086,503	-	-	1,086,503	8	54,325	572,662	129,077	-	701,739	384,764	513,841
7	Vehicle (Duster)	1,254,967	-	-	1,254,967	8	62,748	391,926	149,090	-	541,016	713,951	863,041
8	TUV 300	-	962,600	-	962,600	8	48,130	-	11,279	-	11,279	951,321	-
9	Electrical Fittings	298,976	43,038	-	342,014	10	17,101	211,574	29,262	-	240,836	101,178	87,402
10	Inverter	121,200	29,030	-	150,230	10	7,512	54,633	13,607	-	68,240	81,990	66,567
11	Shed	5,643	-	-	5,643	3	282	1,691	1,787	-	3,478	2,165	3,952
12	Cycle	63,265	27,100	-	90,365	10	4,518	29,189	7,240	-	36,429	53,936	34,076
13	Mobile/Landphone	432,505	97,496	-	530,001	10	26,500	183,022	42,509	-	225,531	304,470	249,483
14	Signboard	21,420	-	-	21,420	10	1,071	16,228	2,035	-	18,263	3,157	5,192
15	Electrical Equipment	-	108,443	-	108,443	10	5,422	-	8,501	-	8,501	99,942	-
	TOTAL	14,842,611	3,602,836	-	18,445,447.00			9,540,294	2,097,982	-	11,638,276	6,807,171	5,302,317
	Previous Year	10,457,384	4,385,227		14,842,611			6,065,765	3,474,529		9,540,294	5,302,316	4,391,619

For and on behalf of
N. Gahan & Associates
Chartered Accountants
Firm Regd. No-326078E

CA. N. Gahan FCA
Partner
Membership No-079100

For and on behalf of the Board
SAMBANDH FINSERVE PRIVATE LIMITED

Director **Managing Director**

Place: Bhubaneswar Date: 9th June 2017



Schedule showing Depreciation of Fixed Assets for the period ended on 31.03.2017 (under Income Tax Act)

			Gross Block				Depreciation					Net Block	
Sl	Name of	Rate of	As on	Addition during the period		Total as on	Upto	Depreciation during the period		Total as on	SALE of	WDV as on	WDV as on
No	Assets	dep(%)	01.04.2016	upto 30.09.2016	upto 31.03.2017	31.03.2017	01.04.2016	upto 30.09.2016	upto 31.03.2017	31.03.2017 H=(E+F+G)	FIXED ASSETS	31.03.2017	31.03.2016
			A	B	C	D=(A+B+C)	E	F	G		I	J=(D-F-G)	K
1	Computer & Accessories	60	1,411,292	881,621	559,740	2,852,653	4,198,443	1,375,748	167,922	5,742,113	-	1,308,983	1,411,292
2	Furniture& Fixtures	10	2,694,325	517,679	133,109	3,345,113	868,909	321,200	6,655	1,196,765	-	3,017,257	2,694,325
3	Office Equipment	15	1,068,417	52,530	150,450	1,271,397	521,270	168,142	11,284	700,696	-	1,091,971	1,068,417
4	Motor Cycle	40	3,489	40,000	-	43,489	90,333	17,396	-	107,728	-	26,093	3,489
5	Vehicle(Tata Sumo)	30	216,309	-	-	216,309	525,619	64,893	-	590,512	-	151,416	216,309
6	Vehicle (XYLO)	30	646,469	-	-	646,469	440,034	193,941	-	633,975		452,528	646,469
7	Vehicle (Renul Duster)	30	1,066,722	-	-	1,066,722	188,245	320,017	-	508,262	-	746,705	1,066,722
8	Vehicle (TUV)	30	-	-	962,600	962,600	-	-	144,390	144,390		818,210	-
9	Electrical Fittings	10	161,446	10,182	32,856	204,484	115,458	17,163	1,643	134,264	-	185,679	161,446
10	Electrical Equipments	10	-	108,443	-	108,443	-	10,844	-	10,844		97,599	-
11	Inverter	10	98,172	29,030	-	127,202	23,028	12,720	-	35,748		114,482	98,172
12	Shed	10	2,849	-	-	2,849	3,076	285	-	3,361	-	2,564	2,849
13	Cycles	40	29,981	19,350	7,750	57,081	34,592	19,732	1,550	55,875	-	35,798	29,981
14	Mobile/Landphone	15	259,365	-	97,496	356,861	171,313	38,905	7,312	217,530	-	310,644	259,365
15	Signboard	15	7,781	-	-	7,781	13,298	1,167	-	14,465	-	6,614	7,781
	TOTAL		7,666,615	1,658,835	1,944,001	11,269,451	7,193,619	2,562,152	340,756	10,096,527	-	8,366,543	7,666,615

For and on behalf of
N. Gahan& Associates
Chartered Accountants
Firm Regd. No-326078E

CA. N. Gahan FCA
Partner
Membership No-079100

For and on behalf of the Board
SAMBANDH FINSERVE PRIVATE LIMITED

Director **Managing Director**

Place: Bhubaneswar Date: 9th June 2017



**SAMBANDH FINSERVE PRIVATE LIMITED
JUBILEE VILLA, PLOT NO-7, SINDHI COLONY, MISSION HATA
RAJGANGPUR-770017, SUNDERGARH**

Particulars	(Amount in INR)
Net Profit/(Loss) as per Profit & Loss A/c	21,552,787
Less- Excess provision Brought back	-
Book profit as per Profit & Loss A/c	21,552,787
Add: Depreciation as per Companies Act	2,097,982
	23,650,769
Less: Depreciation as per Income-Tax Act	2,902,908
Net Profit as per Income-Tax Act	20,747,861
<u>TAX LIABILITY UNDER NORMAL PROVISIONS:-</u>	
Tax Liability @30% on Net Profit	6,224,358
Add: Surcharges @7%	435,705
Add: Education Cess and SHEC @3%	199,802
Add: Interest U/s 234B	82,841
Add: Interest U/s 234C	161,224
Total Tax liability	7,103,930
<u>TAX LIABILITY UNDER MAT U/S 115JB:-</u>	
Net Profit/(Loss) as per Profit & Loss A/c	21,552,787
Less- Excess provision Brought back	-
Book profit as per Profit & Loss A/c	21,552,787
Tax on above @18.5%	3,987,266
Add: Surcharges @7%	279,109
Add: Education Cess and SHEC @3%	127,991
Total Tax liability U/S 115JB	4,394,366
<u>TOTAL TAX LIABILITY</u>	
(a) Tax liability under normal provision	7,103,930
(b) Tax liability under MAT U/S 115JB	4,394,366
Tax liability is the higher of (a) and (b)	7,103,930
Less:- Advance Tax	3,000,000
Less:- Tax deducted at source	2,479,180
Less:- Self assessment tax paid	1,624,750
Tax Payable/(Tax Refundable)	-



SAMBANDH FINSERVE PRIVATE LIMITED
JUBILEE VILLA, PLOT NO-7, SINDHI COLONY, MISSION HATA
RAJGANGPUR-770017, SUNDERGARH

1. Registration Details

Registration No. : U67120OR1996PTC011931
 State Code : 15
 Balance Sheet Date : 31.03.2017

2. Capital raised during the period

Public issue : NIL
 Right issue : NIL
 Bonus issue : NIL

3. Position of Mobilization and Development of funds in Rs.

Public issue : NIL
 Right issue : NIL
 Bonus issue : NIL

Total Equity & Liabilities (in Rs.)

Paid up Capital : 13,30,14,680
 Share Application Money : Nil
 Share Premium Money : 54,85,323
 Reserve & Surplus : 2,59,36,024
 Non-Current Liabilities : 48,29,69,733
 Current Liabilities : 74,29,38,328
 Private issue : Rs. 2,99,57,260.00/-

Total Assets (in Rs.)

Net Fixed Assets : 68, 07,171
 Non-Current Assets : 30, 44, 35,784
 Current Assets : 107,91,01,133

4. Performance of Company (in Rs.) :

Revenue : 24,42,68,209
 Expenses : 22,27,15,422
 Profit / (Loss) before Tax : 2,15,52,787
 Profit / (Loss) after Tax : 1,48,92,976
 Earnings per share : 1.26%
 Dividend Rate % : 9%
 Profit / (Loss) after Tax : 1,48,92,976
 Earnings per share : 1.26%
 Dividend Rate % : 9%

For and on behalf of the Board

SAMBANDH FINSERVE PRIVATE LIMITED

For and on behalf of
N. Gahan & Associates
 Chartered Accountants
 Firm Regd. No-326078E

CA. N. Gahan FCA
Partner
 Membership No-079100

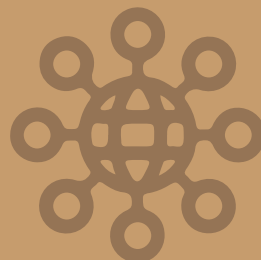
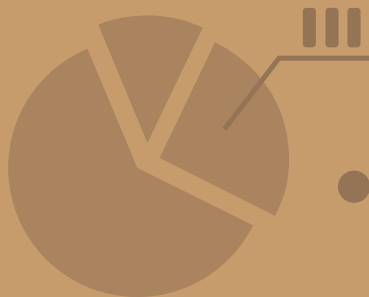
Director
Managing Director
 Place: Bhubaneswar Date: 9th June 2017





- Multi product value addition for the client, JLG model effective, individual model is the future.
- Currently developing loan products under Micro Housing, MSME and two wheeler. Future products will be related to the total financial well being of the client
- Setup of Financial well Being Branches.
- Gender Inclusive approach.
- Technology
- Transform itself into a Small Finance Bank within a horizon of 4-5 years considering the prevalent macroeconomic condition.





SAMBANDH
FINANCIAL SERVICES

"Enduring Relationships..."

SAMBANDH FINSERVE PRIVATE LIMITED

Registered Office : Jubilee Villa, 1st Floor, Plot No-7, Sindhi Colony,
Mission Hata, Rajgangpur-770017, Odisha

Corporate Office : Plot No- O-4/9, Civil Township Rourkela- 769004, Odisha

Odisha State Office : 2nd Floor, Plot No- 216, District Centre Chandrasekharpur,
Bhubaneswar- 751016, Odisha



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