7th ANNUAL REPORT

SHREE MARIKAMBA MICRO FINANCE PVT LTD

2019-20

SHREE MARIKAMBA MICRO FINANCE PVT LTD

Y S S Towers, 1st Cross, N.T.Road, Shivamogga -577 201, CIN: U67100KA2014PTC073382

BALANCE SHEET AS AT 31.03.2020

		Note no.	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' Funds**			
	a)Share Capital	**2A**	5,41,89,200	5,41,89,200
	b)Reserves and surplus	**2B**	50,12,453	35,27,437
	Total		**5,92,01,653**	**5,77,16,637**
2	**Share Application Money Pending Allotment**		-	-
3	**Non Current Liabilities**			
	a)Long-term borrowings	**2C**	-	35,00,000
	b)Defered tax liabilities (Net)		-	-
	c)Other long-term liabilities		-	-
	d)Long-term provisions		-	-
	Total		**-**	**35,00,000**
4	**Current Liabilities**			
	a)Short-term borrowings	**2D**	4,32,94,855	1,51,41,301
	b)Trade payables			
	i)Total outstanding dues of micro and small enterprises		-	-
	ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	**2E**	-	-
	c)Other current liabilities	**2F**	87,06,360	86,42,835
	d)Short-term provisions	**2G**	21,39,467	20,77,691
	Total		**5,41,40,682**	**2,58,61,826**
	TOTAL		**11,33,42,335**	**8,70,78,463**
II.	**ASSETS**			
1	**Non-Current Assets**			
	a)Property, Plant and Equipment			
	(i) Tangible assets	**2H**	5,36,884	6,30,141
	(ii) Intangible assets	**2H**	5,014	20,014
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under Development		-	-
	b)Non-Current Investments		-	-
	c)Deferred tax assets (Net)	**2I**	97,215	73,936
	d)Loan to Customers	**2J**	2,52,67,004	2,14,72,437
	e)Long-term Loans and advances	**2K**	7,75,581	5,91,640
	f)Other Non Current Assets		-	-
			2,66,81,698	**2,27,88,168**
2	**CURRENT ASSETS**			
	a)Current Invetments		-	-
	b)Cash and bank balances	**2L**	64,49,329	30,09,380
	c)Loan to Customers	**2M**	7,88,21,728	6,00,24,248
	d)Short-term loans and advances	**2N**	6,25,982	6,98,170
	e)Other Current Assets	**2O**	7,63,598	5,58,497
			8,66,60,637	**6,42,90,295**
	TOTAL		**11,33,42,335**	**8,70,78,463**
	Signinficant Accounting Policies and Notes on Financial Statements	**1**		

Place : Shimoga
Date: 08.09.2020

For and on behalf of the Board of Directors

Vide my report of even date

Director
Name: Kanthesh K E
DIN: 00686990

Director
Name: Krishnamurthy Shankar
DIN: 06793871

CA.Srinidhi K.P.
Chartered Accountant
M.No.234489

SHREE MARIKAMBA MICRO FINANCE PVT LTD

Y S S Towers, 1st Cross, N.T.Road, Shivamogga -577 201, CIN: U67100KA2014PTC073382

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2020

		Note no.	Year ended 31 March 2020 Rs.	Year ended 31 March 2019 Rs.
I.	**INCOME**			
	Revenue from operations	**3A**	1,84,41,442	1,60,88,845
	Other income		20,753	129
			1,84,62,194.95	**1,60,88,974**
II.	**EXPENDITURE**			
	Employee benefit expenses	**3B**	24,44,910	22,55,481
	Finance costs	**3C**	42,45,416	36,54,654
	Depreciation and amortisation expenses	**2H**	1,99,707	2,42,694
	Other expenses	**3D**	26,03,980	17,18,095
	Provisions and Write offs	**3E**	1,61,713	2,03,989
			96,55,726	**80,74,912**
III.	**Profit before exceptional and extraordinary items and tax**		**88,06,469**	**80,14,062**
	Exceptional Items		-	-
IV.	**Profit before extraordinary items and tax**		**88,06,469**	**80,14,062**
	Extraordinary Items		**-**	**-**
V.	**PROFIT BEFORE TAX**		**88,06,469**	**80,14,062**
VI.	**TAX EXPENSE**			
	Current tax		21,18,292	21,28,676
	Prior year Tax Adjustment (Excess Provision Written back)		-	(1,342)
	Deferred tax		(23,279)	(38,475)
VII.	**Profit For the Period**		**67,11,456**	**59,25,203**
	EARNINGS PER SHARE			
	Basic		12.39	10.93
	Diluted		12.39	10.93
	(Nominal Value per Share: Rs.100, Previous year: Rs.100)			
	Signinficant Accounting Policies and Notes on Financial Statements	**1**		

Place : Shimoga

Date: 08.09.2020

For and on behalf of the Board of Directors

Vide my report of even date

Director	**Director**	**CA.Srinidhi K.P.**
Name: Kanthesh K E	**Name: Krishnamurthy Shankar**	**Chartered Accountant**
DIN: 00686990	**DIN: 06793871**	**M.No.234489**

SHREE MARIKAMBA MICRO FINANCE PVT LTD

Y S S Towers, 1st Cross, N.T.Road, Shivamogga -577 201, CIN: U67100KA2014PTC073382

Cash Flow Statement for the	Year ended 31st March 2020	2019
Cash flows from operating activities		
Profit after taxation	67,11,456	59,25,203
Adjustments for:		
Depreciation & Amortization	1,99,707	2,42,694
Interest expense	42,21,324	35,08,721
Provision for Current Tax	21,18,292	21,28,676
Prior Year Tax adjustment	-	(1,342)
Provision for Deferred Tax	(23,279)	(38,475)
Provision for standard and Non performing assets	1,61,713	2,03,989
Interest on IT refund (included in other income)	(19,160)	-
Working capital changes:		
(Increase) / Decrease in loan to Customers (Non Current)	(37,94,567)	89,64,839
(Increase) / Decrease in Security Deposits	(1,75,640)	25,000
(Increase) / Decrease in loan to Customers (Current)	(1,87,97,480)	(27,27,205)
(Increase) / Decrease in short term loans and advances	72,188	71,788
(Increase) / Decrease in other current assets	(2,05,101)	1,23,496
Increase / (Decrease) in long term borrowings	(35,00,000)	(46,66,667)
Increase / (Decrease) in short term borrowings	2,81,53,554	(39,84,706)
Increase / (Decrease) in Trade payables	-	39,160
Increase / (Decrease) in other current liabilities	(4,78,366)	18,320
Increase / (Decrease) in short term provisions	-	-
Cash generated from operations	**1,46,44,641**	**98,33,491**
Direct taxes paid (Net of refund)	(23,37,943)	(17,89,346)
Net cash from operating activities	**1,23,06,698**	**80,44,145**
Cash flows from investing activities		
Purchase of Fixed Assets	(91,450)	(1,62,000)
Investment in Fixed Deposit(Including accrued interest)	(33,64,096)	(1,55,936)
Net cash used in investing activities	**(34,55,546)**	**(3,17,936)**
Cash flows from financing activities		
Interest Expense	(42,21,324)	(35,08,721)
Interest on IT refund (included in other income)	19,160	-
Payment of Dividends (2018-19)	(37,93,244)	-
Payment of Dividends (2017-18)	-	(32,51,352)
Payment of Dividends (2016-17)	-	(18,400)
Payment of Dividends (2015-16)	-	(40,700)
Payment of Dividend Distribition Tax	(7,79,891)	(6,61,910)
Proceeds from issue of equity shares	-	-
Net cash used in financing activities	**(87,75,299)**	**(74,81,083)**
Net increase/(decrease) in cash and cash equivalents	**75,853**	**2,45,126**
Cash and cash equivalents at beginning of period	**3,10,096**	**64,970**
Cash and cash equivalents at end of period	**3,85,949**	**3,10,096**

Place : Shimoga
Date: 08.09.2020

For and on behalf of the Board of Directors | **Vide my report of even date**

Director	**Director**	**CA.Srinidhi K.P.**
Name: Kanthesh K E	**Name: Krishnamurthy Shankar**	**Chartered Accountant**
DIN: 00686990	**DIN: 06793871**	**M.No.234489**

Particulars	As at 31-Mar-20 Rs.	As at 31-Mar-19 Rs.
NOTE 2A		
SHARE CAPITAL		
Authorised		
Equity shares: (With voting rights)		
6,00,000 Equity Shares of Rs. 100 each.	6,00,00,000	6,00,00,000
TOTAL	**6,00,00,000**	**6,00,00,000**
Issued, Subscribed and fully paid-up shares		
Equity shares: (With voting rights)		
5,41,000 Equity shares of Rs 100 Each fully paid up	5,41,89,200	5,41,89,200
TOTAL	**5,41,89,200**	**5,41,89,200**
Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period		
Equity shares:		
Number of Shares at the beginning of the year	5,41,892	5,41,892
Issued during the year	-	-
Number of Share at the end of the Year	**5,41,892**	**5,41,892**
List of shareholders holding shares more than 5% of subscribed share capital	**In Nos**	**In Nos**
Kanthesh K E	**28,000**	**22,000**
NOTE 2B		
RESERVES AND SURPLUS		
Statutory Reserve u/s 45-IC of Reserve Bank of India Act,1934		
Balance as per the last financial statements	33,53,900	21,68,859
Add: Additions during the year	13,42,291	11,85,041
Closing balance	**46,96,191**	**33,53,900**
Surplus/ (deficit) in the statement of profit and loss		
Balance as per the last financial statements	1,73,536.56	6,510
Profit (loss) for the year	67,11,456.30	59,25,203
Less: Transfers to Statutory reserves*	(13,42,291.00)	(11,85,041)
Less: Interim Dividend	(43,35,136.00)	(37,93,244)
Less: Dividend Distribution Tax	(8,91,304.00)	(7,79,891)
Closing as on 31 March	**3,16,261.86**	**1,73,537**
TOTAL	**50,12,453**	**35,27,437**

* The company has transfreed 20% of the profit after tax to statutory reserves in accordance with the provisions of Section 45-IC of Reserve Bank of India Act,1934

Particulars	As at 31-Mar-20 Rs.	As at 31-Mar-19 Rs.
NOTE 2C		
LONG TERM BORROWINGS		
Term Loans - From Banks		
Secured (Refer Note 11)	-	35,00,000
TOTAL	**-**	**35,00,000**

Particulars	As at 31-Mar-20 Rs.	As at 31-Mar-19 Rs.
NOTE 2D		
SHORT TERM BORROWINGS		
(a) Loans repayable on Demand		
-From Banks	1,06,44,855	45,91,301
-From Others	-	-
(b) Loans and advances from related parties;	1,38,50,000	58,50,000
(c) Deposits	-	-
(d) Other Loans and Advances-Loan from Shareholders	1,88,00,000	47,00,000
TOTAL	**4,32,94,855**	**1,51,41,301**
NOTE 2E		
TRADE PAYABLES		
-Total outstanding dues of micro enterprises and small enterprises	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
TOTAL	**-**	**-**
NOTE 2F		
OTHER CURRENT LIABILITIES		
Current maturities of long-term borrowings (Refer Note.11)	39,33,958	46,66,667
Interest accrued but not due on borrowings- Related Parties & Shareholders	79,224	50,289
Interest accrued but not due on borrowings-Bank OD	79,006	-
Interim Dividend Payable	43,35,136	37,93,244
Others		
Expenses Payable	2,06,229	1,32,635
TDS Payable	63,046	-
GST Payable	9,761	-
TOTAL	**87,06,360**	**86,42,835**
NOTE 2G		
SHORT TERM PROVISIONS		
Others		
Provision for standard and Non performing assets	12,48,163	10,86,450
Provision for Dividend Distribution Tax	8,91,304	7,79,891
Provision for Income Tax (Net)	-	2,11,350
TOTAL	**21,39,467**	**20,77,691**

NOTE : 2H

Property, Plant and Equipment as at 31.03.2020

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the Year	Deletions	As at March 31, 2020	As at 31.03.2020	As at 31.03.2019
Tangible Assets										
End user Devices	1,61,856	-	-	1,61,856	1,39,249	11,667	-	1,50,916	10,940	22,607
General Furniture & Fittings	4,51,455	-	-	4,51,455	1,33,533	45,146	-	1,78,679	2,72,776	3,17,922
Leasehold improvements	5,46,785	-	-	5,46,785	3,94,720	72,841	-	4,67,561	79,224	1,52,065
Office Equipments	2,04,544	91,450	-	2,95,994	1,29,368	44,695	-	1,74,063	1,21,931	75,176
Electrical Installation & Equipments	1,03,578	-	-	1,03,578	41,207	10,358	-	51,565	52,013	62,371
TOTAL	**14,68,218**	**91,450**	**-**	**15,59,668**	**8,38,077**	**1,84,707**	**-**	**10,22,784**	**5,36,884**	**6,30,141**
Intangible Assets										
Computer Software	75,000	-	-	75,000	54,986	15,000	-	69,986	5,014	20,014
TOTAL	**75,000**	**-**	**-**	**75,000**	**54,986**	**15,000**	**-**	**69,986**	**5,014**	**20,014**
GRAND TOTAL	**15,43,218**	**91,450**	**-**	**16,34,668**	**8,93,063**	**1,99,707**	**-**	**10,92,770**	**5,41,898**	**6,50,155**
PREVIOUS YEAR	**13,81,218**	**1,62,000**	**-**	**15,43,218**	**6,50,369**	**2,42,694**	**-**	**8,93,063**	**6,50,155**	**7,30,849**

Particulars	As at 31-Mar-20 Rs.	As at 31-Mar-19 Rs.
NOTE 2I		
DEFERRED TAX ASSET(NET)		
Deferred tax asset arising on account of:		
Depreciation	82,550	61,433
	82,550	61,433
Deferred tax asset arising on account of:		
Others	14,665	12,503
	14,665	12,503
DEFERRED TAX ASSET/ (LIABILITY), NET	**97,215**	**73,936**
NOTE 2J		
LOAN TO CUSTOMERS		
Unsecured, considered good		
Loans to SHG	2,46,32,160	2,12,40,482
Pronote Loan	30,000	83,839
Vehicle Loan	6,04,844	1,48,116
TOTAL	**2,52,67,004**	**2,14,72,437**
NOTE 2K		
LONG TERM LOANS AND ADVANCES		
Secured, considered good		
Security Deposits:		
Rental Deposit	4,00,000	4,00,000
Security Deposit with MESCOM	640	-
Unsecured, considered good		
Others		
IT Refund due	1,99,941	1,91,640
Pre-Deposit for Income tax appeal- A.Y. 2017-18	1,75,000	-
TOTAL	**7,75,581**	**5,91,640**
NOTE 2L		
CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
Cash on Hand	3,78,323	3,06,162
Balances with banks		
On current accounts		
Vijaya Bank A/c No: 1000204	7,626	3,934
Deposits with original maturity of less than three months	-	-
Earmarked Balance with banks (for unpaid dividend)		
Vijaya Bank Interim Dividend A/c No: 002	-	-
Cash and Cash Equivalents	**3,85,949**	**3,10,096**

Particulars	As at 31-Mar-20 Rs.	As at 31-Mar-19 Rs.
Other Bank Balances		
Deposits with original maturity of more than three months but less than twelve months		
Vjaya Bank FD (Including accrued interest)	60,63,380	26,99,284
Other Bank Balances	**60,63,380**	**26,99,284**
TOTAL	**64,49,329**	**30,09,380**

NOTE 2M

LOAN TO CUSTOMERS		
Secured, considered good		
Unsecured, considered good		
Loans to SHG	7,76,80,940	5,83,30,971
Pronote Loan	5,87,547	7,47,399
Vehicle Loan	5,53,241	9,45,878
TOTAL	**7,88,21,728**	**6,00,24,248**

NOTE 2N

SHORT TERM LOANS AND ADVANCES		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Others	6,25,982	6,98,170
TOTAL	**6,25,982**	**6,98,170**

NOTE 2O

OTHER CURRENT ASSETS		
Others		
Interest accrued but not due on loans	7,63,598	5,58,497
TOTAL	**7,63,598.0**	**5,58,497.0**

Particulars	Year ended 31-Mar-20 Rs.	Year ended 31-Mar-19 Rs.
NOTE 3A		
REVENUE FROM OPERATIONS		
Interest on Loans and Advances	1,71,24,163	1,51,35,194
Interest on Fixed Deposit	1,82,329	1,73,262
Other operating revenues		
Processing Charges on loans and advances	11,34,950	7,80,389
TOTAL	**1,84,41,442**	**1,60,88,845**
NOTE 3B		
EMPLOYEE BENEFIT EXPENSES		
Salaries, wages	12,52,950	11,71,881
Directors Remunaration	11,91,960	10,83,600
TOTAL	**24,44,910**	**22,55,481**
NOTE 3C		
FINANCE COSTS		
Interest expenses		
From banks		
- Interest on term loans	8,35,417	13,84,876
- Interest on bank overdraft	7,26,648	11,15,632
From Related Parties		
- Interest on other loans	26,59,259	10,08,213
Other borowing costs		
- Processing and Documentation Charges on term loan & OD	-	1,19,504
- Bank charges	24,092	26,429
TOTAL	**42,45,416**	**36,54,654**

Particulars	Year ended 31-Mar-20 Rs.	Year ended 31-Mar-19 Rs.
NOTE 3D		
OTHER EXPENSES		
Rental Payments	2,43,091	2,32,938
Communication Expenses	16,265	15,596
Travelling Expenses	54,305	30,122
Computer and Software Maintenance	21,996	24,859
Repairs and Maintenance	17,905	13,212
Printing & Stationery	31,966	21,714
Postage & Courier	7,045	8,329
Office Expenses	1,35,397	1,03,437
Meeting Expenses	37,445	31,005
Insurance-Office	16,142	16,095
Website registration Charges	5,000	11,200
Electricity Charges	35,600	28,806
AGM Expenses	66,620	60,502
Audit Fee		
- For Statutory Audit	55,000	50,000
- For Tax Audit	20,000	20,000
- For Taxation matters	20,000	-
Professional Charges- Internal Audit	28,500	27,500
Professional Charges- Company Secretary & Secretarial Work	52,850	41,000
Professional Charges-Others	8,81,800	7,29,700
Rates and Taxes	-	12,000
Registration and Renewals	26,100	49,700
Legal Charges	33,671	-
Advertisement Expenses	31,700	18,775
SMS Expenses	15,045	5,015
ROC Filing Fees	4,200	1,200
Business Promotion	6,38,501	-
Water Charges	5,145	3,090
Staff Welfare	47,849	56,835
Interest on TDS	-	1,053
Preliminary Expenses written off	-	79,660
Credit Rating Charges	53,842	24,752
IT Appeal fee	1,000	-
TOTAL	**26,03,980**	**17,18,095**
NOTE 3E		
PROVISIONS AND WRITE OFFS		
Provision for standard and Non performing assets	1,61,713	2,03,989
TOTAL	**1,61,713**	**2,03,989**