

Amount in Rupees

| BALANCE SHEET AS AT MARCH 31,                                   | Sch  | 2011                      | 2010                     |
|-----------------------------------------------------------------|------|---------------------------|--------------------------|
| <b>I. SOURCE OF FUNDS</b>                                       |      |                           |                          |
| <b>SHAREHOLDERS FUNDS</b>                                       |      |                           |                          |
| Equity Share Capital                                            | 3    | 39,603,960                | 39,603,960               |
| Reserves and Surplus                                            | 4    | 3,440,939                 | 3,505,930                |
|                                                                 |      | <u>43,044,899</u>         | <u>43,109,890</u>        |
| <b>LOAN FUNDS</b>                                               |      |                           |                          |
| Secured Loans                                                   | 5    | 90,211,115                | 31,569,420               |
| Unsecured Loans                                                 | 6    | 10,000,000                | 416,426                  |
| (of Sub Ordinated Long Terms Debts-7 Years; Previous Year: Nil) |      |                           |                          |
|                                                                 |      | <u>100,211,115</u>        | <u>31,985,846</u>        |
| Deferred Tax Liability                                          | 7    | 513,774                   | 1,550                    |
| <b>TOTAL</b>                                                    |      | <u><b>143,769,790</b></u> | <u><b>75,097,288</b></u> |
| <b>II. APPLICATION OF FUNDS</b>                                 |      |                           |                          |
| FIXED ASSETS (At cost less depreciation)                        | 8    | 12,346,916                | 12,124,267               |
| INVESTMENTS (At cost)                                           | 9    | 1,600,000                 | -                        |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>                     |      |                           |                          |
| Cash and Bank Balances                                          | 10   | 14,703,169                | 5,779,722                |
| Loans to Joint Liability Groups (Net of provision)              | 11   | 97,618,300                | 45,728,593               |
| Advances Recoverable and other current assets                   | 12   | 3,289,369                 | 3,250,280                |
|                                                                 |      | <u>115,610,838</u>        | <u>54,758,595</u>        |
| <b>LESS: CURRENT LIABILITIES AND PROVISIONS</b>                 |      |                           |                          |
| Current Liabilities                                             | 13   | 4,989,310                 | 2,542,914                |
| Other Provisions                                                |      | -                         | -                        |
|                                                                 |      | <u>4,989,310</u>          | <u>2,542,914</u>         |
| <b>NET CURRENT ASSETS</b>                                       |      | <b>110,621,528</b>        | <b>52,215,681</b>        |
| MISCELLANEOUS EXPENDITURE (to the extent not Written off)       | 14   | 3,496,970                 | 2,312,940                |
| <b>PROFIT and LOSS ACCOUNT</b>                                  |      | <b>15,704,376</b>         | <b>8,444,400</b>         |
| <b>TOTAL</b>                                                    |      | <u><b>143,769,790</b></u> | <u><b>75,097,288</b></u> |
| Significant Accounting Policies                                 | 1    |                           |                          |
| Notes to Accounts                                               | 2-27 |                           |                          |

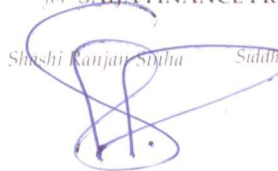
The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date  
for V.NAGARAJAN & Co.,  
Chartered Accountants

Place: Mumbai  
Date: June 24, 2011



  
(V.NAGARAJAN)  
Partner  
M. No. 019959  
Firm Regn. No.: 04879 N

for SAIJA FINANCE PRIVATE LIMITED  
 Siddhanta Hanumana Chowdri  
Chairman - MD Director

Amount in Rupees

| PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31,                                                  | Sch         | 2011                | 2010               |
|----------------------------------------------------------------------------------------------------------|-------------|---------------------|--------------------|
| <b>INCOME:</b>                                                                                           |             |                     |                    |
| Income from Interest on Loans                                                                            | 15          | 20,498,229          | 6,010,772          |
| Income from Processing Fees<br><i>(Net of Service Tax)</i>                                               |             | 4,185,500           | 1,831,000          |
| Income from Bank Deposits                                                                                | 16          | 1,025,208           | 166,634            |
| Other Income                                                                                             | 17          | 154,889             | 3,654              |
| <b>Total</b>                                                                                             |             | <b>25,863,826</b>   | <b>8,012,060</b>   |
| <b>EXPENDITURE:</b>                                                                                      |             |                     |                    |
| Interest on Borrowed Funds                                                                               | 18          | 8,179,129           | 1,833,336          |
| Salaries, Allowances and Benefits to Staff                                                               | 19          | 11,535,041          | 6,433,343          |
| Managerial Remuneration                                                                                  | 20          | 3,600,000           | 3,360,000          |
| Other Operating Expenses<br><i>Non Cash Charge</i>                                                       | 21          | 6,972,564           | 2,594,950          |
| Provision for Doubtful Debts                                                                             |             | 255,478             | -                  |
| Pre-Business Commencement Expense Written off                                                            |             | -                   | 140,000            |
| Depreciation                                                                                             |             | 2,069,366           | 152,313            |
| <b>Total</b>                                                                                             |             | <b>32,611,578</b>   | <b>14,513,942</b>  |
| <b>Profit / (Loss) Before Tax</b>                                                                        |             | <b>(6,747,752)</b>  | <b>(6,501,882)</b> |
| Provision for Tax / Deferred Tax                                                                         | 22          | 512,224             | (27,610)           |
| <b>Profit / (Loss) After Tax</b>                                                                         |             | <b>(7,259,976)</b>  | <b>(6,474,272)</b> |
| <b>APPROPRIATIONS:</b>                                                                                   |             |                     |                    |
| Balance brought forward from previous year                                                               |             | (8,444,400)         | (1,970,128)        |
| <b>Balance carried over to Balance Sheet</b>                                                             |             | <b>(15,704,376)</b> | <b>(8,444,400)</b> |
| <b>Earnings per Share:</b>                                                                               |             |                     |                    |
| Basic                                                                                                    | Rs.         | (1.83)              | (1.63)             |
| Diluted                                                                                                  | Rs.         | (1.83)              | (3.18)             |
| <b>Significant Accounting Policies</b>                                                                   | <b>1</b>    |                     |                    |
| <b>Notes to Accounts</b>                                                                                 | <b>2-27</b> |                     |                    |
| The schedules referred to above and notes to accounts form an integral part of the Profit & Loss Account |             |                     |                    |

As per our report of even date

for V.NAGARAJAN & Co.,

Chartered Accountants

for SAIJA FINANCE PRIVATE LIMITED

Place: Mumbai

Date: June 24, 2011



(V.NAGARAJAN)

Partner

M. No. 019959

Firm Regn. No.: 04879 N

Shashi Ranjan  
Sinha

Chairman - MD

Siddhartha Hanumara  
Chowdri

Director

Amount in Rupees

| CASH FLOW STATEMENT FOR THE YEAR ENDED<br>ON MARCH 31,                                                                 | 2011                | 2010                |
|------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                                                        |                     |                     |
| Net Profit/(Loss) before Tax                                                                                           | (6,747,752)         | (6,501,882)         |
| Add/(Less): Non Cash Expenditure/(Income):                                                                             |                     |                     |
| Transfer from Deferred Revenue Exp.                                                                                    |                     | 90,000              |
| Depreciation                                                                                                           | 2,069,366           | 152,313             |
| Other (Fixed Assets written off / Income Tax reversal)                                                                 | -                   | -                   |
| <i>Operating Profit before Working Capital Changes:</i>                                                                | <i>(4,678,386)</i>  | <i>(6,259,569)</i>  |
| <i>Adjustments for:</i>                                                                                                |                     |                     |
| (Increase) / Decrease in Other Current Assets(Other than loan disbursed under Microfinance programme and tax payments) | (39,089)            | (3,075,283)         |
| (Decrease)/ Increase in Current Liabilities                                                                            | 2,446,396           | 1,932,978           |
| Misc. Exp. To the extent not written off ( Deferred Revenue Expenditure)                                               | (1,184,030)         | 8,929,560           |
| Income Tax & Fringe benefit tax paid                                                                                   | -                   | (12,000)            |
| <b>Net Cash Flow from Operating Activities</b>                                                                         | <b>(3,455,110)</b>  | <b>1,515,686</b>    |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                                                        |                     |                     |
| Fixed Assets Acquired                                                                                                  | (2,357,005)         | (11,233,911)        |
| (Purchase) / Sale of Investment                                                                                        | (1,600,000)         | -                   |
| <i>Loan Disbursed under Microfinance Programme :</i>                                                                   |                     |                     |
| Loan Disbursed                                                                                                         | (202,982,000)       | (88,790,000)        |
| Loan Recovered                                                                                                         | 151,092,293         | 54,380,286          |
| <b>Net Cash Flow from Investing Activities</b>                                                                         | <b>(55,846,712)</b> | <b>(45,643,625)</b> |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>                                                                        |                     |                     |
| Secured Loan (Borrowed)                                                                                                | 100,000,000         | 32,000,000          |
| Secured Loan (Repaid)                                                                                                  | (41,358,305)        | (5,708,356)         |
| Unsecured Loan Borrowed / (Repaid)                                                                                     | 9,583,574           | (2,574,669)         |
| Share Capital realised in Cash or Cash equivalents                                                                     | -                   | 22,711,460          |
| Share Premium Received                                                                                                 | -                   | 3,149,040           |
| Revolving Fund from SIDBI                                                                                              | -                   | -                   |
| <b>Net Cash Flow from Financing Activities</b>                                                                         | <b>68,225,269</b>   | <b>49,577,475</b>   |
| Net Increase or Decrease in Cash or Cash Equivalents (A+B+C)                                                           | 8,923,447           | 5,449,537           |
| Add: Opening Cash and Cash Equivalents                                                                                 | 5,779,722           | 330,185             |
| <b>Closing Cash and Cash Equivalents at the end of the year</b>                                                        | <b>14,703,169</b>   | <b>5,779,722</b>    |
| Net increase /(Decrease)                                                                                               | 8,923,447           | 5,449,537           |

Significant Accounting Policies

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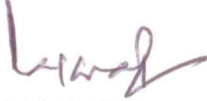
Notes to Accounts


2-27

As per our report of even date  
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 Chartered Accountants

for **SAIJA FINANCE PRIVATE LIMITED**

Place: Mumbai  
 Date: June 24, 2011

  
 (V.NAGARAJAN)

  
 Shashi Ramesh Sinha

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