



AUDITORS' REPORT

To the Members of Annapurna Microfinance Private Limited

1. We have audited the attached balance sheet of Annapurna Microfinance Private Limited (the Company) as at 31st March 2011, the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's report) Order, 2003, issued by the Central Government of India in terms of section 227 (4A) of the companies Act, 1956, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from examination of those books;
 - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, the Profit and Loss account and the Cash Flow statement dealt with by this report are in compliance with the Accounting standards referred to in section 211(3C) of the companies Act, 1956;





- e) In our opinion and the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - In the case of Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.
5. On the basis of the written representation / declarations received from the Directors and taken on record by the Board and according to the information and explanations given to us, we report that none of the directors of the company is disqualified as at 31st march 2010, from being appointed as a Director under section 274(1) (g) of the Companies Act, 1956, on the said date.

Place: Bhubaneswar

Date : 21st June 2011

For B.S.Subudhi & Co
Chartered Accountants

B.S.Subudhi
Partner

Membership No: 052512



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE REPORT OF EVEN DATE OF THE AUDITORS TO THE MEMBERS OF ANNAPURNA MICROFINANCE PRIVATE LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH, 31st, 2011.

(i)(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets; **Not Applicable**

(b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. **Not Applicable**

(c) No substantial part of fixed assets has been disposed off during the year. **Not Applicable**

(ii) This Clause relating to inventory is not applicable as this is not a manufacturing Company. **Not Applicable**

(iii) (a) The Company neither granted nor taken any loans, secured or unsecured to/from companies, firms, or other parties covered in the register maintained under section 301 of the Act.

(b) This clause does not arise since the company has neither granted nor taken any loans.

(c) This clause is not applicable as the company neither granted nor taken any loans.

(d) This clause is not applicable as the company neither granted nor taken any loans.

(iv) In our opinion and according to explanation and information given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and sale of goods.

(v)(a) According to explanations and information given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of section 301 of the companies act, 1956 have been so entered.

(b) In our opinion and explanations and information given to us, the transactions made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the companies act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) The company has not accepted deposits from public.



(vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.

(viii) Maintenance Cost Records has not been prescribed by the central Government under section 209(1) (d) of the companies Act, 1956.

(ix) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, income tax, service tax, wealth tax, and other statutory dues with the appropriate authority. As the company has less than 20 employees as on date, The Company does not attract to PF and henceforth The Company does not pay any PF.

(b) According to information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax and any other statutory dues were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable.

(c) According to information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.

(x) This Clause is not applicable as this is a profit making company.

(xi) According to information and explanations given to us, the company has not defaulted in repayment of dues to Financial Institutions and Banks.

(xii) This clause is not applicable as the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, The Company is not a chit fund or nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the companies (Auditor Report) Order, 2003 are not applicable to the Company.

(xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures or other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies(Auditors Report) Order, 2003 is not applicable to Company.

(xv) The Company has not given any guaranty for loans taken by others from bank or financial institutions.

(xvi) According to information and explanations given to us, term loans were applied for the purpose for which they are obtained.

(xvii) According to information and explanation given to us and an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets.

(xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.



(xix) No debentures have been issued.

(xx) There was no public issue during the year.

(xxi) According to information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

Date: BHUBANESWAR
Place: 21st June 2011

For B.S.Subudhi & Co,
Chartered Accountants



B.S.Subudhi
Partner
Membership No.:052512



M/S. ANNAPURNA MICROFINANCE PRIVATE LIMITED
FORMERLY KNOWN AS GWALIOR FINANCE & LEASING CO. PVT.LTD.
BALANCE SHEET AS ON 31ST MARCH 2011

PARTICULARS	SCHEDULE	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
<u>SOURCES OF FUND :</u>			
<u>SHAREHOLDERS FUND :</u>			
Share Capital	A	5,10,22,000.00	2,76,47,000.00
Share Application		50,00,000.00	4,00,000.00
<u>RESERVE AND SURPLUS :</u>	B	33,09,970.05	7,51,439.43
<u>SUB ORDINATED DEBT</u>			
Dia Vikas Capital (P) Ltd.	C	0.00	2,50,00,000.00
<u>SECURED LOAN</u>	D	4,00,00,000.00	0.00
<u>UNSECURED LOAN</u>	E	4,64,28,572.00	0.00
TOTAL :		<u>14,57,60,542.05</u>	<u>5,37,98,439.43</u>
<u>APPLICATION OF FUND :</u>			
<u>INVESTMENTS</u>	G	3,75,00,000.00	10,00,000.00
<u>INVESTMENTS PLEDGED WITH BANKS</u>	F	55,83,827.00	
<u>CURRENT ASSETS, LOANS & ADVANCES :</u>			
Cash & Bank Balances	H	1,44,90,612.81	59,58,077.43
Loans & Advances	I	<u>10,73,63,566.00</u>	<u>5,42,52,348.00</u>
		12,18,54,178.81	6,02,10,425.43
Less :			
<u>CURRENT LIABILITIES & PROVISIONS</u>	J	1,91,77,463.76	74,11,986.00
Net Current Assets :		<u>10,26,76,715.05</u>	<u>5,27,98,439.43</u>
PROFIT AND LOSS ACCOUNT:			
TOTAL :		<u>14,57,60,542.05</u>	<u>5,37,98,439.43</u>

NOTES ON ACCOUNTS :

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(As per our report of even date annexed)

For B. S. SUBUDHI & CO.,
CHARTERED ACCOUNTANTS

(B. S. SUBUDHI)
(PARTNER)
Membership No.: 052512
PLACE :BHUBANESWAR
DATED : 21st June 2011



For ANNAPURNA MICROFINANCE PRIVATE LIMITED

(Signature)
(G. C. PATTANAIK)
MANAGING DIRECTOR

(Signature)
Dibyajoyti Pattanaik
(DIBYAJOYTI PATTANAIK)
DIRECTOR

M/S. ANNAPURNA MICROFINANCE PRIVATE LIMITED
FORMERLY KNOWN AS GWALIOR FINANCE & LEASING CO. PVT.LTD.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	SCHEDULE	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
INCOME :			
Membership fees			5,65,635.00
Interest on Loans to SHGs		1,25,44,490.00	2,02,240.00
Service Charges		7,63,829.00	5,11,403.00
Income from Sale of Portfolio		4,58,253.24	19,093.93
Documentation Cost		14,11,961.00	9,47,087.00
Interest on FD		10,44,628.00	
Interest accrued on Groups		19,18,279.00	
Interest On loans		59,882.36	
TOTAL:		1,82,01,322.60	22,45,458.93
EXPENDITURE :			
Portfolio Management charges		63,50,309.36	6,00,000.00
Interest paid		60,84,664.07	73,973.00
Printing & Stationery		25,599.00	0.00
Postage & Telegram		495.00	0.00
Salary		6,000.00	2,500.00
Meeting expenses		2,906.00	
Advertisement Charges		39,700.00	
Legal & Professional Charges		1,79,500.00	3,32,750.00
Bank Charges		1,31,372.55	56,043.00
Audit Fees		67,772.00	30,000.00
Rating Expenses		1,55,948.00	
Travelling Expenses		12,958.00	0.00
House Rent		1,55,625.00	
Loan upfront and Processing Fee		7,61,850.00	
Loan Loss Provision		7,93,498.00	
TOTAL:		1,47,68,196.98	10,95,266.00
Balance Credit carried down		34,33,125.62	11,50,192.93
Loss Brought forward			(43,753.50)
Balance Credit carried down before Tax		34,33,125.62	11,06,439.43
Less : Transfer to Special Reserve		6,86,625.00	2,30,000.00
Income tax Provision		27,46,500.62	8,76,439.43
Income tax		8,48,669.00	3,55,000.00
Balance Credit carried down after Tax		25,926.00	
Profit/(Loss) brought forward		18,71,905.62	5,21,439.43
Balance Credit carried down to Reserve & Surplus		5,21,439.43	
		23,93,345.05	

NOTES ON ACCOUNTS :

(As per our report of even date annexed)

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For B. S. SUBUDHI & CO.,
CHARTERED ACCOUNTANTS

(B. S. SUBUDHI)
(PARTNER)

PLACE : BHUBANESWAR
DATED : 21st June 2011



For ANNAPURNA MICROFINANCE PRIVATE LIMITED

(G. C. PATNAIK)
MANAGING DIRECTOR

(DIBYAJYOTI PATTNNAIK)
DIRECTOR

M/S. ANNAPURNA MICROFINANCE PRIVATE LIMITED
FORMERLY KNOWN AS GWALIOR FINANCE & LEASING CO. PVT.LTD.
SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2011

PARATICALS	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
<u>SCHEDULE-A</u>		
<u>SHARE CAPITAL :</u>		
<u>AUTHORISED SHARE CAPITAL :</u>		
80,00,000 Equity Shares of Rs.10/- each.	8,00,00,000.00	5,00,00,000.00
<u>ISSUED, SUBSCRIBED & PAID-UP :</u>		
51,02,200 Equity shares of Rs. 10/- each fully paid up.	5,10,22,000.00	2,76,47,000.00
	5,10,22,000.00	2,76,47,000.00
Share Application	50,00,000.00	4,00,000.00
<u>SCHEDULE-B</u>		
<u>RESERVE AND SURPLUS :</u>		
Profit & Loss Account	23,93,345.05	5,21,439.43
Special Reserve	9,16,625.00	2,30,000.00
	33,09,970.05	7,51,439.43
<u>SCHEDULE-C</u>		
<u>SUB ORDINATED DEBT</u>		
Dia Vikas Ltd.		2,50,00,000.00
	0.00	2,50,00,000.00
<u>SECURED LOAN - D</u>		
Maanaveeya Holdings Pvt.Ltd.	4,00,00,000.00	
	4,00,00,000.00	
<u>UNSECURED LOAN-E</u>		
Dia Vikas Ltd.	4,64,28,572.00	
	4,64,28,572.00	
<u>SCHEDULE-F</u>		
<u>INVESTMENT PLEDGED WITH BANKS</u>		
Development Credit Bank Ltd. TDR	50,00,000.00	10,00,000.00
Interest Accrued on FD	5,83,827.00	
	55,83,827.00	10,00,000.00
<u>SCHEDULE-G</u>		
<u>INVESTMENT</u>		
Development Credit Bank Ltd. TDR	3,50,00,000.00	
SIDBI	25,00,000.00	
	3,75,00,000.00	
<u>SCHEDULE-H</u>		
<u>CASH & BANK BALANCES :</u>		
Cash in hand (As certified by Director)	17,94,531.43	18,33,826.50
Balances with Scheduled Bank :		
OBC Bhubneshwar	29,38,931.00	41,09,400.00
DCB Current A/c	1,53,542.93	14,850.93
ICICI Bhubaneswar	22,25,407.45	
HDFC Mumbai	40,000.00	
SBI Bhubaneswar	7,32,117.00	
ICICI Bolangir	26,285.00	
Allahabad Bank (Tangi)	15,15,383.00	
SBI Balugaon	64,415.00	
Punjab National Bank	50,00,000.00	
	1,44,90,612.81	59,58,077.43



SCHEDULE-I**LOANS & ADVANCES :**

Loan and Advances	10,48,67,580.00	5,38,00,108.00
Vision India	2,501.00	
Advance Tax paid	2,00,000.00	2,50,000.00
Interest Accrued from SHGs	19,18,279.00	2,02,240.00
Cash In Transit	30,856.00	
ITDS	1,04,350.00	
Maanaveeya Holdings & Investments Pvt. Ltd.	40,000.00	
Work Advance	2,00,000.00	
	<u>10,73,63,566.00</u>	<u>5,42,52,348.00</u>

SCHEDULE-J**CURRENT LIABILITIES & PROVISIONS :****Current Liabilities**

Audit Fees Payable	60,995.00	26,910.00
Development Credit Bank	11,92,210.76	6,68,286.00
Loan Security	1,61,60,239.00	62,96,900.00
Duties & Taxes	1,10,281.00	64,890.00
Income Tax Provision	8,48,669.00	3,55,000.00
Loan Loss Reserve	7,93,498.00	
People's Forum	11,571.00	
	<u>1,91,77,483.76</u>	<u>74,11,986.00</u>

SHAREHOLDINGS PATTERN

GOBINDA CHANDRA PATTANAIK	1,53,37,000.00
DIBYAJYOTI PATTANAIK	6,85,000.00
GULMOHAR DISTRIBUTORS (P) LTD	<u>3,50,00,000.00</u>
TOTAL PAID UP SHARE CAPITAL	<u>5,10,22,000.00</u>




ANNAPURNA MICROFINANCE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

	for the year 31 March 2011 Amount in Rs.
Cash Flows from Operating Activities	
Profit/(Loss) before taxation	3,433,125.62
Adjustment for :	
Depreciation	-
Interest on Term Loan	6,084,664.07
Accrued Interest	(1,918,279.00)
Accrued Interest on FD	(583,827.00)
Operating Loss before Working Capital Changes	7,015,683.69
Disbursement of Loan to SHGs under Financing Activity	(120,483,123.00)
Principal received from loan to SHGs under Financing Activity	69,415,651.00
Increase in Current Liability	10,916,808.76
Interest paid on Term Loans	(6,084,664.07)
Income Tax Paid and increase in other current assets	(151,393.00)
Net Cash used in Operating Activities (A)	(39,371,036.62)
Cash Flows from Investing Activities	
Sale of Investment	
Purchase of Fixed Deposits	(41,500,000.00)
Net Cash used in Investing Activities (B)	(41,500,000.00)
Proceeds from issue of Equity of Share Capital	22,975,000.00
Term Loan/Soft loan Taken	65,000,000.00
Term Loan/Soft Loan Repaid	(3,571,428.00)
Share Application fees received	5,000,000.00
	89,403,572.00
Net Increase in Cash and Bank	8,532,535.38
Cash and Bank at the Beginning of the year	5,958,077.43
Cash and Bank Balance at the End of the Year	14,490,612.81

As per Our reports of even date attached

For B.S.Subudhi & Co
Chartered Accountants


B.S.Subudhi
(Partner)
Membership No:052512
Place : Bhubaneswar
Date : 21st June 2011



For and on behalf of the Board


Gobinda Chandra Pattanaik
Managing Director

Place:Bhubaneswar
Date: 21st June 2011


Dibyajyoti Pattanaik
Director

BALANCE SHEET ABSTRACT AND
COMPANY' S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

0 0 7 8 7 2

State Code.

2 2

Balance Sheet Date

3 1 0 3 1 1

II. Capital Raised during the Year (Amount in Rs. Thousand)

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

2 3 3 7 5 . 0 0

**III Position of Mobilization and Deployment of Funds
(Amount in Rs. Thousand)**

Total Liabilities

1 4 5 7 6 0 . 5 4

Total Assets

1 4 5 7 6 0 . 5 4



Sources of funds

Paid up Capital

	5	1	0	2	2	.	0	0
--	---	---	---	---	---	---	---	---

Reserves & Surplus

		3	3	0	9	.	9	7
--	--	---	---	---	---	---	---	---

Secured Loans

	4	0	0	0	0	.	0	0
--	---	---	---	---	---	---	---	---

Unsecured Loans

	4	6	4	2	8	.	5	7
--	---	---	---	---	---	---	---	---

Application of Funds

Net Fixed Assets

			N	I	L			
--	--	--	---	---	---	--	--	--

Investments

	4	3	0	8	3	.	8	2
--	---	---	---	---	---	---	---	---

Net Current Assets

1	0	2	6	7	6	.	7	2
---	---	---	---	---	---	---	---	---

Misc. Expenditure

		N	I	L				
--	--	---	---	---	--	--	--	--

Accumulated Loss

		N	I	L				
--	--	---	---	---	--	--	--	--

IV. Performance of Company (Amount in Rs. Thousands)

Turnover

		N	I	L				
--	--	---	---	---	--	--	--	--

Total Expenditure

	1	4	7	6	8	.	2	0
--	---	---	---	---	---	---	---	---

Loss Before Tax

		N	I	L				
--	--	---	---	---	--	--	--	--

Loss After Tax

		N	I	L				
--	--	---	---	---	--	--	--	--



Earning per share in Rs.

0	.	6	5				
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Dividend Rate %

		N	I	L			
--	--	---	---	---	--	--	--

For Annapurna Micro Finance Pvt.limited


Managing Director

Dibyuti K. Pattanayak
Director

Date: - 21.06.2011
Place - Bhubaneswar

For B S Subudhi & Co.
Chartered Accountants


(B. S. Subudhi)
Partner
Membership No.:052512



SCHEDULE: K

Schedule to the Audited Financial Statement for the year ended 31st March, 2011

1. SIGNIFICANT ACCOUNTING POLICY

i. Preparation of financial statements

The Financial Statement have been prepared in compliance of notified accounting standards by Companies Accounting Standards Rules, 2006 and Mandatory accounting Standards ('AS') issued by the Institute of Chartered Accountants of India ('ICAI') the relevant provisions of the Companies Act, 1956('the Act') and the provisions of the reserve Bank of India ('RBI') Directives and guidelines as applicable to a non banking financial company. The financial statements have been prepared under the historical cost convention on accrual basis and in certain cases cash basis.

ii. Revenue Recognition

All incomes are recognized on accrual basis and in conformity with directions under Non Banking Financial (Non-Deposit accepting or holding) companies prudential norms (Reserve Bank) directions, 2007 and as per prescribed accounting standards by the Institute of Chartered Accountants of India.

iii. Fixed Assets

No fixed assets have been created by the Company in the current year.

iv. Investments

As Investments are held for long term and they are valued at cost. There is only investment in terms of TDR in Development Credit Bank Ltd and SIDBI of Rs.400, 00,000.00 and Rs.25, 00,000.00 respectively. Out of which Rs.50, 00,000.00 is hypothecated for the managed loan of Development Credit Bank Ltd. as FLDG.

v. Foreign Currency Transaction

No foreign Currency transaction has been occurred during the current year.

vi. Income Tax

Tax provision comprises of current liabilities for income tax. Appropriate provisions have been made for current liability towards income tax according to Income Tax Act, 1961.

vii. Loans And Advances and Provisioning

These are classified as Standard assets, sub standard assets, doubtful assets and loss assets in terms of the Non Banking Financial (Non deposit Accepting or Holding) Companies Prudential



Norms (Reserve Bank) Directions 2007 for the purpose of loan loss provision and for disclosure purposes. The details as classified above are furnished below:

Sl. No	Nature of Assets	Loan Outstanding (Rs)	Provision for loan loss (Rs)
1	Standard Assets	10,45,97,067.00	5,22,985.00
2	Sub-Standard Assets	2,70,513.00	2,70,513.00
3	Doubtful Assets	0.00	0.00
	Total	10,48,67,580.00	7,93,498.00

- All Loans and advances overdue up to 30 days have been classified as standard assets. Overdue beyond 30 days and up to 1 year has been classified as Doubtful Assets.
- Loans and Advances where possibility of recovery is remote in the assessment of Management are classified as loss assets and written off.
- Provision is made on advance outstanding and classified as standard assets@0.5%; provision of 100% is made on advances classified as doubtful assets which are larger than the provision required under the Non Banking financial Companies Prudential (Reserve Bank) Directions, 1998.

viii. Managed Portfolio

The Company has under buyout arrangements, portfolios amounting to Rs. 1,88,97,227.00 as on 31st March, 2011. Such portfolio has been created on behalf of Development Credit Bank Ltd.(DCB) and the ownership of the debts are transferred to DCB. The assets and receivables underlying such loan contracts are owned by the bank and operationally managed by the Company with an obligation to ensure repayments. And the company bears only the risk of FLDG given to DCB (i.e. 15%) as in terms of TDR hypothecated and the percentage loan marked as contingent liability.

ix. High Cash Balance:

The Company has high cash balance at the end of the year because of disbursement was continued in the last week of the month and carried over to April 2011. So the cash remains in hand at the branches.

x. Capital to Risk Asset Ratio (CRAR)

The Company maintained a CRAR ratio of 51.25% as on 31.03.2011.

xi. Maturity pattern of Assets and Liability

The tenure of repayment of present borrowings and corresponding tenure of lending are matched largely.



xii. Managing Director's Remuneration

No remuneration has been decided by the board of directors to pay any remuneration to managing director and no such remuneration has been paid during the year.

xiii. Portfolio Management

The Company has made an agreement with People's Forum to create, manage its portfolio and ensure the recovery in time. For which the Company has paid Rs.63,50,309.36 as portfolio management Charges.

xiv. Related Party Transactions

Entity holding substantial interest-

Name	Nature of Transaction	Amount
People's Forum	Portfolio Management Charges	Rs.63, 50,309.36/-

2. NOTES ON OPERATIONS

- The Company is engaged in microfinance activities directed towards ultimate benefit of the poor women and deprived (organized in the form of Self Help Groups) for enhancement of their livelihoods in a financially viable manner and provides capacity building support to these groups.
- The operations of the company are spread in the state of Orissa and Chhattisgarh only.
- There was a change in the management of the company during the year. All directors of the Company have resigned and new directors have been appointed.
- The Company has 30 branches as on 31.03.2011 and has been servicing 1683 SHGs. The Lending and collection operations are on the proven SHGs model. The Company also inculcates savings habit to the members of SHGs and helps them to create bank linkages and achieve financial inclusion of the deprived. The company has extensive training programmes for its SHGs members, their group leaders and their own staff regarding conduct of meeting, Records keeping, Financial Literacy, Development of Entrepreneurial & Managerial Qualities and Skill training for improving the livelihood, etc.

Previous year's figure have been reclassified and regrouped wherever necessary to confirm to this year's classification.

As per our report of even date

For B.S.Subudhi & Co
Chartered Accountants

(B.S.Subudhi)

Partner



For Annapurna Microfinance Private Ltd.

(Gobinda Chandra Pattanaik)

Managing Director

(Dibyajyoti Pattanaik)

Director

Place: Bhubaneswar
Date: 21st June, 2011