

**SONATA FINANCE PRIVATE LIMITED**

**BALANCE SHEET**

PARTICULARS	SCHEDULES	AS ON 31.12.11 Rs.	AS ON 31.03.11 Rs.
<b>I. SOURCE OF FUNDS:</b>			
<b>SHAREHOLDERS FUNDS:</b>			
Share Capital	A	83,406,950.00	83,406,950.00
Reserves & Surplus	B	324,524,954.93	279,600,259.53
<b>LOAN FUNDS:</b>			
Secured Loans	C	431,375,505.19	686,267,969.88
Unsecured Loans		20,000,000.00	-
<b>TOTAL</b>		<b>859,307,410.12</b>	<b>1,049,275,179.41</b>
<b>II. APPLICATION OF FUNDS:</b>			
<b>FIXED ASSETS</b>			
Gross Block	D	14,199,975.65	13,757,459.65
Less: Accumulated Depreciation		7,116,124.00	5,556,134.00
NET BLOCK		<b>7,083,851.65</b>	<b>8,201,325.65</b>
<b>INVESTMENTS</b>			
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>	E	14,053,715.49	31,809,152.36
a) Cash & Bank Balances	F	318,701,785.90	280,995,354.29
b) Micro Loans to Poor Women			
Total Loan Portfolio in SHG		941,708,440.00	800,160,359.00
Less : Managed Portfolio in SHG		472,594,253.00	79,259,937.00
Owned Loan Portfolio in SHG	G	469,114,187.00	720,900,422.00
Individual Loan		43,042,899.48	20,032,035.00
Cycle Loan		99,883.00	-
ACS Loan		56,700.00	-
		512,313,669.48	740,932,457.00
d) Advances and Other Current Assets	H	75,549,453.61	30,219,687.62
		<b>906,564,908.99</b>	<b>1,052,147,498.91</b>
<b>LESS: Current Liabilities &amp; Provisions</b>			
a) Current Liabilities	I	17,893,386.34	18,868,303.34
b) Provisions for Current Tax		51,626,063.00	25,427,024.00
		<b>69,519,449.34</b>	<b>44,295,327.34</b>
<b>NET CURRENT ASSETS</b>		<b>837,045,459.65</b>	<b>1,007,852,171.57</b>
<b>DEFERRED TAX ASSET (Net)</b>		971,693.00	1,063,521.00
<b>MISCELLANEOUS EXPENDITURE</b>	J	152,690.33	349,008.83
(To the extent not written off or adjusted)			
<b>TOTAL</b>		<b>859,307,410.12</b>	<b>1,049,275,179.41</b>
NOTES ON ACCOUNTS	O	-	-

**SONATA FINANCE PRIVATE LIMITED**

**PROFIT AND LOSS ACCOUNT**

PARTICULARS	SCHEDULES	FOR THE	FOR THE
		PERIOD ENDED	YEAR ENDED
		<b>31.12.11</b>	31.03.11
		Rs.	Rs.
<b>1) INCOME:</b>			
Interest from Micro Credit Loans	G(a)	191,173,821.64	235,714,593.60
Processing Fees		10,898,784.78	13,720,740.10
Interest on Fixed Deposits		5,260,785.26	3,823,941.10
Income from Portfolio Sale		13,603,777.00	4,708,082.00
Other Income	K	5,975,239.20	6,996,857.80
	<b>TOTAL</b>	<b>226,912,407.88</b>	<b>264,964,214.60</b>
<b>2) EXPENDITURE:</b>			
Salaries, benefits to personnel	L	59,241,979.74	79,748,700.00
Administrative Expenses	M	21,924,950.18	23,008,830.35
Finance Charges	N	66,065,163.54	82,570,694.85
Provision for Doubtful Debts		5,436,802.52	611,562.00
Bad Loan written off		1,271,641.00	3,496,692.00
Preliminary Exp. written off		-	0.00
Pre - operative Exp - written off		-	0.00
Business Infrastructure Acquisition Exp - written off		196,318.50	261,758.00
	<b>TOTAL</b>	<b>154,136,855.48</b>	<b>189,698,237.20</b>
<b>PROFIT/(LOSS) BEFORE DEPRECIATION &amp; TAX</b>		72,775,552.40	75,265,977.40
Less: DEPRECIATION		1,559,990.00	2,226,949.00
<b>PROFIT/(LOSS) BEFORE TAX</b>		71,215,562.40	73,039,028.40
Less: PROVISION FOR TAXATION - Current		26,199,039.00	25,427,024.00
Less: F B T Tax		-	0.00
Less: DEFERRED TAX LIABILITY\ (ASSETS)		91,828.00	225,954.00
<b>PROFIT/(LOSS) AFTER TAX</b>		44,924,695.40	47,386,050.40
Less: Reserve Fund @ 20%		9,003,305.00	9,522,401.00
<b>PROFIT/(LOSS) FOR THE YEAR</b>		35,921,390.40	37,863,649.40
ADD : PREVIOUS YEAR PROFIT/( LOSS) BALANCE BROUGHT FORWARD		56,756,512.53	18,892,863.13
<b>TOTAL PROFIT/(LOSS) CARRIED TO BALANCE SHEET</b>		<b>92,677,902.93</b>	<b>56,756,512.53</b>
NOTES ON ACCOUNTS	O		

## SCHEDULES TO ACCOUNTS AS AT DECEMBER 31ST , 2011

### SCHEDULE G: LOANS TO POOR WOMEN UNDER SELF HELP GROUPS/ INDIVIDUAL LENDING

Age and category of Loan outstandings (Owned)	Standard loans		Non-Performing Loans			Total	Provision as per RBI Guidelines Dt 02/12/11
	No Overdues	Overdue upto 4 weeks	Sub-Standard	Doubtful	Lost	31-Dec-11	
			5 to 25 weeks	26 to 50 weeks	Where duration of loan period has expired		
<b>Encumbered / Unsecured</b>							
Regular	465,510,512.00	3,248,727.00	1,359,642.00	2,039,463.00	6,194,735.00	478,353,079	478,353,079.00
Re-scheduled	-	-	-	-	-	-	-
<b>Gross Book Value of the Portfolio of Loan Asset under Self Help Groups</b>	465,510,512.00	3,248,727.00	1,359,642.00	2,039,463.00	6,194,735.00	478,353,079	478,353,079.00
Less: Losses/Bad Debts Written Off (SHG)	-	-	-	-	1,271,641.00	1,271,641	1,271,641.00
Less: Provisions for standard/doubtful loans (SHG)	-	324,873.00	679,821.00	2,039,463.00	4,923,094.00	7,967,251	4,770,814.38
<b>Net book value of the Portfolio of Loan Assets as on 30-11-2011 under Self Help Groups</b>	<b>465,510,512.00</b>	<b>2,923,854.00</b>	<b>679,821.00</b>	-	-	<b>469,114,187</b>	<b>472,310,623.62</b>
<b>Book Value of the Portfolio of Loan Asset under Individual Lending</b>	<b>43,921,326.00</b>	-	-	-	-	43,921,326.00	43,921,326.00
Less: Provisions for standard/doubtful loans on Individual Lending						878,426.52	439,213.26
<b>Total Provisoning amount</b>						<b>43,042,899</b>	<b>43,482,113</b>

### SCHEDULE G(a): INTEREST ON LOANS TO POOR WOMEN UNDER SELF HELP GROUPS/ INDIVIDUAL LENDING

Age and category of Loan outstanding	Standard loans		Non-Performing Loans			Total	Total
	No Overdues	Overdue up to 4 weeks	Sub-Standard 5 to 50 weeks	Doubtful 26 to 50 weeks	Lost Where duration of loan period has expired	31-Dec-11	31-Mar-11
Interest Received During the period	216,320,542.36	-	-	-	-	216,320,542.36	241,388,847.00
Less: Intt. Due but not collected (Previous F.Y.)	-	-	-	-	-	-	-
Less :Intt. Accrued (Previous F.Y.)	1,924,522.00	-	-	-	-	1,924,522.00	1,711,213.00
Add:	214,396,020.36	-	-	-	-	214,396,020.36	239,677,634.00
Interest Due But Not Received	-	-	-	-	-	-	-
Interest Accrued	1,160,588.00	-	-	-	-	1,160,588.00	1,924,522.00
Less:	-	-	-	-	-	-	-
Interest on Buy out Portfolio	24,382,786.72	-	-	-	-	24,382,786.72	5,887,562.40
<b>Total</b>	<b>191,173,821.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>191,937,755.64</b>	<b>235,714,593.60</b>

**SCHEDULES TO ACCOUNTS FOR THE PERIOD ENDED ON DECEMBER 31ST , 2011**

**SCHEDULE D: FIXED ASSETS**

Rs.

PARTICULARS	GROSS BLOCK				DEPRECIATION					WRITTEN DOWN VALUE	
	As on	Additions	Sales/ Transfer	As on	As on	Rate of	For the Period		Total	As on	
	01.04.2011	during the period	during the period	31.12.2011	1.4.2011	Depreciation	Additions during Period	Disposals	As on 31.12.2011	31.12.11	31.03.2011
Furniture and Fixtures	4,765,417	94,048	-	4,859,465	1,353,491	18.10%	473,834	-	1,827,325	3,032,140	3,411,926
Electrical Fittings	1,563,399	270,368	-	1,833,767	468,694	18.10%	166,134	-	634,828	1,198,939	1,094,705
Computers	3,833,920	15,300	-	3,849,220	2,346,216	40.00%	451,584	-	2,797,800	1,051,420	1,487,704
Generator	868,284	-	-	868,284	161,195	13.91%	74,104	-	235,299	632,985	707,089
Office Equipment	481,768	52,800	-	534,568	114,489	18.10%	52,878	-	167,367	367,201	367,279
Vehicle	29,724	-	-	29,724	19,089	25.89%	2,074	-	21,163	8,561	10,635
Computer Software	2,214,948	10,000	-	2,224,948	1,092,960	40.00%	339,382	-	1,432,342	792,606	1,121,988
<b>Total</b>	<b>13,757,460</b>	<b>442,516</b>	<b>-</b>	<b>14,199,976</b>	<b>5,556,134</b>		<b>1,559,990</b>	<b>-</b>	<b>7,116,124</b>	<b>7,083,852</b>	<b>8,201,326</b>

**SONATA FINANCE PRIVATE LIMITED**

<b>SCHEDULE - C</b>	<b>AS ON</b>	<b>AS ON</b>
<b>Secured Loans</b>	<b>31.12.11</b>	<b>31.03.11</b>
	<b>Rs.</b>	<b>Rs.</b>
HDFC Bank <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	-	18,633,333.36
Axis Bank <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	7,142,852.00	28,571,426.00
Ananya Finance <i>(Secured against hpothecation of Book Debts)</i>	17,777,770.00	61,944,429.00
A B N AMRO <i>(Secured against hpothecation of Book Debts)</i>	-	2,500,000.00
SIDBI <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	74,993,000.00	107,138,000.00
Yes Bank <i>(Secured against hpothecation of Book Debts)</i>	833,333.39	8,333,333.36
Central Bank of India <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	58,114,003.00	83,114,005.00
Manveeva Holding <i>(Secured against hpothecation of Book Debts)</i>	110,000,000.00	100,000,000.00
IndusInd Bank <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	6,666,666.71	40,000,000.01
Reliance Capital <i>(Secured against hpothecation of Book Debts)</i>	8,467,255.09	48,527,988.15
Corporation Bank <i>(Secured against hpothecation of Book Debts)</i>	24,800,000.00	37,400,000.00
Mas Financial Services Ltd. <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	-	50,000,000.00
Micro Venture <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	60,000,000.00	55,000,000.00
Union Bank of India <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	32,580,625.00	45,105,455.00
IFMR <i>(Secured against hpothecation of Book Debts &amp; Pledge of FDR)</i>	30,000,000.00	-
	<b>431,375,505.19</b>	<b>686,267,969.88</b>
<b>Unsecured Loan</b>		
Bellwether Microfinance Fund Pvt. Ltd.	20,000,000.00	-
	<b>20,000,000.00</b>	<b>-</b>
<b>SCHEDULE - E</b>	<b>AS ON</b>	<b>AS ON</b>
<b>Investments</b>	<b>31.12.11</b>	<b>31.03.10</b>
	<b>Rs.</b>	<b>Rs.</b>
- In Shares (Unquoted) (50000 fully paid up Equity Shares of Alpha Micro Finance Consultants Pvt Ltd)	500,000.00	500,000.00
- In Quoted Mutual Funds (Debt Fund)	13,553,715.49	31,309,152.36
	<b>14,053,715.49</b>	<b>31,809,152.36</b>

**SONATA FINANCE PRIVATE LIMITED**

<b>SCHEDULE - F</b>	<b>AS ON</b>	<b>AS ON</b>
<b>CASH AND BANK BALANCES</b>	<b>31.12.11</b>	<b>31.03.11</b>
	<b>Rs.</b>	<b>Rs.</b>
Cash in hand	271,968.18	109,857.00
Cheque/DD in Transit	22,040.00	367,394.00
<b>Sub Total (A)</b>	<b>294,008.18</b>	<b>477,251.00</b>
<b>Balance in Fixed Deposit</b>		
<b>- Pledged to</b>		
SIDBI	15,000,000.00	
AXIS BANK	2,500,000.00	
DCB	5,330,000.00	
MAS FINANCIALS	32,328,766.00	
HDFC Bank	750,000.00	
Union Bank	22,500,000.00	
Central Bank of India	5,000,000.00	
Dhanlaxmi Bank	2,474,218.00	
Micro Venture	3,000,000.00	
IFMR	38,887,675.00	
IndusInd Bank	5,000,000.00	
	132,770,659.00	82,406,699.56
<b>- UnPledged Fixed Deposit</b>	-	45,000,000.00
<b>Sub Total (B)</b>	<b>132,770,659.00</b>	<b>127,406,699.56</b>
<b>Balances with Scheduled Bank in Current Accounts</b>		
<b>At Head Office</b>	133,825,559.10	70,062,674.51
<b>At Branches in U. P. :</b>		
Allahabad & Rewa Region	14,557,510.25	22,009,471.52
Rai Bareli & Lucknow Region	6,330,973.70	8,507,299.45
Kanpur Region	2,134,549.88	6,048,013.88
Bareli Region	2,559,148.20	3,552,258.84
Moradabad Region	4,182,532.25	3,005,758.00
Saharanpur Region	4,953,257.40	2,635,241.58
Hathras Region	1,353,055.00	2,633,496.00
Sultanpur Region	7,366,943.55	5,941,087.78
Individual Lending	1,493,743.11	1,680,819.07
<b>At Branches in M. P. :</b>		
Jabalpur Region	6,879,846.28	27,035,283.10
<b>Sub Total (C)</b>	<b>185,637,118.72</b>	<b>153,111,403.73</b>
<b>Grand Total(A+B+C)</b>	<b>318,701,785.90</b>	<b>280,995,354.29</b>

**SONATA FINANCE PRIVATE LIMITED**

**SCHEDULE - A**

**SHARE CAPITAL:**

	<b>AS ON 31.12.11 Rs.</b>	<b>AS ON 31.03.11 Rs.</b>
AUTHORISED 10,000,000 Equity Shares of Rs. 10/- each	100,000,000.00	100,000,000.00
5,000,000 Preference Shares of Rs.10/- each	50,000,000.00	50,000,000.00
	<b>150,000,000.00</b>	<b>150,000,000.00</b>

**ISSUED, SUBSCRIBED & PAID UP CAPITAL**

8,340,695 Equity Shares of Rs 10/- each fully paid up (Of the above shares, 1,250,000 shares are held by Sonata Employee Welfare Trust . )	83,406,950.00	83,406,950.00
Nil Preference Shares	0.00	0.00
<b>TOTAL</b>	<b>83,406,950.00</b>	<b>83,406,950.00</b>

**SCHEDULE - B**

**RESERVE & SURPLUS**

Reserve Fund:			
Opening Balance	15,913,369		
Add : Transfer during the year	9,003,305	24,916,674.00	15,913,369.00
Securities Premium		206,930,378.00	206,930,378.00
Profit and Loss Account		92,677,902.93	56,756,512.53
<b>TOTAL</b>		<b>324,524,954.93</b>	<b>279,600,259.53</b>

**SONATA FINANCE PRIVATE LIMITED**

<b>SCHEDULE - H</b>	<b>AS ON 31.12.11 Rs.</b>	<b>AS ON 31.03.11 Rs.</b>
<b>ADVANCES AND OTHER CURRENT ASSETS:</b>		
Amount Recoverable from Sonata Employee Welfare Trust	13,037,000.00	13,037,000.00
Advance to Personnel	798,931.00	220,575.00
Personal Advance	4,765,934.00	450,181.50
Accrued Interest on Micro credit lendings	1,160,588.00	1,924,522.00
Others Advances & Recoverables	20,710,989.22	5,755,331.27
Interest Accrued on Fixed Deposit with Banks	6,690,496.45	3,608,901.25
Other Income Accrued	-	-
Other Current Asset(Client Insurance Prem)	949,313.70	1,026,653.70
Advance Tax	27,416,775.00	3,000,000.00
Advance Tax Refundable	-	1,167,595.00
Printing & Stationery Stock	19,426.24	28,927.90
<b>TOTAL</b>	<b>75,549,453.61</b>	<b>30,219,687.62</b>
<b>SCHEDULE - I</b>		
<b>CURRENT LIABILITIES:</b>		
Other Liabilities	9,924,852.38	12,480,030.08
Statutory Dues payable	1,285,240.96	1,655,554.26
Audit fees payable	-	89,343.00
Advance Collection from Center	6,683,293.00	4,643,376.00
Payable to IFMR (Buy Out)	-	-
Payable to ICICI Bank (Buy Out)	-	-
	<b>17,893,386.34</b>	<b>18,868,303.34</b>
<b>SCHEDULE - J</b>		
<b>MISCELLANEOUS EXPENDITURE:</b>		
(to the extent not written off or adjusted)		
Preliminary Expenses	-	-
LESS : 1/5th p.a Written Off	-	-
Total ( A )	-	-
Pre-Operative Expenses	-	-
LESS : 1/5th p.a Written Off	-	-
Total( B )	-	-
Business Infrastructure Acquisition Exp	349,008.83	610,766.83
LESS : 1/5th p.a Written Off	196,318.50	261,758.00
Total( C )	<b>152,690.33</b>	<b>349,008.83</b>
TOTAL ( A + B+C )	<b>152,690.33</b>	<b>349,008.83</b>



**SONATA FINANCE PRIVATE LIMITED**

	<b>FOR THE PERIOD ENDED <u>31.12.11</u> Rs.</b>	<b>FOR THE YEAR ENDED <u>31.03.11</u> Rs.</b>
<b><u>SCHEDULE - K</u></b>		
<b>OTHER INCOME:</b>		
Interest income from staff loan	176,886.00	302,033.00
Insurance Income	2,579,062.21	3,375,363.91
Gain on sale of Mutual Funds	2,357,566.74	2,168,382.65
Administrative Service Income	419,748.20	910,057.41
Commission on Money Transfer	80,790.05	27,992.60
Other Income	361,186.00	213,028.23
TOTAL	<b>5,975,239.20</b>	<b>6,996,857.80</b>
<b><u>SCHEDULE - L</u></b>		
<b>SALARIES &amp; BENEFITS TO PERSONNEL</b>		
Director's Remuneration	3,939,940.00	5,285,000.00
Director's Travelling Expenses	1,311,067.00	1,234,576.00
Employees Cost under ESOP to directors	-	-
Salaries	21,497,054.27	34,485,252.00
Allowances	24,924,099.97	26,513,571.00
Bonus and Incentives	7,569,818.50	12,230,301.00
TOTAL	<b>59,241,979.74</b>	<b>79,748,700.00</b>
<b><u>SCHEDULE - M</u></b>		
<b>OTHER ADMINISTRATIVE EXPENDITURE:</b>		
Rent	4,836,347.00	5,680,950.00
Rates	-	184.00
Printing & Stationary	1,951,890.37	2,625,625.85
Travelling & Conveyance	2,615,795.00	3,430,529.00
Entertainment Exp.	535,562.00	526,205.00
Postage & Telegrams	93,634.00	91,078.50
Electricity Charges	487,962.00	528,962.00
Telephone Charges	799,550.50	761,634.00
Repair & Maintenance	1,731,075.00	1,884,874.50
Auditor's Fee	-	165,450.00
Professional Charges	3,491,158.00	224,852.00
Consultancy Fees	304,484.00	549,230.00
Miscellaneous Expenses	3,169,868.31	3,110,293.50
Legal & Filing Fee	508,362.00	478,767.00
Board Meeting Expenses	552.00	56,327.00
Statutory Expenses	683,793.00	1,337,522.00
Training and Recruitment Expenses	120,007.00	281,264.00
Placement Fees	-	-
Income tax	-	149,534.00
Technical Knowhow Expenses	594,910.00	1,125,548.00
TOTAL	<b>21,924,950.18</b>	<b>23,008,830.35</b>
<b><u>SCHEDULE - N</u></b>		
<b>FINANCE CHARGES</b>		
Interest on Borrowings	61,091,831.41	74,757,158.35
Loan Processing Fees & Bank Charges	4,973,332.13	7,813,536.50
TOTAL	<b>66,065,163.54</b>	<b>82,570,694.85</b>