



# S.M.I.L.E. MICROFINANCE LIMITED

CIN:U67190TN1995PLC030604

SMILE/BSE/DEBT/2018/13

May 29, 2018

To,  
The General Manager  
BSE Limited.  
1<sup>st</sup> Floor P J Towers,  
Dalal Street,  
Mumbai - 400001,  
India

Dear Sir/ Madam

Sub: Annual Audited Financial Results and submission under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31<sup>st</sup> March 2018.

**Ref: Scrip Code: 957071 & 956942**

The Board of Directors of the Company at their meeting held on 29<sup>th</sup> May 2018, inter-Alia, considered and approved the Audited Financial Results of the Company for the Financial Year ended 31st March 2018.

In terms of Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements), Regulations, 2015 (LODR), please find enclosed herewith the following;

1. Annual Audited Financial Results along with Annual Audit report and Declaration of unmodified opinion as required under regulation 52(2) and 52(3) of LODR for the financial year 31<sup>st</sup> March 2018 as Annexure I, II and III respectively.
2. Disclosures in accordance with regulation 52(4) of LODR for the half year ended 31<sup>st</sup> March 2018 as Annexure IV.
3. Certificate of debenture trustee as required under regulation 52(5) of LODR as Annexure V.
4. Statement with respect to material deviation in use of proceeds of issue of Non Convertible Debt Security as required under regulation 52(7) of LODR for the financial year ended 31<sup>st</sup> March 2018 as Annexure VI.

Kindly acknowledge receipt and update the same in your records.

Thank you

Yours faithfully,  
For S.M.I.L.E. MICROFINANCE LIMITED

R VENKATASUBRAMANIAN  
COMPANY SECRETARY



REGISTERED OFFICE : 'The Galaxy', No: 30, 48th Street, 9th Avenue, Ashok Nagar, Chennai – 600 083. Tamilnadu, INDIA.

Ph : 044-23718588, 42910100 Fax : 044-2371 8589

REGIONAL OFFICE : 5/102-C, V.I.P. Garden, Opp. Madurai High Court, Melur Road, Madurai - 625 107.

Ph : 0452 - 2443200 Mobile : 99524 00937

E-mail : [info@smileltd.in](mailto:info@smileltd.in) Website : [www.smileltd.in](http://www.smileltd.in)

# Deloitte Haskins & Sells LLP

Chartered Accountants  
ASV N Ramana Tower,  
52, Venkatnarayana Road,  
T. Nagar,  
Chennai - 600 017,  
Tamil Nadu, India

Tel: +91 44 6600 5000  
Fax: +91 44 6688 5050

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF S.M.I.L.E. MICROFINANCE LIMITED

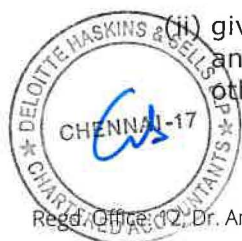
1. We have audited the accompanying Statement of Financial Results of **S.M.I.L.E. MICROFINANCE LIMITED** ("the Company"), for the year ended March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related financial statements which has been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year ended March 31, 2018.



**Deloitte  
Haskins & Sells LLP**

The Statement includes the results for the six months ended March 31, 2018 being the balancing figure between the audited figures in respect of the full financial year and the figures for the six months ended September 30, 2017 as prepared by the management on which no limited reviews has been performed by us (Refer Note 6).

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Geetha Suryanarayanan**  
Partner  
(Membership No. 29519)

Place: Chennai  
Date: May 29, 2018





# S.M.I.L.E. MICROFINANCE LIMITED

CIN:U67190TN1995PLC030604

S.M.I.L.E. MICROFINANCE LIMITED				
Statement of Audited Financial Results for the six months / year ended March 31, 2018				
Particulars	Six months ended	Six months ended	Year ended	Year ended
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Unaudited	Unaudited	Audited	Audited
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
1 Revenue from operations	5,330.26	3,897.94	9,962.04	7,024.19
2 Other income	137.24	57.21	199.57	106.58
3 Total revenue (1+2)	5,467.50	3,955.15	10,161.61	7,130.77
4 Expenses				
(a) Finance costs	2,560.63	1,921.65	4,790.86	3,243.30
(b) Provisions and Write Offs	95.07	177.37	130.77	255.91
(c) Employee benefits expense	1,126.53	751.42	1,885.36	1,406.13
(d) Depreciation and amortisation expense	15.21	17.14	25.55	34.50
(e) Other expenses	510.33	451.93	876.06	783.22
Total expenses	4,307.77	3,319.51	7,708.60	5,723.06
5 Profit before tax (3-4)	1,159.73	635.64	2,453.01	1,407.71
6 Tax expense				
- Current tax	458.60	260.59	970.00	577.13
- Short provision for tax relating to prior years	-	-	2.07	-
- Deferred tax	(202.57)	(3.64)	(202.57)	(3.64)
Net tax expense	256.03	256.95	769.50	573.49
7 Profit for the period / year (5-6)	903.70	378.69	1,683.51	834.22
8 Paid-up Equity Share Capital	1,733.96	1,733.96	1,733.96	1,733.96
9 Reserves excluding Revaluation Reserves	NA	NA	9,187.69	7,504.18
10 Analytical Ratios				
i) Capital Adequacy Ratio	23.29%	27.54%	23.29%	27.54%
ii) Earnings per Share (of Rs. 10/- each) (EPS)				
a) Basic (Not annualised for six months)	5.21	2.18	9.71	4.81
b) Diluted (Not annualised for six months)	5.21	2.18	9.71	4.81
11 NPA Ratios				
i) Gross NPA	48.48	7.47	48.48	7.47
ii) % of Gross NPA	0.10%	0.02%	0.10%	0.02%
iii) Net NPA	-	-	-	-
iv) % of Net NPA	-	-	-	-
v) Return on Assets (Not annualised for six months)	1.78%	1.02%	3.47%	2.56%
12 Debt Equity Ratio	4.01	3.18	4.01	3.18
13 Net worth	10,921.65	9,238.14	10,921.65	9,238.14



On behalf of the Board of Directors

Indrani Bhagwan Singh  
Chairman & Managing Director

Place : Chennai  
Date : May 29, 2018



REGISTERED OFFICE : 'The Galaxy', No: 30, 48th Street, 9th Avenue, Ashok Nagar, Chennai – 600 083. Tamilnadu, INDIA.

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# S.M.I.L.E. MICROFINANCE LIMITED

CIN:U67190TN1995PLC030604

S.M.I.L.E MICROFINANCE LIMITED		
Notes:		
1. Balance Sheet as at March 31, 2018		
Particulars	As at	As at
	March 31, 2018	March 31, 2017
	Rs. in lakhs	Rs. in lakhs
	(Audited)	(Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	1,733.96	1,733.96
(b) Reserves and surplus	9,187.69	7,504.18
	10,921.65	9,238.14
<b>2 Non-current liabilities</b>		
(a) Long-term borrowings	25,567.49	17,465.70
(b) Long-term provisions	147.71	34.97
	25,715.20	17,500.67
<b>3 Current liabilities</b>		
(a) Short-term borrowings	935.75	480.61
(b) Current Maturities of long term borrowings	17,338.52	11,440.19
(c) Trade payables		
i) Total outstanding dues of micro enterprises and small enterprises	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	105.92	70.50
(d) Other current liabilities	867.88	1,382.85
(e) Short-term provisions	544.39	580.60
	19,792.46	13,954.75
<b>TOTAL</b>	<b>56,429.31</b>	<b>40,693.56</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant & equipment		
(i) Tangible assets	61.11	74.66
(ii) Intangible assets	6.03	9.86
Total	67.14	84.52
(b) Deferred tax assets	225.33	22.77
(c) Long term receivables under financing activities	3,802.46	2,816.47
(d) Long-term loans and advances	100.00	101.43
(e) Other non current assets	2,131.87	1,748.80
	6,326.80	4,773.99
<b>2 Current assets</b>		
(a) Short term receivables under financing activities	43,325.72	27,941.59
(b) Inventories	-	2.40
(c) Cash and bank balances	6,308.43	7,392.99
(d) Short-term loans and advances	109.99	112.46
(e) Other current assets	358.37	470.13
	50,102.51	35,919.57
<b>TOTAL</b>	<b>56,429.31</b>	<b>40,693.56</b>



On behalf of the Board of Directors

Indrani Bhagwan Singh  
Chairman & Managing Director

Place : Chennai  
Date : May 29, 2018

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# S.M.I.L.E. MICROFINANCE LIMITED

CIN:U67190TN1995PLC030604


## S.M.I.L.E MICROFINANCE LIMITED

### Notes (Contd):

2. The financial results for the six months / year ended March 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 17, 2018 and May 29, 2018 respectively. The financial statements for the years ended March 31, 2018 and March 31, 2017 have been audited by the respective Statutory auditors.
3. During the year ended 31 March 2018, the Company issued Non - Convertible Debentures aggregating to Rs. 8,450 lakhs on Private Placement basis. The Non- Convertible Debentures aggregating to Rs. 6,450 lakhs were listed with BSE Limited during October 2017 pursuant to which the Company is required to comply with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the first time for the six months ended 31 March 2018.
- 4(a) Employee benefit expenses for the year ended 31 March 2018 includes Rs. 249.53 lakhs relating to prior years.
- 4(b) Deferred Tax includes Rs. 134.32 lakhs recognised as an asset on provision applicable as per RBI Norms relating to prior years.
5. During the year, the Company has changed the accounting policy with respect to accounting for processing fee paid on borrowings. Hitherto, the Company amortized such payments over the tenure of the borrowings; however from the current year the amount is expensed as and when it is incurred and consequently profit before tax for the year is understated by Rs. 199.30 lakhs.
6. The figures for the six months ended March 31, 2018 and March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year and the figures for the six months ended September 30, 2017 and September 30, 2016 respectively. The figures for the 6 months ended September 30, 2017 and September 30, 2016 are as prepared by the management and were not required to be subject to a limited review by the statutory auditors / predecessor auditor of the Company as referred to in Note 3 above.
7. The comparative financial information of the immediately preceding year ended March 31, 2017 were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements vide their report dated June 8, 2017.
8. Previous year / period figures have been regrouped wherever necessary to conform to the current year presentation.



On behalf of the Board of Directors

  
Indrani Bhagwan Singh  
Chairman & Managing Director

Place : Chennai  
Date : May 29, 2018



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# S.M.I.L.E. MICROFINANCE LIMITED

SMILE/BSE/ DEBT/ 2018/14

CIN:U67190TN1995PLC030604

May 29, 2018

To,  
The General Manager  
BSE Limited.  
1<sup>st</sup> Floor P J Towers,  
Dalal Street,  
Mumbai - 400001,  
India

Dear Sir/Madam,

Sub: Declaration pursuant to Regulation 52(3) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Ref: Scrip Code: 957071 & 956942**

Pursuant to Regulation 52(3)(a) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015, as amended from time to time, I, V T Prabakaran, Chief Financial Officer of S.M.I.L.E. Microfinance Limited (CIN: U67190TN1995PLC030604), having its Registered Office at The Galaxy, No. 30, 48<sup>th</sup> Street, 9<sup>th</sup> Avenue, Ashok Nagar, Chennai - 600083 do hereby declare that, the Statutory Auditors of the Company, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number: 117366W/W-100018) have issued an Audit Report with an unmodified opinion on the Audited Financial Results of the Company for the year ended 31<sup>st</sup> March 2018.

Kindly update the same in your records.

Thank you

Yours faithfully,  
**For S.M.I.L.E. MICROFINANCE LIMITED**

  
**V T PRABAKARAN**  
**CHIEF FINANCIAL OFFICER**



REGISTERED OFFICE : 'The Galaxy', No: 30, 48th Street, 9th Avenue, Ashok Nagar, Chennai – 600 083. Tamilnadu, INDIA.

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# S.M.I.L.E. MICROFINANCE LIMITED

CIN:U67190TN1995PLC030604

Disclosure pursuant to Regulations 52(4) of the SEBI Listing Obligations and Disclosure Requirements Regulations 2015

Particulars	Year ended March 31, 2018
a) Credit rating	CARE BBB; Stable
b) Asset cover available, in case of non convertible debt	1.10 times
c) debt-equity ratio	4.01 : 1.00
d) previous due date for the payment of interest/ dividend for non-convertible redeemable preference shares/ repayment of principal of non-convertible preference shares /non convertible debt securities and whether the same has been paid or not; and,	<b>Annexure A</b>
e) next due date for the payment of interest/ dividend of non-convertible preference shares /principal along with the amount of interest/ dividend of non-convertible preference shares payable and the redemption amount	<b>Annexure B</b>
f) debt service coverage ratio	Not applicable for NBFCs
g) interest service coverage ratio	Not applicable for NBFCs
h) outstanding redeemable debentures (quantity and value);	<b>Annexure C</b>
i) capital redemption reserve/debenture redemption reserve;	Not applicable for Privately placed debentures
j) net worth;	In Lakh 10,921.65
k) net profit after tax;	In Lakh 1,683.51
l) earnings per share:	In Rs. 9.71

For S.M.I.L.E MICROFINANCE LIMITED

  
R. VENKATASUBRAMANIAN  
Company Secretary  
ACS Mem. No. A32567

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# S.M.I.L.E. MICROFINANCE LIMITED

CIN:U67190TN1995PLC030604

## Consent Letters (CL) issued by Catalyst Trusteeship Ltd

Consent Letter / Tranche Reference No.	Consent / Tranche Date	ISIN	Series Name	Issue Size (Rs Crore)
CL/MUM/17-18/DEB/185	16-Aug-17	INE786V07043	-	25.80
CL/MUM/17-18/DEB/186	16-Aug-17	INE786V07050	-	38.70

## ANNEXURE - A

### Details of redemption & payment of interest during last half year ending March 31, 2018:

Consent Letter / Tranche Reference No.	Series / Tranche	ISIN	Type (Principal / Interest)	Due date of payment	Amount (Rs.)	Actual date of payment
CL/MUM/17-18/DEB/185	-	INE786V07043	Interest	15-03-2018	16580988.49	15-03-2018

## ANNEXURE - B

### Details of redemption & interest due in the next half-year i.e. 01.04.2018 to 30.09.2018:

Consent Letter / Tranche Reference No.	Series / Tranche	ISIN	Type (Principal / Interest)	Due date of payment	Amount (Rs.)
CL/MUM/17-18/DEB/186	-	INE786V07050	Interest	05-04-2018	25008894
CL/MUM/17-18/DEB/185	-	INE786V07043	Interest	15-09-2018	16855812

Company does not expect default in payment of principal / interest due in next half year

## ANNEXURE - C

### Details of Outstanding redeemable Non Convertible Debentures (Quantity and face value)

S.No	ISIN	Issue date	Quantity (No. of Debentures)	Face Value	Amount outstanding (in Rs)
1	INE786V07050	05-10-2017	387	Rs. 10,00,000	38,70,00,000/-
2	INE786V07043	15-09-2017	258	Rs. 10,00,000	25,80,00,000/-

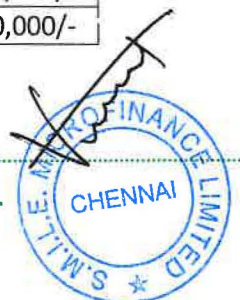
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No.CTL/DEB/18-19/Noting Certificate

May 29, 2018

To Whomsoever It May Concern,


**CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by S.M.I.L.E Microfinance Limited (“**the Company**”) for the Half year ended March 31, 2018.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**

  
**Authorised Signatory**  
*Encl: Results submitted by Company*





# S.M.I.L.E. MICROFINANCE LIMITED

CIN:U67190TN1995PLC030604

SMILE/BSE/ DEBT/ 2018/14

May 29, 2018

To,  
The General Manager  
BSE Limited.  
1<sup>st</sup> Floor P J Towers,  
Dalal Street,  
Mumbai - 400001,  
India

Dear Sir/Madam,

**Sub: Statement with respect to material deviation in use of proceeds of issue of Non-Convertible Debt Security for the half year ended 31<sup>st</sup> March 2018.**  
**Ref: Scrip Code: 957071 & 956942**

Pursuant to Regulation 52 (7) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company hereby confirms that there were no deviations in use of proceeds of issue of Non-Convertible Debt Security from the objects stated in respective offer document for the half year ended 31<sup>st</sup> March 2018.

Kindly update the same in your records.

Thank you

Yours faithfully,  
For S.M.I.L.E. MICROFINANCE LIMITED


**V T PRABAKARAN**  
**CHIEF FINANCIAL OFFICER**

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