

Limited Review Report

**Review Report to
The Board of Directors
SKS Microfinance Limited**

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of SKS Microfinance Limited ('the Company') for the quarter ended December 31, 2013, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E
Chartered Accountants



per **Viren H. Mehta**
Partner
Membership No.: 048749

Place: Mumbai
Date: January 24, 2014

Statement of Standalone Unaudited Financial Results for the Quarter / Nine month ended December 31, 2013

Rs. In lakhs

Sr No.	Particulars	Quarter ended				Nine month ended		Year ended March 31, 2013 Audited
		December 31, 2013 Unaudited	September 30, 2013 Unaudited	December 31, 2012 Unaudited	December 31, 2013 Unaudited	December 31, 2012 Unaudited		
1	Income from operations Other operating income Total income from operations	11,481.41 1,850.47 13,331.88	11,427.11 1,568.09 12,995.20	7,270.93 1,234.65 8,505.58	33,189.03 4,880.61 38,069.64	19,520.64 4,189.66 23,710.30	27,825.47 5,394.28 33,219.75	
2	Expenses Employee benefits expenses Depreciation and amortization expenses Provisions and write offs Other expenses Total expenses	4,140.00 101.69 (167.65) 1,995.60 6,069.64	3,904.40 105.32 384.55 2,012.07 6,406.34	3,746.62 149.84 28.36 1,467.97 5,392.79	12,248.89 304.90 1,306.99 5,693.79 19,554.57	13,289.49 506.35 24,345.56 6,610.21 44,751.61	17,267.04 643.55 24,442.29 8,345.44 50,698.32	
3	Profit / (loss) from operations before other income & finance costs (1-2)	7,262.24	6,588.86	3,112.79	18,515.07	(21,041.31)	(17,478.57)	
4	Other income	634.45	523.58	514.63	1,676.21	1,348.42	2,036.62	
5	Profit / (loss) before finance costs (3+4)	7,896.69	7,112.44	3,627.42	20,191.28	(19,692.89)	(15,441.95)	
6	Finance costs	5,754.11	5,478.34	3,512.30	15,917.61	10,291.34	14,271.92	
7	Profit / (loss) before tax (5-6)	2,142.58	1,634.10	115.12	4,273.67	(29,984.23)	(29,713.87)	
8	Tax expense (including deferred tax)	-	-	-	-	-	-	
9	Profit / (loss) after tax (7-8)	2,142.58	1,634.10	115.12	4,273.67	(29,984.23)	(29,713.87)	
10	Paid-up equity share capital(Face Value of Rs. 10 Each)	10,821.27	10,821.27	10,821.27	10,821.27	10,821.27	10,821.27	
11	Reserves (excluding Revaluation reserves)	-	-	-	-	-	-	
12	Earnings Per Share (EPS) (Not annualised)	1.98	1.51	0.11	3.95	(32.01)	(30.55)	
	Basic	1.98	1.51	0.11	3.95	(32.01)	(30.55)	
	Diluted	1.98	1.51	0.11	3.95	(32.01)	(30.55)	
Part II								
Particulars of shareholding								
1	Public shareholding - Number of shares - Percentage of shareholding	78,024,007 72.10%	77,244,233 71.38%	79,026,592 73.03%	78,024,007 72.10%	79,026,592 73.03%	80,050,068 73.97%	
2	Promoters and Promoter Group Shareholding a) Pledged / Encumbered - Number of shares - Percentage of shares - Percentage of total shareholding of promoter and promoter group) b) Non - encumbered - Number of shares - Percentage of shares - Percentage of total shareholding of promoter and promoter group) - Percentage of shares (% of the total share capital of the company)	Nil Nil Nil Nil 30,188,691 100% 27.90%	Nil Nil Nil Nil 30,968,465 100% 28.62%	Nil Nil Nil Nil 29,186,106 100% 26.97%	Nil Nil Nil Nil 30,188,691 100% 27.90%	Nil Nil Nil Nil 29,186,106 100% 26.97%	Nil Nil Nil Nil 28,162,630 100% 26.03%	
Part I								
Particulars		Quarter ended December 31, 2013						
B	Investor complaints Pending at the beginning of the quarter Received during the quarter Disposed off during the quarter Remaining unresolved at the end of the quarter	- 4 4 -						



SIGNED FOR IDENTIFICATION
 BY *Welle*
 24/1/14
S. R. BATLIBOI & CO. LLP
 MUMBAI

SKS MICROFINANCE LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTH ENDED DECEMBER 31, 2013

Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 24, 2014 in terms of clause 41 of Listing Agreement.
2. The Statutory Auditors have carried out the 'Limited Review' of the results for the quarter ended December 31, 2013.
3. The net deferred tax asset amounting to Rs.56,701.25 lakhs as at December 31, 2013 has not been recognized. The said sum of Rs. 56,701.25 lakhs will be available to offset tax on future taxable income. For the quarter ended December 31, 2013, the Company has posted a net profit of Rs.2,142.58 lakhs and given the carried forward tax loss, no tax provision is required for this quarter.
4. The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 (as amended). The Company operates in a single geographical segment i.e. domestic.
5. Figures for the previous periods have been regrouped/ rearranged wherever necessary to conform to current period presentation.

Place: Mumbai

For SKS Microfinance Limited

Date: January 24, 2014

