

EARNINGS UPDATE – Q3 FY11



January 2011

SKS Microfinance Limited

BSE: 533228 NSE: SKSMICRO

www.sksindia.com

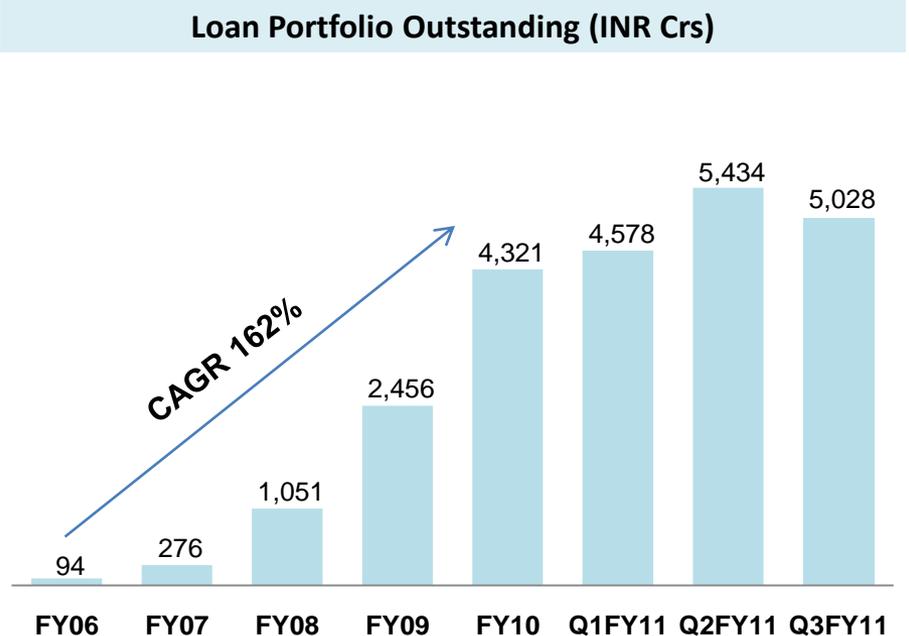
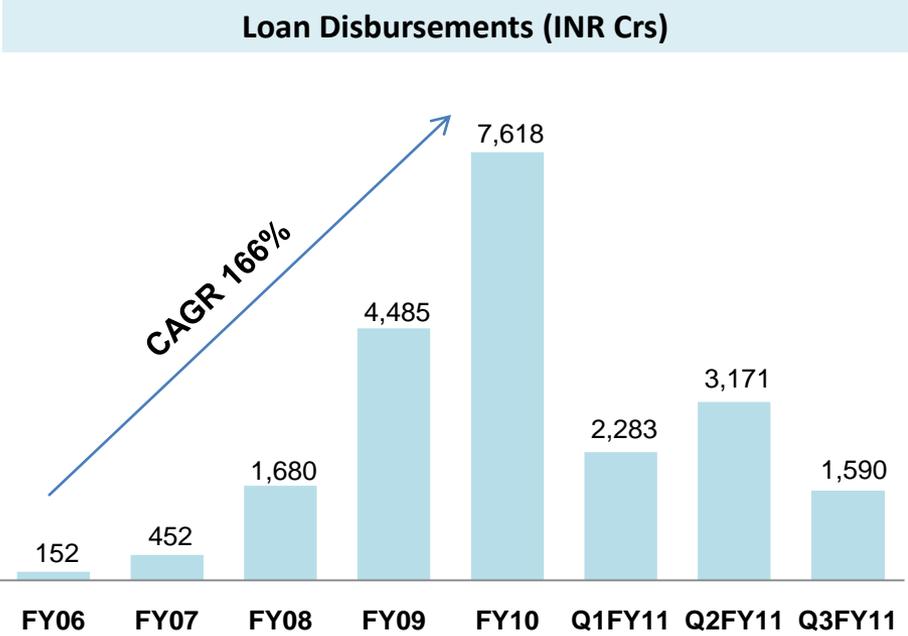
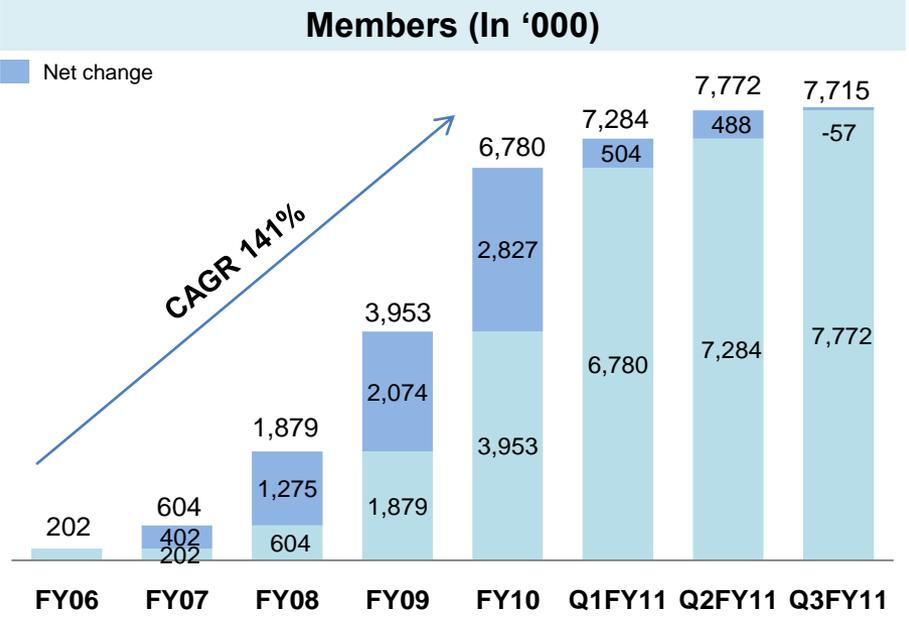
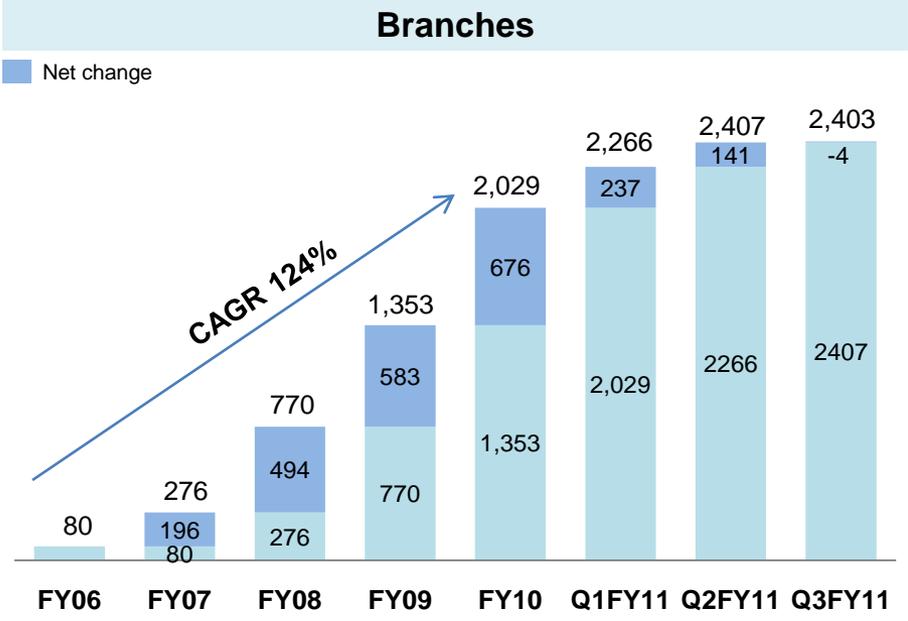
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HIGHLIGHTS – Q3 FY11

- 2,403 branches across 19 States
- Total member base stands at 7.7 million
- Incremental loan disbursements of Rs. 1,590 crores for Q3-FY11 (down 22% YoY) and Rs. 7,045 crores for 9M-FY11 (up 33% YoY)
- Gross Loan portfolio increased to Rs. 5,028 crores (up 33% YoY) including assigned loans of Rs. 266 crores
- Revenue of Rs. 389 crores for Q3-FY11 (up 45% YoY) and Rs. 1,076 crores for 9M-FY11 (up 64% YoY)
- Reported PAT of Rs. 34 crores for Q3-FY11 (down 38% YoY) and Rs. 181 crores for 9M-FY11 (up 63% YoY). The total provisioning & write off for Q3-FY11 was Rs. 100.75 Crs. including an additional provisioning of Rs. 27 crores. Without this voluntary additional provisioning the reported PAT would be higher by Rs. 18 crores
- Networth of Rs. 1,845 crores and cash & bank balances of Rs. 398 crores as at 31st December, 2010
- Management expects the earlier issued guidance of revenue and profit to change with a downward bias, the final outcome of which is dependent upon collection efficiency in Andhra Pradesh
- Reduced Interest Rates across India to 24.55% w.e.f. 11th January 2011 for all future disbursements. There will be no collection of charges towards credit shield and loan processing fees for new loans for the rest of FY11. The pricing policy for FY12 will be reviewed in line with final guideline by RBI based on Malegam committee recommendations
- Incremental credit limits sanction of Rs.1,500 crs. received in Q3-FY11 and total of Rs.2,722 crores of sanctions as on 31st December, 2010
- Started Gold loan pilot in 5 branches

SKS' INVESTMENT IN FRANCHISE BUILDING IS INTACT



* Loan portfolio outstanding includes assigned loans & portfolio loans on balance sheet

OPERATIONAL HIGHLIGHTS

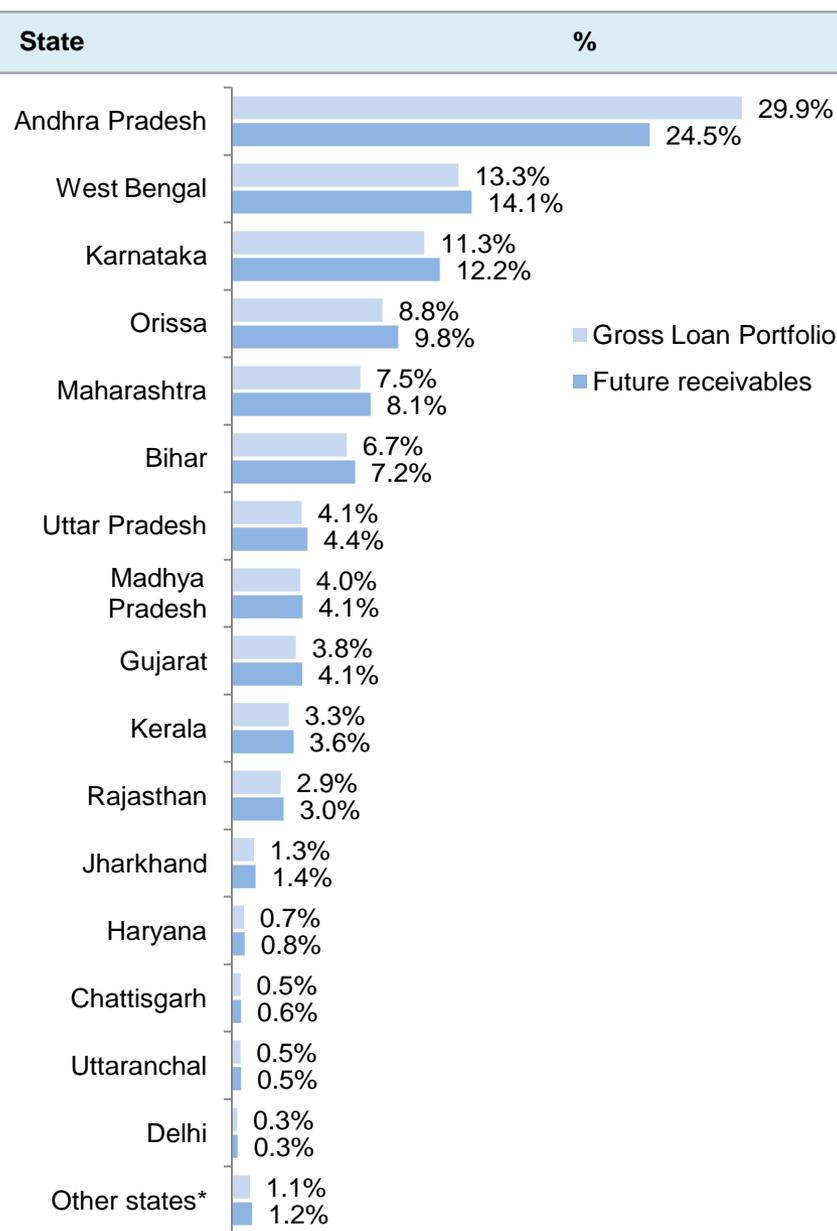
Particulars	Dec-09	Dec-10	YOY%	Sep-10	QoQ%
Branches	1,726	2,403	39%	2,407	-0.2%
Centers (Sangam)	198,603	279,781	41%	274,755	2%
Employees (i) + (ii) + (iii) + (iv) + (v) + (vi)	20,065	25,735	28%	27,054	-5%
• Field Staff (i) + (ii) + (iii) + (iv) + (v)	19,692	25,303	28%	26,620	-5%
– Sangam Managers* (i)	10,888	15,920	46%	14,404	11%
– Sangam Managers Trainees(ii)	3,628	2,278	-37%	5,219	-56%
– Branch Management Staff (iii)	2,987	4,137	39%	4,014	3%
– Area Managers (iv)	198	193	-3%	203	-5%
– Regional Staff (v)	1,991	2,775	39%	2,780	-0.2%
• Head Office Staff (vi)	373	432	16%	434	-0.5%
Members (in '000)	6,071	7,715	27%	7,772	-1%
Active borrowers (in '000)	4,993	6,663	33%	6,662	0.01%
No. of loans disbursed* *(in '000)	1,962	1,348	-31%	2,833	-52%
Disbursements (for the quarter) (INR Crs)	2,050	1,590	-22%	3,171	-50%
Off-take Avg (Disbursements / No of Loans disbursed)(INR)	10,448	11,793	13%	11,193	5%
Gross loan portfolio (INR Crs) (A+B)	3,774	5,028	33%	5,434	-7%
• Loans outstanding (A)	3,399	4,762	40%	4,947	-4%
• Assigned loans (B)	375	266	-29%	486	-45%
Operational Efficiency:					
Gross loan portfolio/ No. of Sangam managers (Rs. '000)	3,466	3,158	-9%	3,772	-16%
Gross loan portfolio/ Active Borrowers (INR)	7,557	7,546	-0.1%	8,156	-7%
Members / No. of Branches	3,517	3,210	-9%	3,229	-1%
Members / No. of Sangam managers	558	485	-13%	540	-10%

* Sangam Managers are our loan officers, who manage our centers (also called as Sangams)

** Doesn't include life insurance and housing loans

AP EXPOSURE REDUCES AND THERE IS NO SIGN OF CONTAGION IN NON-AP STATES

State wise – Portfolio Mix Q3FY11



State wise – Collection Efficiency

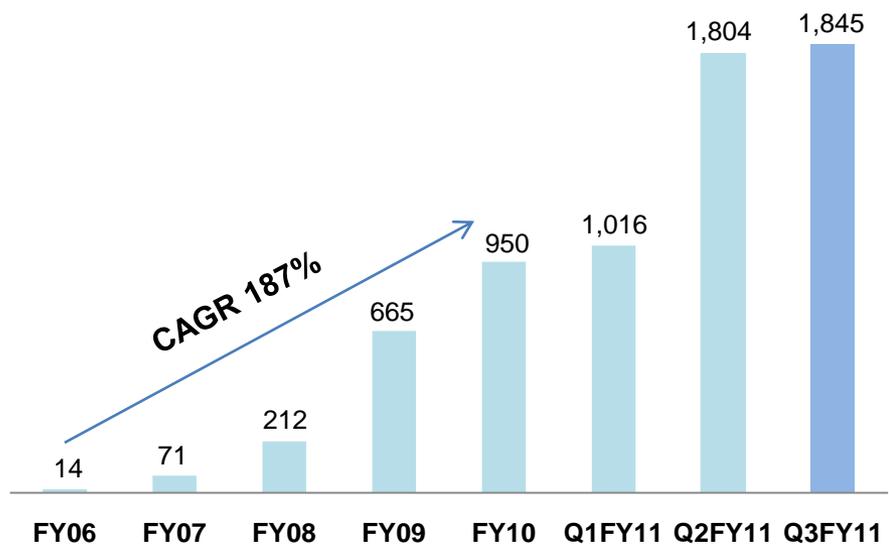
State	Q3FY11
Andhra Pradesh	43.6%
West Bengal	95.3%
Karnataka	99.5%
Orissa	99.1%
Maharashtra	99.5%
Bihar	99.8%
Uttar Pradesh	99.7%
Madhya Pradesh	99.8%
Gujarat	99.0%
Kerala	100.0%
Rajasthan	99.1%
Jharkhand	99.2%
Haryana	98.1%
Chhattisgarh	99.2%
Uttaranchal	99.9%
Delhi	97.9%
Other states*	99.5%

* Other states include Punjab, Tamil Nadu & Himachal Pradesh

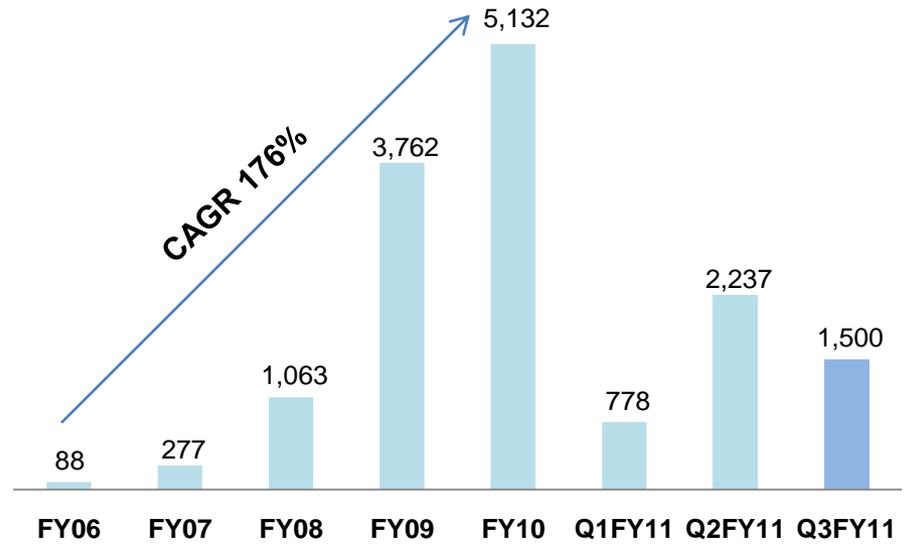
STRONG NETWORKTH ADDS TO SKS' COMPETITIVE EDGE

INR Crs

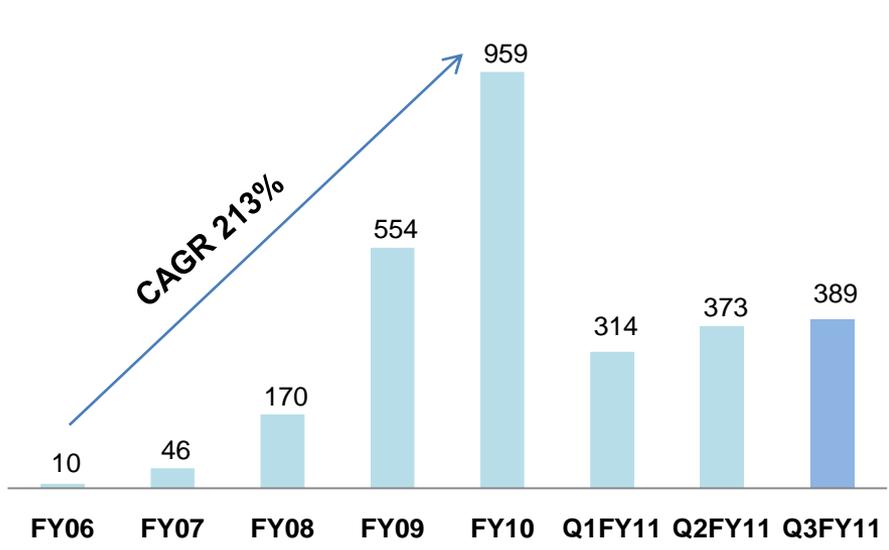
Networkth



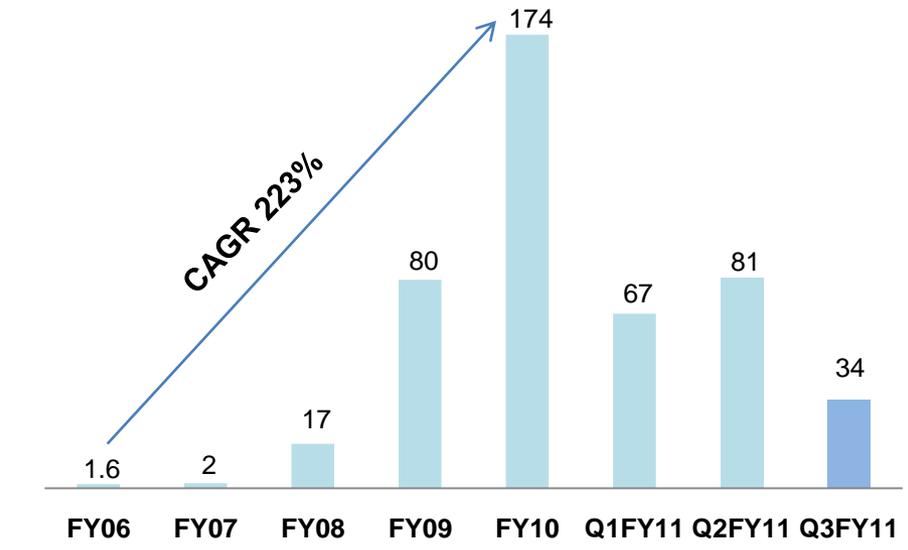
Incremental Debt Raised*



Gross Revenue



Profit After Tax



*Note: Amount of Sanctions received

PROFIT AND LOSS STATEMENT FOR THE QUARTER ENDED

INR Crs

Particulars	Q3 FY10	Q3 FY11	YoY %	Q3 FY11 As % of Total Revenue	Q2 FY11	QoQ %
<u>Income from Operations</u>						
Interest income on Portfolio loans	232	342	47%	88%	302	13%
Income from Assigned loans	13	20	52%	5%	35	-43%
Membership fee	4	2	-61%	0.4%	5	-66%
<u>Other Income</u>						
Insurance commission	6	2	-70%	0.5%	4	-52%
Group Insurance admin. charges	10	19	100%	5%	19	0.1%
Income on Investments	2	4	57%	1%	4	-10%
Miscellaneous Income	2	1	-19%	0.3%	4	-66%
Total Revenue	269	389	45%	100%	373	5%
Financial expenses	79	97	23%	25%	91	7%
Personnel expenses	57	89	56%	23%	88	1%
Operating and other expenses	35	47	36%	12%	48	-1%
Depreciation and amortization	3	4	18%	1%	5	-20%
Total Operating Cost	95	140	47%	36%	141	-0.6%
Provision & Write-offs	12	101	768%	26%	17	482%
Total Expenditure	185	338	82%	87%	249	36%
Profit before Tax	84	52	-38%	13%	124	-58%
Tax expense	29	18	-38%	5%	43	-59%
Profit after Tax	55	34	-38%	9%	81	-58%

Note: Figures rounded wherever necessary; percentages are based on decimals

PROFIT AND LOSS STATEMENT FOR THE NINE MONTHS ENDED

INR Crs.

Particulars	9M FY10	9M FY11	YoY %	9M FY11 As % of Total Revenue	FY10
<u>Income from Operations</u>					
Interest income on Portfolio loans	517	868	68%	81%	757
Income from Assigned loans	63	111	76%	10%	101
Membership fee	11	10	-9%	1%	16
<u>Other Income</u>					
Insurance commission	16	9	-39%	1%	19
Group Insurance admin. charges	19	55	187%	5%	32
Income on Investments	24	13	-48%	1%	27
Miscellaneous Income	4	9	133%	1%	7
Total Revenue	654	1,076	64%	100%	959
Financial expenses	206	261	27%	24%	288
Personnel expenses	151	258	70%	24%	216
Operating and other expenses	82	137	67%	13%	122
Depreciation and amortization	9	13	50%	1%	13
Total Operating Cost	242	407	69%	38%	351
Provision & Write-offs	36	130	256%	12%	52
Total Expenditure	484	799	65%	74%	691
Profit before Tax	170	277	63%	26%	268
Tax expense	59	96	63%	9%	94
Profit after Tax	111	181	63%	17%	174

Note: Figures rounded wherever necessary; percentages are based on decimals

STRONG CAPITAL BASE DRIVE SKS' BALANCE SHEET

Particulars	Q3 FY10	Q3 FY11	YoY %	Q2 FY11	QoQ %
Equity share capital	63	72	14%	72	0.2%
Stock options outstanding	2	10	418%	8	13%
Reserves and surplus	793	1,763	122%	1,724	2%
Capital & Reserves	858	1,845	115%	1,804	2%
Loan funds	2,796	3,204	15%	3,500	-8%
Current liabilities and provisions	248	322	176%	421	-24%
Provision for standard and non performing asset	14	48	234%	17	176%
Liabilities	3,058	3,574	17%	3,939	-9%
Total Liabilities	3,916	5,419	38%	5,743	-6%
Fixed assets	15	24	63%	23	3%
Intangible assets	6	8	38%	9	-5%
Investment	0.2	4	1778%	4	0%
Deferred tax assets (net)	10	37	278%	26	44%
Cash and bank balances	401	398	-0.8%	588	-32%
Sundry debtors	5	2	-55%	3	-40%
Other current assets	36	95	167%	77	23%
Portfolio loans	3,399	4,762	40%	4,947	-4%
Other loans and advances	42	88	112%	66	34%
Total Loans and Advances	3,440	4,851	41%	5,013	-3%
Miscellaneous expenditure	3	-	-100%	-	-
Total Assets	3,916	5,419	38%	5,743	-6%
Note: 1.Assigned Portfolio	375	266	-29%	486	-45%
2.Gross Loan Portfolio	3,774	5,028	33%	5,434	-7%

Note: Figures rounded wherever necessary; percentages are based on decimals

DETAILS OF PROVISIONING AND WRITE OFFS

Provision and write-offs charged to Q3FY11 P&L

INR Crs

Particulars	AP	Non AP	Total
Provision for Standard Assets & Non performing asset	1.36	2.25	3.62
Bad debts written off	1.16	7.40	8.56
Loss on short collection on assigned loans	56.22	5.37	61.59
Voluntary provisioning	–	–	26.98 (c)
Total	58.74 (a)	15.02 (b)	100.75(a+b+c)

CREDIT LOSS ON AP PORTFOLIO AND VOLUNTARY PROVISIONING OF RS. 27 CRS. REDUCES ROA TO 2.3%

Particulars		Q3 FY10	Q2 FY11	Q3 FY11	FY10
Spread Analysis (as % of Avg. Gross Loan Portfolio)					
Gross Yield	(I)	30.9%	29.8%	29.8%	28.3%
Portfolio Yield		28.1%	26.9%	27.7%	25.3%
Financial Cost	(a)	9.0%	7.3%	7.4%	8.5%
Operating Cost	(b)	10.9%	11.2%	10.7%	10.4%
Provision and Write-offs	(c)	1.3%	1.4%	7.7%	1.5%
Taxes	(d)	3.3%	3.5%	1.3%	2.8%
Total Expense	II = (a+b+c+d)	24.5%	23.3%	27.2%	23.2%
Return on Avg. Gross Loan Portfolio	(I) - (II)	6.4%	6.4%	2.6%	5.1%
Efficiency:					
Cost to Income		49.8%	49.9%	47.8%	52.4%
Asset Quality:					
Gross NPA		0.35%	0.20%	0.38%	0.33%
Net NPA		0.18%	0.10%	0.23%	0.16%
Gross NPA (INR crs)		12.0	10.0	18.2	9.6
Net NPA (INR crs)		6.1	5.0	10.9	4.8
Leverage:					
Debt : Equity		3.3	1.9	1.7	2.8
Capital Adequacy:		23.59%	33.19%	35.65%	28.32%
Profitability:					
Return on Avg. Assets		5.9%	6.5%	2.4%	4.9%
Return on Avg. Assets (incl. assigned loans)		5.3%	5.6%	2.3%	3.7%
ROE		27.2%	22.8%	7.5%	21.5%
ROE adjusted (Assuming RBI mandated 15% CAR)		42.8%	50.5%	17.8%	40.7%
EPS - Diluted (INR)		10.48	10.99	4.47	27.33
Book Value (INR)		135.40	250.61	255.82	147.27

CAPITAL EXPANSION, CREDIT LOSS ON AP PORTFOLIO AND VOLUNTARY PROVISIONING OF RS. 27 CRS. REDUCES ROE TO 17.3%

Particulars		9M FY10	9M FY11	FY10
Spread Analysis (as % of Avg. Gross Loan Portfolio)				
Gross Yield	(I)	28.0%	30.7%	28.3%
Portfolio Yield		24.8%	27.9%	25.3%
Financial Cost	(a)	8.8%	7.4%	8.5%
Operating Cost	(b)	10.3%	11.6%	10.4%
Provision and Write-offs	(c)	1.6%	3.7%	1.5%
Taxes	(d)	2.5%	2.7%	2.8%
Total Expense	II = (a+b+c+d)	23.2%	25.5%	23.2%
Return on Avg. Gross Loan Portfolio	(I) - (II)	4.8%	5.2%	5.1%
Efficiency:				
Cost to Income		54.0%	50.0%	52.4%
Asset Quality:				
Gross NPA		0.35%	0.38%	0.33%
Net NPA		0.18%	0.23%	0.16%
Gross NPA (INR crs)		12.0	18.2	9.6
Net NPA (INR crs)		6.1	10.9	4.8
Leverage:				
Debt : Equity		3.3	1.7	2.8
Capital Adequacy:				
		23.59%	35.65%	28.32%
Profitability:				
Return on Avg. Assets		4.3%	5.1%	4.9%
Return on Avg. Assets (incl. assigned loans)		3.5%	4.3%	3.7%
ROE		19.4%	17.3%	21.5%
ROE adjusted (Assuming RBI mandated 15% CAR)		30.6%	41.1%	40.7%
EPS (Diluted) (In Rs.)		22.16	24.93	27.33
Book Value (In Rs.)		135.40	255.82	147.27

IMPACT ASSESSMENT BASED ON MARGIN CAP RECOMMENDED BY MALEGAM COMMITTEE

Max. interest rate allowed based on FY10 financials

Particulars	Weight	Cost	
Equity	23.6%	22.6%	5.3%
Debt	76.4%	11.9%	9.1%
Cost of funds			14.4%
Add: Margin cap			10.0%
Interest rate yield			24.4%
Maximum interest rate allowed			24.0%

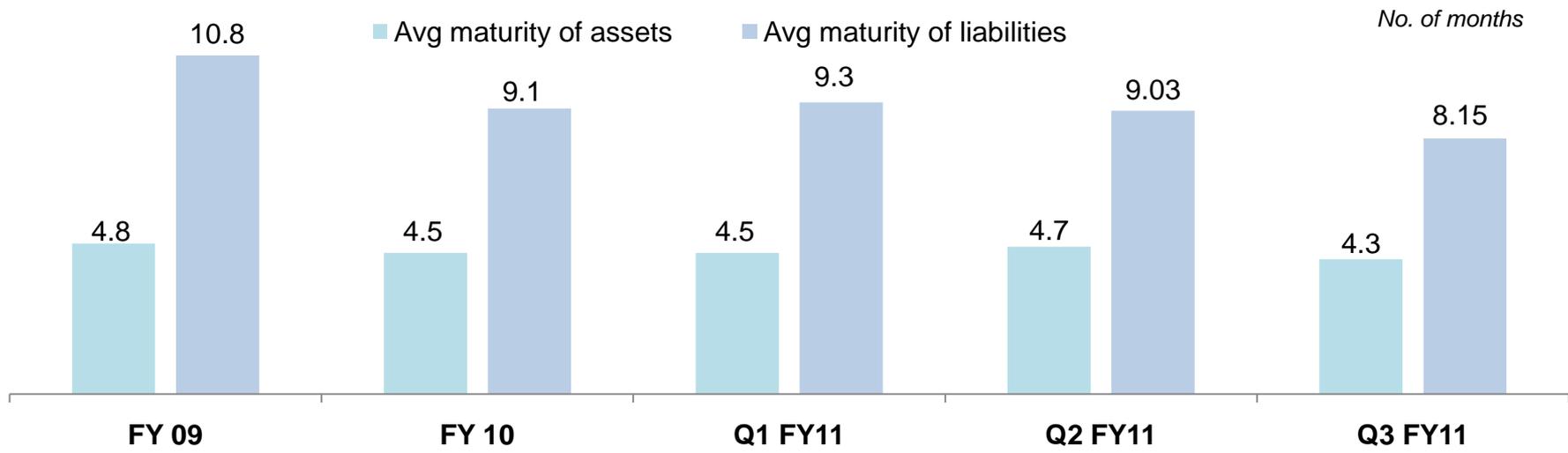
Illustrative ROA Template

Particulars	
Interest rate yield	24.0%
1% Processing fees	2.1%
Portfolio Yield	26.1%
Financial cost	8.5%
Operating cost	10.4%
Provisions & write offs	1.5%
Taxes	2.8%
Total Expense	23.2%
Net Portfolio Yield	2.9%
Membership fees	-
Group insurance Admin. Charges	-
Retail Insurance commission	0.6%
Other income	1.0%
Return on Avg. Gross loan portfolio	4.5%
Return on Assets	4.3%
Return on Assets (including assigned portfolio)	3.3%

Note: The above illustration is based on FY10 figures

FINANCIAL ARCHITECTURE (1/3)

Positive Asset Liability Management Structure

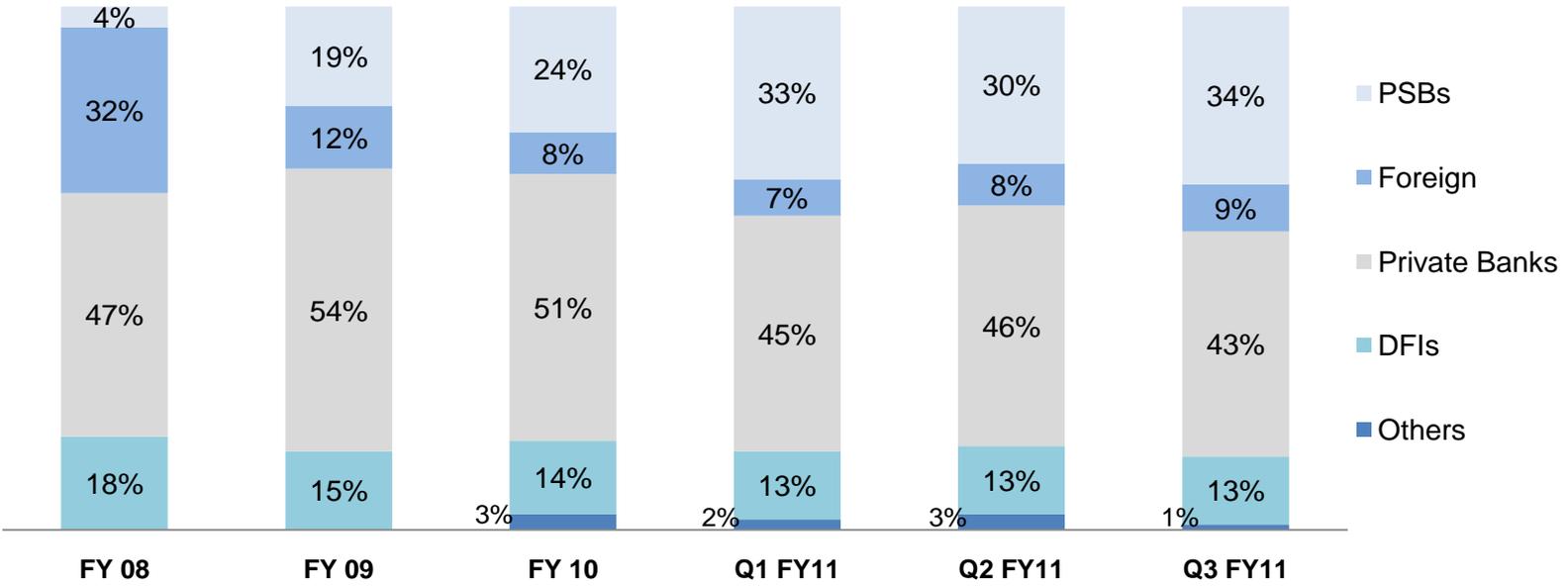


Scientific Liquidity Management

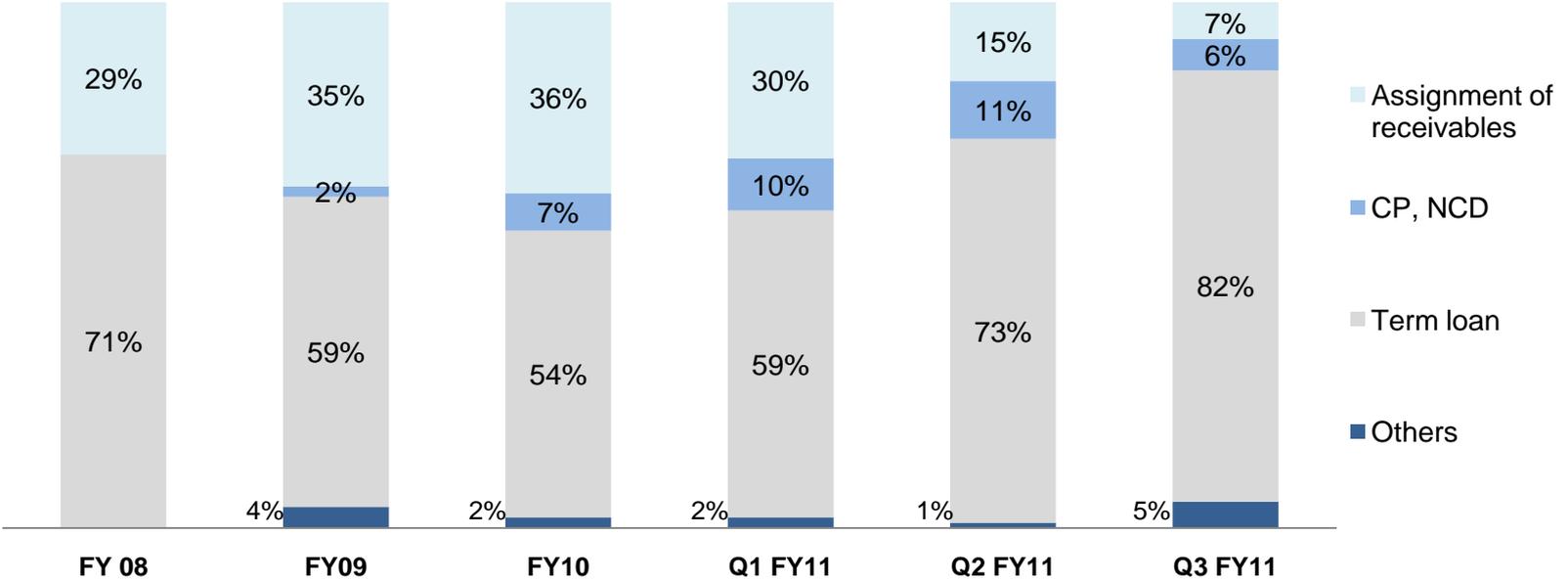
		No. of months	
		Test	Result
Cash Burn Test	Opening cash = 6 Months Opex	6	6.2
Business Continuity Test	Cash + repayments from customers + 95% of sanctions = Opex 6 m + debt repayments for 6 m + disbursement to existing customers for 6m	6	8.4
Growth Test	Cash + repayments from customers for 6 m + sanctions in hand = Opex 6 m + debt repayments 6 m + disbursement to existing customers 6 m+ disbursement to new customers for 6m	3	3.0

FINANCIAL ARCHITECTURE (2/3)

Lender Group Analysis

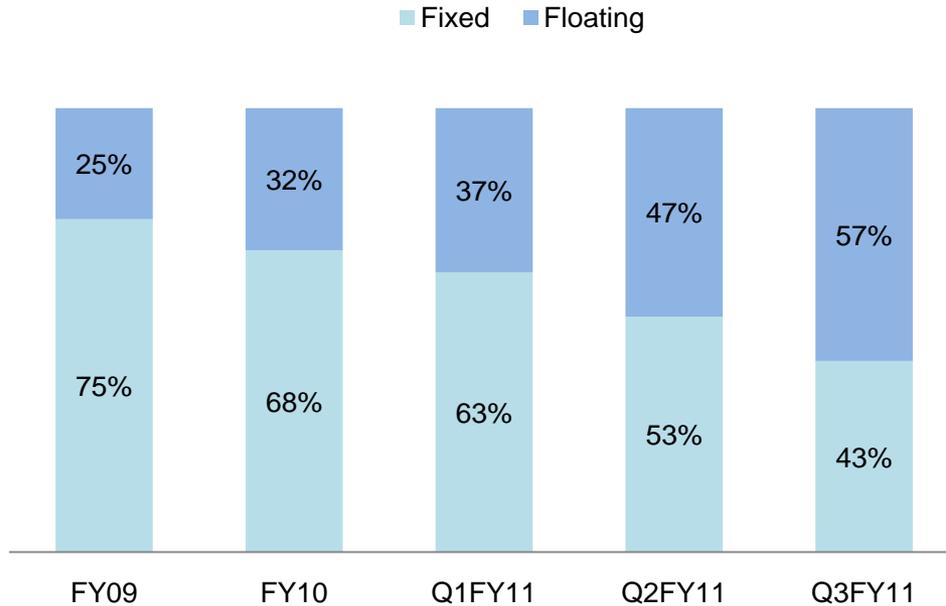


Diversified Sources Mix



FINANCIAL ARCHITECTURE (3/3)

Interest Rate Risk Analysis



Funding Cost Analysis

Metric	FY09	FY10	Q1FY11	Q2FY11	Q3FY11
Cost of interest bearing liabilities	13.29%	11.94%	11.67%	11.60%	11.58%
Financial Cost*	11.1%	8.5%	6.60%	7.25%	7.42%

* Financial expenses to Avg. Gross Loan Portfolio

Funding Mix-Devoid of Dependence Risk

Banks	Dec. 31, 2010
ICICI Bank	15%
SIDBI	11%
Central Bank of India	7%
Citi Bank	7%
Yes Bank	5%
J&K Bank	5%
Indusind Bank	4%
Axis Bank	4%
HDFC Bank	4%
IDBI Bank	4%
Syndicate Bank	3%
Kotak Mahindra Bank	3%
Andhra Bank	3%
State Bank of Mysore	3%
State Bank of India	3%
Tata Capital	2%
Standard Chartered Bank	2%
State Bank of Patiala	2%

**Total amount outstanding as of Dec' 10: Rs 3,434 crores
concentration risk on rest of the 27 banks is 1% or below**

ELIGIBLE PRODUCTS & SERVICES UNDER MALEGAM RECOMMENDATIONS

SKS's Existing Eligible Products & Services	<ul style="list-style-type: none"> Income generation loans Mid term loans 	<ul style="list-style-type: none"> Housing finance Mobile phones Gold loans 	<ul style="list-style-type: none"> Insurance Sangam Stores Solar Lamps Water Purifier
			
	<u>Min. 90% of the loan book</u>	<u>Max. 10% of the loan book</u>	<u>Fee Based services</u>
Income of borrower's family	Shouldn't exceed Rs.50,000	-	-
Loan Purpose	Atleast 75% for Income generation	-	Fee based activities
Maximum Loan Amount	Rs. 25,000	-	-
Loan Ticket size and Tenure	> Rs.15,000 – Min. 12 months Rs.25,000 – Min 24 months	-	-
Loan Collateral	Without collateral	-	-
Repayment Model	Weekly, Fortnightly or Monthly	-	-

STRENGTHS

Market leadership

Expertise in microfinance

Diversified - Sources of revenue, product offerings, geographies

Pan-India rural distribution network

Superior asset quality

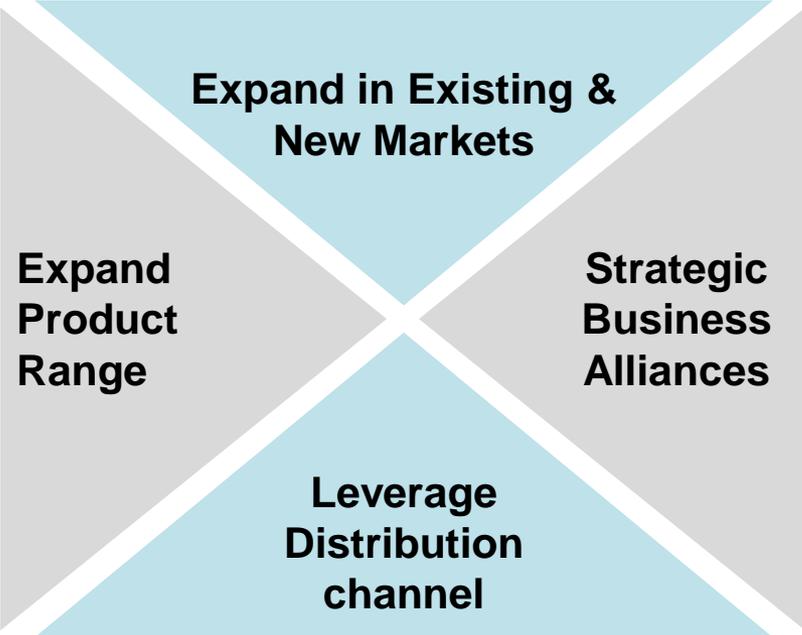
Scalable operating model

Access to multiple sources of capital and emphasis on asset / liability and liquidity management

Experienced management team and board of directors

STRATEGY

- Establish branches in new geographies
- Increase membership in existing branches
- Establish additional branches in existing areas



- Productivity loans
- Mobile loans
- Working capital loans for members owning Kirana stores
- Housing Finance

- Strategic alliances with Nokia, Airtel, Bajaj Allianz, HDFC, METRO and others to provide various offerings
- Leverage our unique knowledge, experience and business models to expand in other countries

- Distribute financial products of other institutions to our members at a lower cost
- Distribute Life Insurance product

RISK MANAGEMENT

Risks	Mitigation Steps
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Financial Risks:

Credit risk

- Joint Liability Group guarantee
- Income generating loan
- Loan utilisation check
- Close-to-customer model with high touch points
- Progressive lending
- Small, weekly repayments mimic cash flows of our borrowers

Liquidity risk

- Positive Asset liability management structure

Interest rate risk

- Balanced mix of Fixed and Floating rate of Interest

Operational Risks:

Cash handling

- Online integrated cash management system in 2,035 branches
- Cash in transit insurance; Cash in safe insurance

Information and technology risk

- External data centre
- Disaster recovery site and plan

Fraud risk

- Robust recruitment process – procurement of Indemnity bond by field staff
- Rotation of Sangam Managers every 6 months; Branch Managers every 12 months
- All branches are audited monthly + Surprise Audit
- Strong headcount of ~450 Internal Audit staff
- Fidelity Insurance Cover

External Risks:

Political risk

- Policy advocacy, superior disclosure standards, customer grievance redressal

Concentration Risk

- Geographic diversification

HIGHEST RATINGS ACROSS INSTRUMENTS

Rating Agency	Instrument	Rating
CRISIL	MFI Grading	<i>mf</i> R1
CARE	Commercial Paper	PR1+
CARE	Assigned Pool	PR1+ (SO)
CRISIL	Securitisation	P1+ (SO)

Note: CARE has put the above ratings on Credit Watch

ANNEXURE

DETAILS OF INCOME DEFFERAL

INR Crs

Policy	FY10 PBT Deferred	9M FY11 PBT Deferred
Income on assignment transactions deferred over the loan period and not recognized upfront	50	0.3
Group insurance administrative charges deferred over the loan period	32	32.7
Upfront interest deferred over the loan period	20	26.3
Total	101	59
Profit before tax	268	277
% of PBT	38%	21%

Note: Figures rounded wherever necessary; percentages are based on decimals

REGULATORY FRAMEWORK

		RBI norms	SKS compliance	
			A.P.	Non A.P.
Asset Classification	Standard Assets	0-6 months	0-3 months	0-8 weeks
	Sub-Standard Assets	6-18 months	3-6 months	8-25 weeks
	Doubtful Assets	> 18 months	6-12 months	> 25 weeks
	Loss Assets	Identification by Co. or Auditor	> 12 months	-

Provisioning Norms	Standard Assets	NIL	0.25-1%	0.25-1%
	Sub-Standard Assets	10%	10%	50%
	Doubtful Assets	20% - 50%	50%	100%
	Loss Assets	100% provision / Write off	100%	-

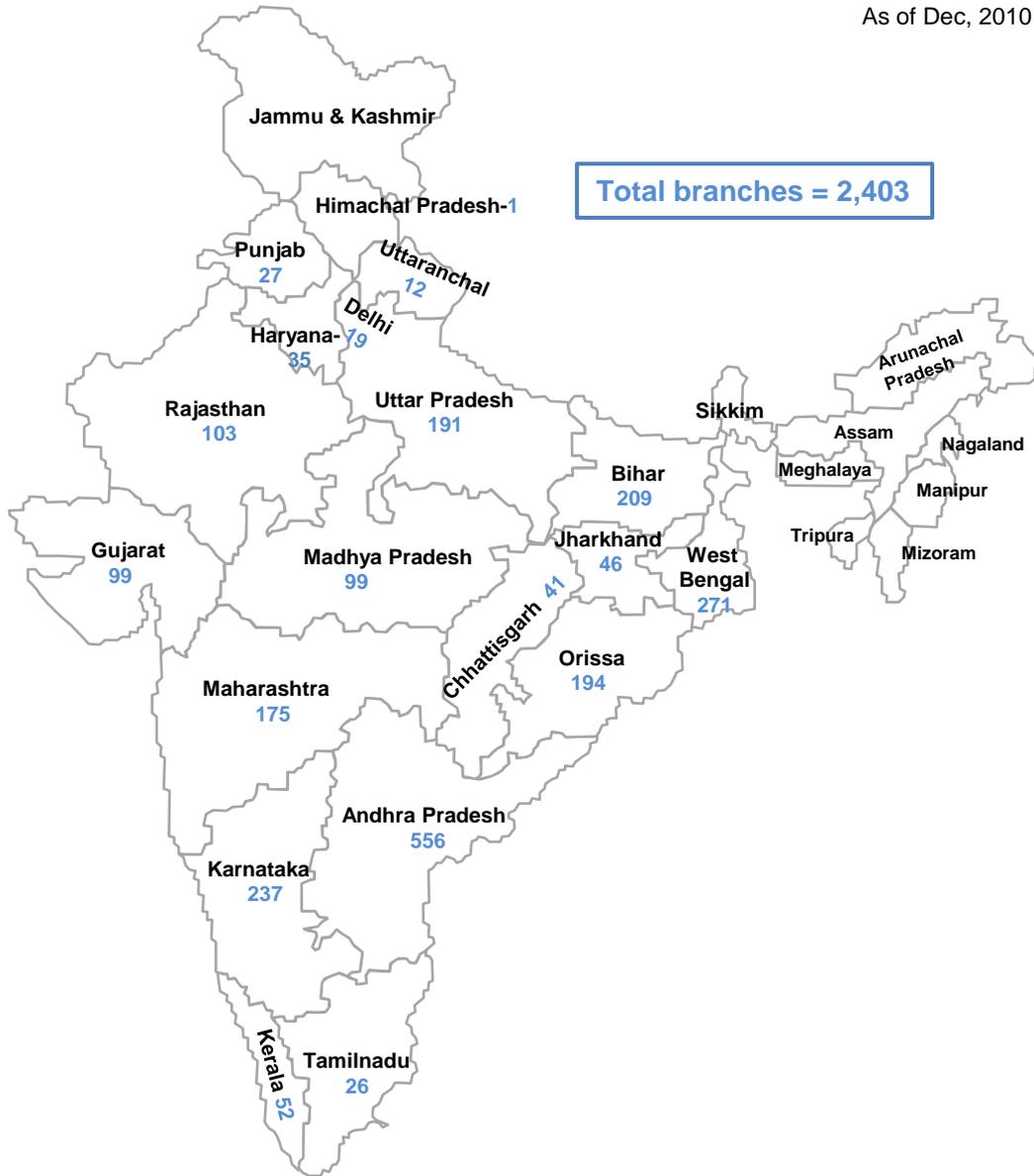
Asset Liability Management	For 1 to 30 days and upto 1 year time buckets	Allows maximum negative asset-liability variance of 15%	No negative variance across time buckets. (Positive ALM structure)	

REGULATORY FRAMEWORK

	<u>RBI norms</u>	<u>SKS compliance</u>
Capital Adequacy	<ul style="list-style-type: none"> • 15 % 	35.65%
Statutory Reserve Norm	<ul style="list-style-type: none"> • 20% of Profit After Tax as per Section 45-IC 	✓
Monthly Return	<ul style="list-style-type: none"> • Monthly return on important financial parameter (If Co.'s asset size > Rs.100 crs) 	✓
ALM Reporting	<ul style="list-style-type: none"> • Monthly Statement of Short term dynamic liquidity (ALM 1) • Semi-Annual Statement of structural Liquidity (ALM 2) • Semi-Annual Statement of Interest Rate Sensitivity (ALM 3) 	✓
Annual Return	<ul style="list-style-type: none"> • Annual Statement of capital funds, risk assets/ exposures and risk etc. 	✓
Policies/Codes	<ul style="list-style-type: none"> • KYC • Anti Money Laundering measures • Fair trade practices 	✓
Corporate Governance	<ul style="list-style-type: none"> • Audit Committee • Nomination Committee • Risk Management/ALM Committee 	✓

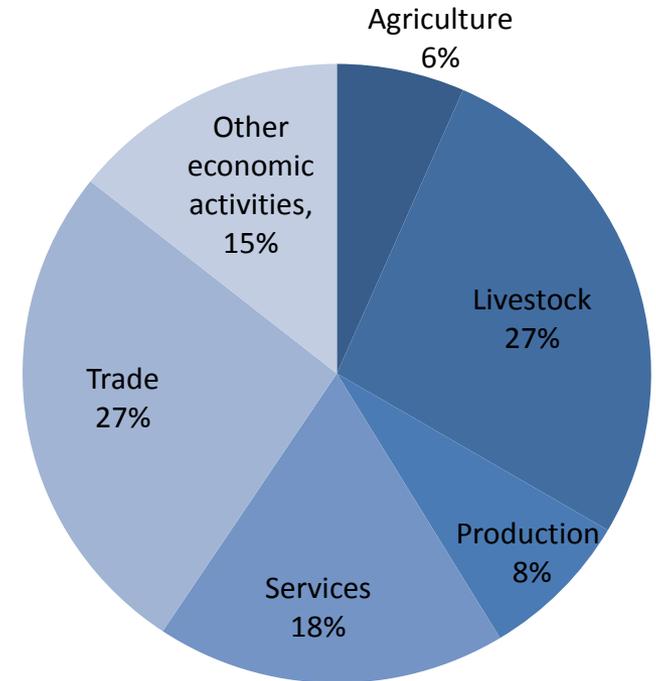
Pan India Distribution Network

As of Dec, 2010



Loan Outstanding by Economic Activity

As of Dec, 2010



SOCIAL INITIATIVES



MBTs own 11.6 % of Co.'s equity

Community ownership – MBTs



2.8 mn interest free loans to members for endowment insurance till date

Interest free loans



Rs 30.4 mn interest free advances for funeral and hospitalization in FY10

Funeral and Hospitalization loans



Rs.1 cr donated to NGO for Education, Ultra poor program and healthcare

Donation to NGO



SKS loan officers helped de-worm 1,34,583 children in South India

Deworming tablets distribution



Donated Rs 5.02 mn for flood relief in FY10

Flood relief donation

BEST PRACTICES IN CUSTOMER HANDLING

SKS Toll free Number
1800 300 10000

Call Timings:
Morning 7:30 AM to Evening 3:30 PM
 (Monday to Friday)

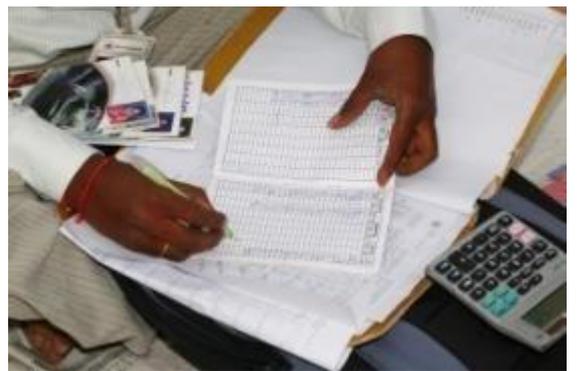
You can call this number from any number FREE of cost.

Customer grievance cell

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1	110	110	110	110	110	110	110	110	110	110
2	110	110	110	110	110	110	110	110	110	110
3	110	110	110	110	110	110	110	110	110	110
4	110	110	110	110	110	110	110	110	110	110
5	110	110	110	110	110	110	110	110	110	110
6	110	110	110	110	110	110	110	110	110	110
7	110	110	110	110	110	110	110	110	110	110
8	110	110	110	110	110	110	110	110	110	110
9	110	110	110	110	110	110	110	110	110	110
10	110	110	110	110	110	110	110	110	110	110
11	110	110	110	110	110	110	110	110	110	110
12	110	110	110	110	110	110	110	110	110	110
13	110	110	110	110	110	110	110	110	110	110
14	110	110	110	110	110	110	110	110	110	110
15	110	110	110	110	110	110	110	110	110	110
16	110	110	110	110	110	110	110	110	110	110
17	110	110	110	110	110	110	110	110	110	110
18	110	110	110	110	110	110	110	110	110	110
19	110	110	110	110	110	110	110	110	110	110
20	110	110	110	110	110	110	110	110	110	110
21	110	110	110	110	110	110	110	110	110	110

Simplified calculation of principal and interest rates

Passbook – Simplified



All transactions recorded in members' passbook

Passbook – Comprehensive



2.45 mn group training sessions on basic financial literacy in FY 10

Financial literacy



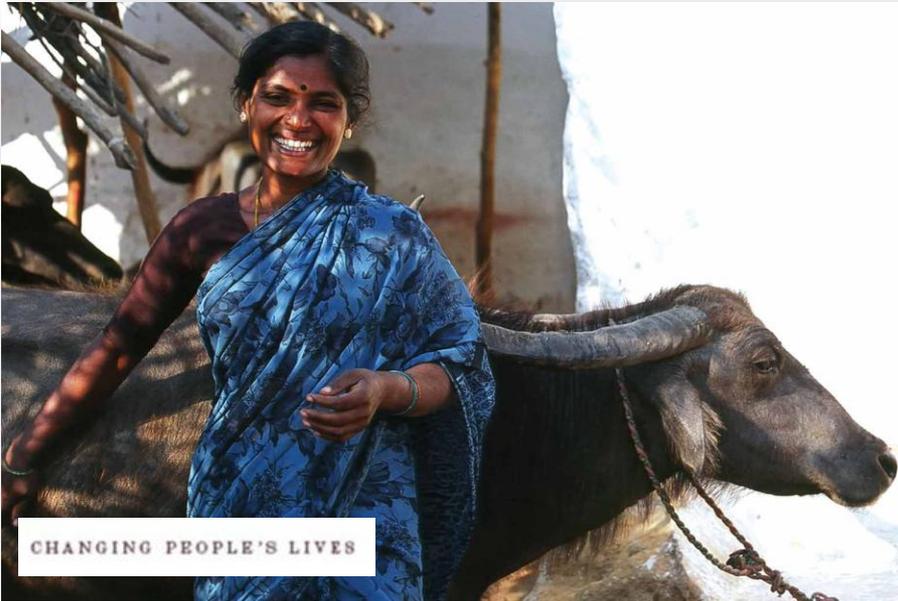
39 Sangam Leader Meetings, attended by 13,212 Sangam Leaders in FY 10

Sangam Leader meetings



About 3,672 responses received in the last survey

Group leaders' feedback



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Certain statements in this document with words or phrases such as “will”, “should”, etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy and changes in government policies. The company may, from time to time, make additional written and oral forward looking statements, including statements contained in the company’s filings with the stock exchanges and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company