

EARNINGS UPDATE – Q4 FY11



May 2011

SKS Microfinance Limited

BSE: 533228 NSE: SKSMICRO

www.sksindia.com

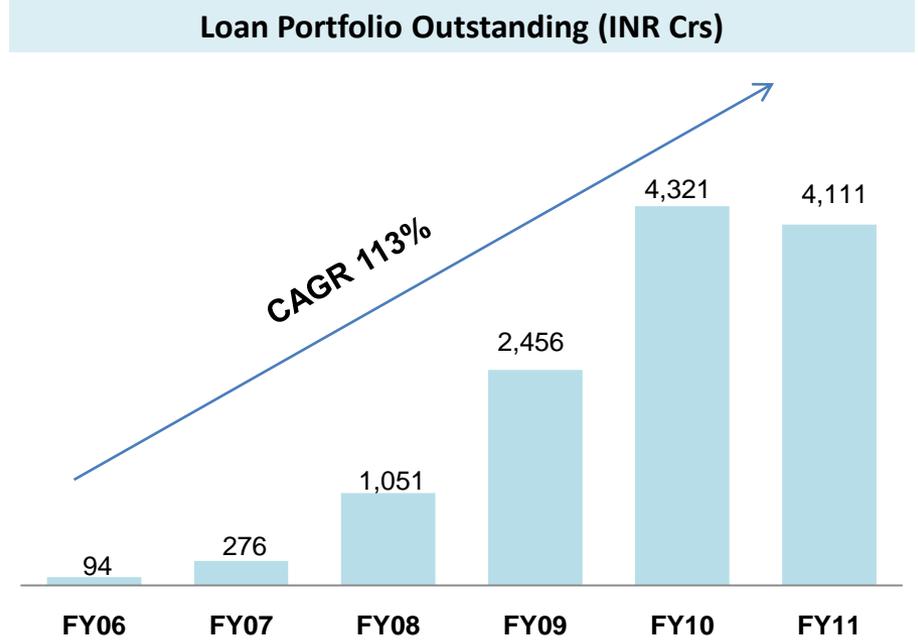
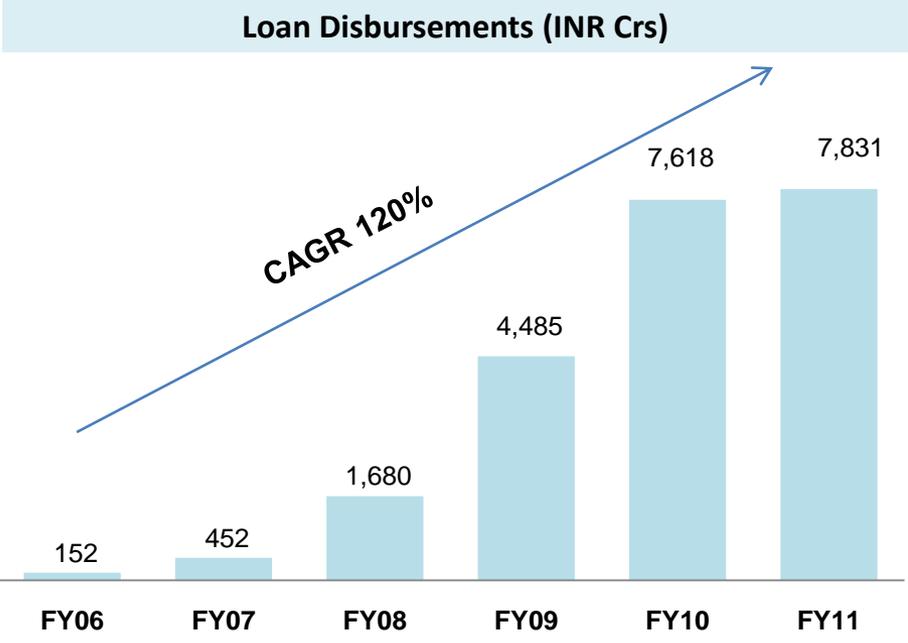
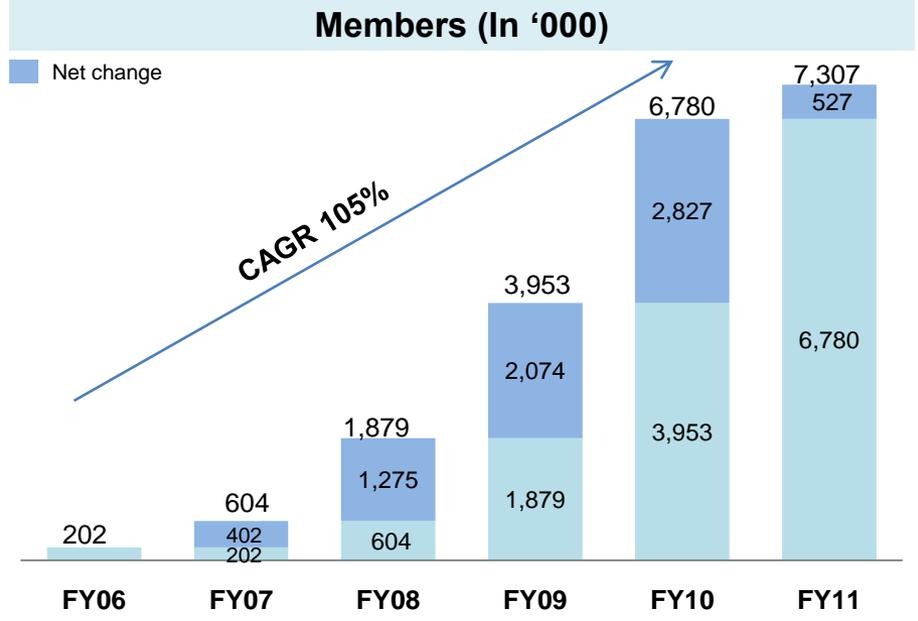
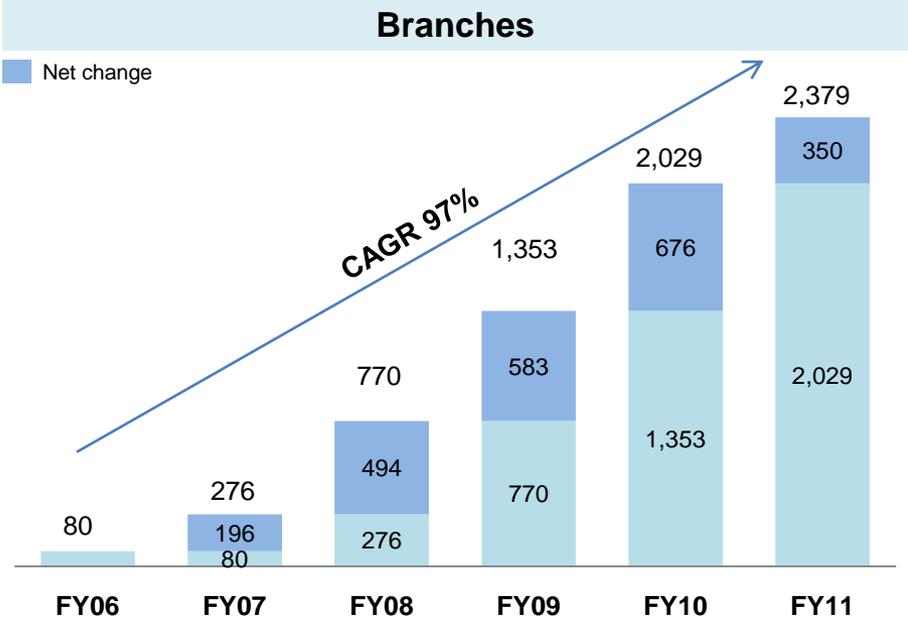
CONTENTS

- **Performance highlights**
- **Operational highlights**
- **Financials**
- **AP Update**
- **Annexure**

HIGHLIGHTS – Q4 FY11

- 2,379 branches across 19 States
- Total member base stands at 7.3 million
- Incremental loan disbursements of Rs. 786 crores for Q4-FY11 (down 66% YoY) and Rs. 7,831 crores for FY11 (up 3% YoY)
- Gross Loan portfolio stands at Rs.4,111 crores (down 5% YoY) including assigned loans of Rs.632 crores
- Revenue of Rs.194 crores for Q4-FY11 (down 36% YoY) and Rs.1,270 crores for FY11 (up 32% YoY)
- Reported Loss of Rs.70 crores for Q4-FY11 (down 211% YoY) and Rs.112 crores for FY11 (down 36% YoY). The total credit cost was Rs.187 crores for Q4-FY11 and Rs.317 crores for FY11.
- **Conservative provisioning and write off policy results in additional credit cost of Rs.147 crores for Q4-FY11 and Rs. 184 crores for FY11 in excess of credit cost as per applicable RBI provisioning norms.**
- Networth of Rs.1,781 crores and cash & bank balances of Rs.558 crores as at 31st March, 2011
- Incremental credit limits sanction of Rs. 823 crores received in Q4-FY11 and total of Rs. 5,338 crores of sanctions in FY11
- **Notification of Malegam Committee recommendations (MCR) brings in regulatory clarity and funding certainty**
- SKS is fully equipped to comply with MCR

SKS' INVESTMENT IN FRANCHISE BUILDING IS INTACT



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

OPERATIONAL HIGHLIGHTS

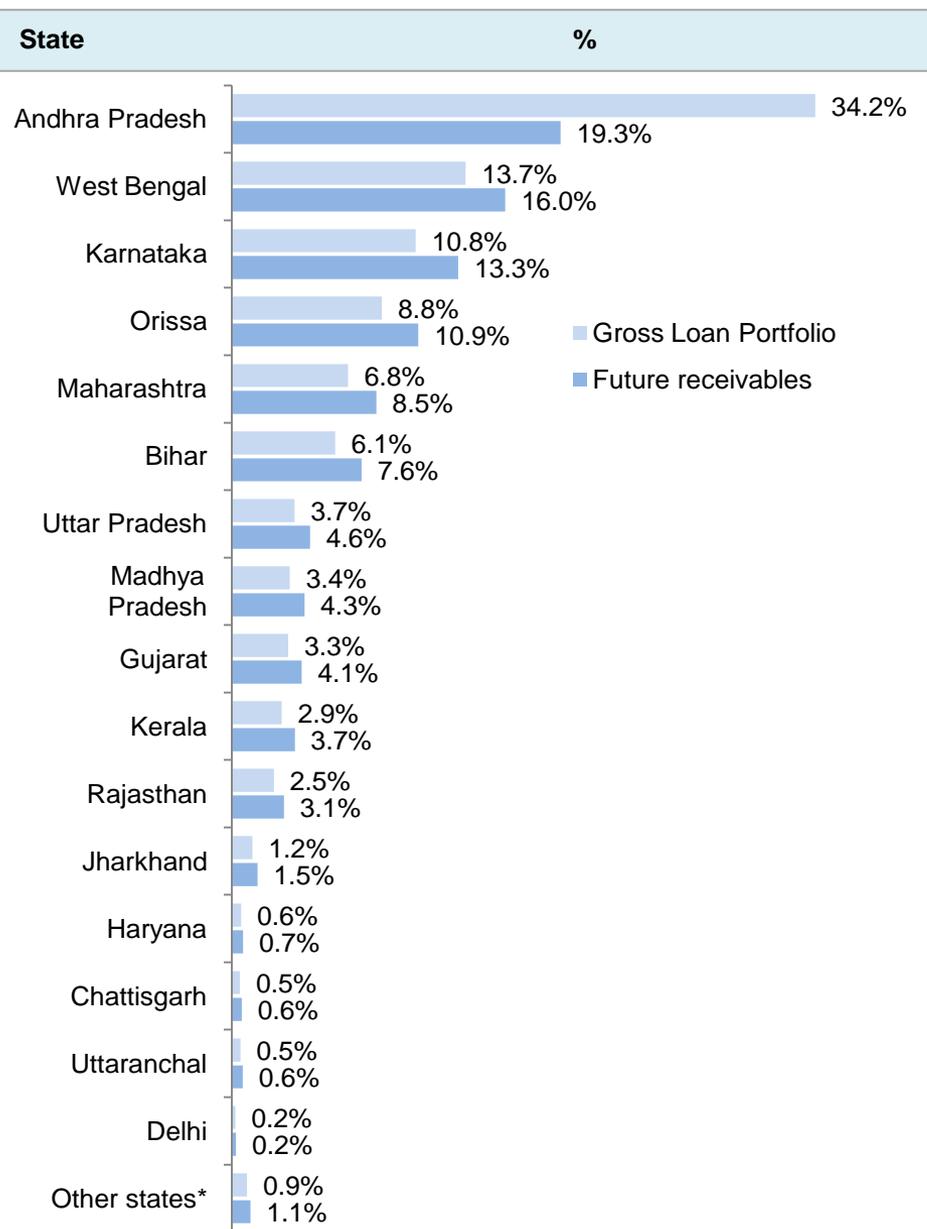
Particulars	Mar-10	Mar-11	YOY%	Dec-10	QoQ%
Branches	2,029	2,379	17%	2,403	-1%
Centers (Sangam)	226,017	274,782	22%	279,781	-2%
Employees (i) + (ii) + (iii) + (iv) + (v) + (vi)	21,154	22,733	7%	25,735	-12%
• Field Staff (i) + (ii) + (iii) + (iv) + (v)	20,757	22,332	8%	25,303	-12%
– Sangam Managers* (i)	11,878	15,331	29%	15,920	-4%
– Sangam Managers Trainees(ii)	3,011	95	-97%	2,278	-96%
– Branch Management Staff (iii)	3,455	3,957	15%	4,137	-4%
– Area Managers (iv)	198	177	-11%	193	-8%
– Regional Staff (v)	2,215	2,772	25%	2,775	-0.1%
• Head Office Staff (vi)	397	401	1%	432	-7%
Members (in '000)	6,780	7,307	8%	7,715	-5%
Active borrowers (in '000)	5,795	6,242	8%	6,663	-6%
No. of loans disbursed* *(in '000)	2,200	727	-67%	1,348	-46%
Disbursements (for the quarter) (INR Crs)	2,336	786	-66%	1,590	-51%
Off-take Avg (Disbursements / No of Loans disbursed)(INR)	10,620	10,811	2%	11,793	-8%
Gross loan portfolio (INR Crs) (A+B)	4,321	4,111	-5%	5,028	-18%
• Loans outstanding (A)	2,937	3,479	18%	4,762	-27%
• Assigned loans (B)	1,384	632	-54%	266	138%
Operational Efficiency:					
Gross loan portfolio/ No. of Sangam managers (Rs. '000)	3,638	2,683	-26%	3,158	-15%
Gross loan portfolio/ Active Borrowers (INR)	7,456	6,585	-12%	7,546	-13%
Members / No. of Branches	3,342	3,071	-8%	3,210	-4%
Members / No. of Sangam managers	571	477	-16%	485	-2%

* 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 Q4FY11



State wise – Collection Efficiency

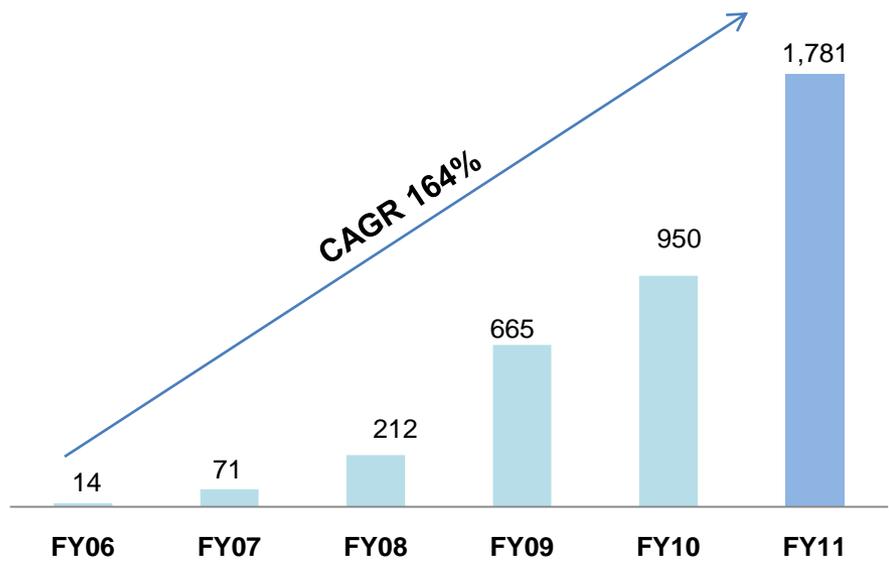
State	Q4FY11
Andhra Pradesh	10.5%
West Bengal	90.5%
Karnataka	99.3%
Orissa	98.1%
Maharashtra	97.9%
Bihar	99.8%
Uttar Pradesh	99.6%
Madhya Pradesh	99.4%
Gujarat	98.0%
Kerala	100.0%
Rajasthan	99.3%
Jharkhand	99.1%
Haryana	98.7%
Chhattisgarh	99.7%
Uttaranchal	100.0%
Delhi	94.6%
Other states*	96.7%

* Other states include Punjab, Tamil Nadu & Himachal Pradesh

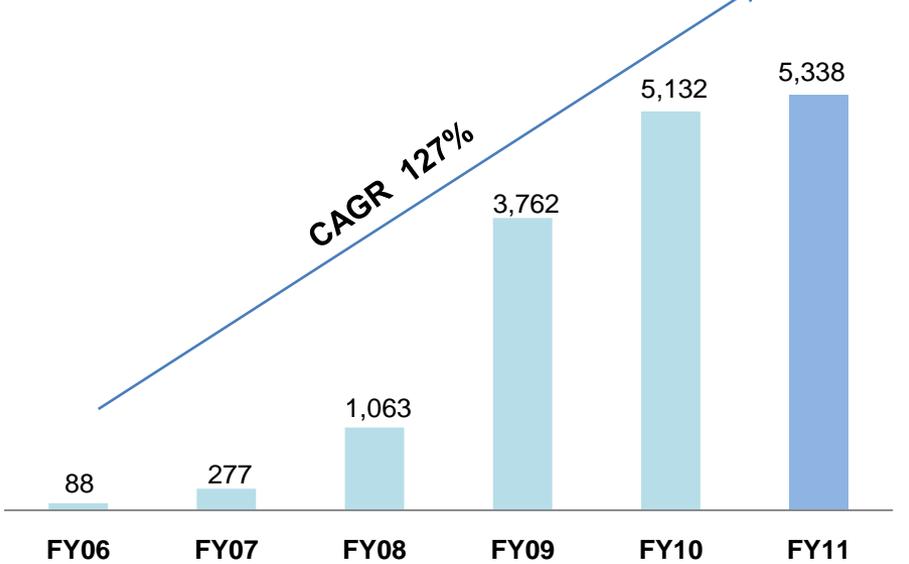
STRONG NETWORKH ADDS TO SKS' COMPETITIVE EDGE

INR Crs

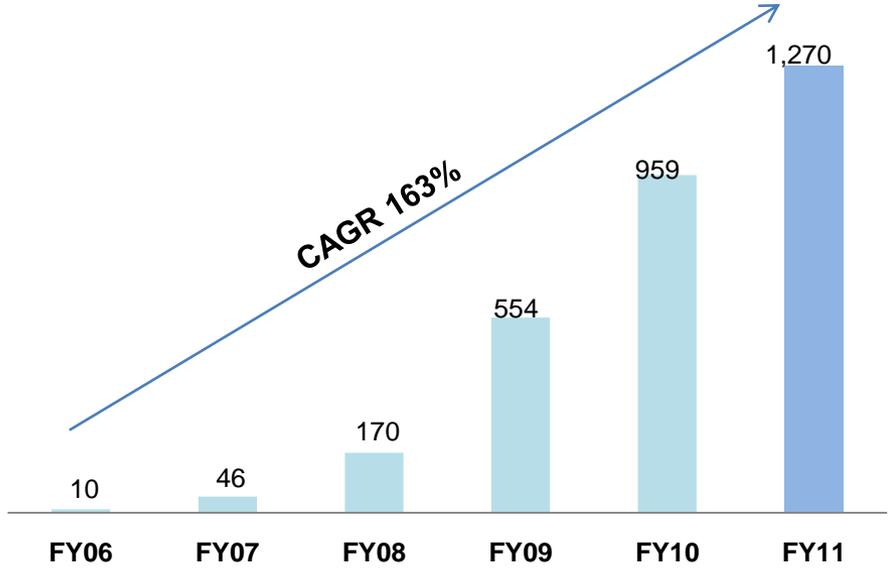
Networkh



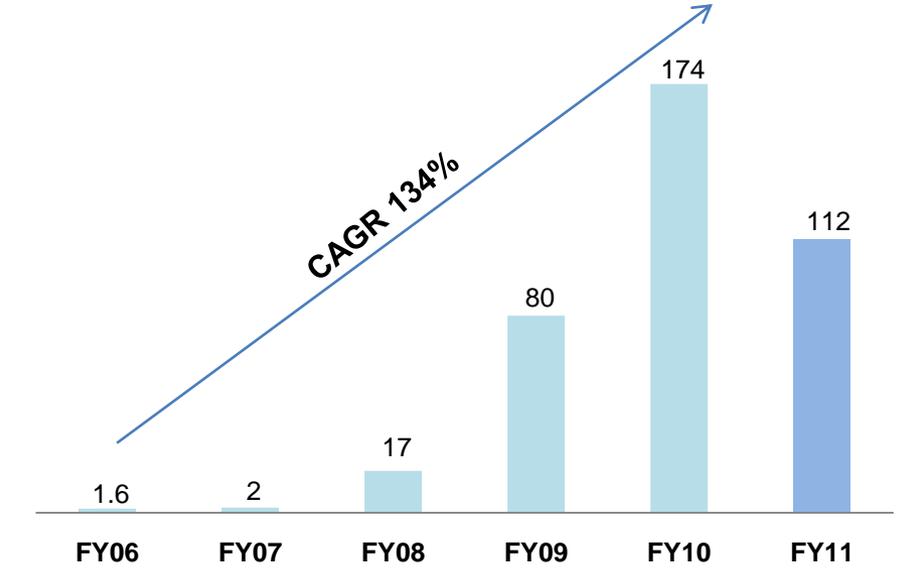
Incremental Debt Raised*



Gross Revenue



Profit After Tax



* Note: Amount of Sanctions received

PROFIT AND LOSS STATEMENT FOR THE QUARTER ENDED

INR Crs.

Particulars	Q4 FY10	Q4 FY11	YoY %	Q4 FY11 As % of Total Revenue	Q3 FY11	QoQ %
<u>Income from Operations</u>						
Interest income on Portfolio loans*	239	162*	-32%	84%	342	-52%
Income from Assigned loans	38	9	-78%	4%	20	-58%
Membership fee	5	0	-100%	0%	2	-101%
<u>Other Income</u>						
Insurance commission	4	1	-69%	1%	2	-38%
Group Insurance admin. charges	13	16	19%	8%	19	-19%
Income on Investments	3	3	23%	2%	4	-5%
Miscellaneous Income	3	3	0%	1%	1	117%
Total Revenue	305	194	-36%	100%	389	-50%
Financial expenses	82	87	6%	45%	97	-11%
Personnel expenses	65	68	5%	35%	89	-23%
Operating and other expenses	40	34	-16%	17%	47	-29%
Depreciation and amortization	4	3	-18%	2%	4	-12%
Total Operating Cost	109	106	-4%	54%	140	-25%
Provision & Write-offs	15	106	597%	55%	101	-5%
Total Expenditure	207	299	44%	154%	338	-12%
Profit before Tax	98	(105)	-207%	-54%	52	-302%
Tax expense	35	(35)	-200%	-18%	18	-298%
Profit after Tax	63	(70)	-211%	-36%	34	-304%

* Net of Interest income reversal of Rs. 81 Crs on AP portfolio for Q4 FY11

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

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED

INR Crs.

Particulars	FY10	FY11	YoY %	FY11 As % of Total Revenue
<u>Income from Operations</u>				
Interest income on Portfolio loans*	761	1,031*	35%	81%
Income from Assigned loans	96	119	24%	9%
Membership fee	16	10	-37%	1%
<u>Other Income</u>				
Insurance commission	19	11	-45%	1%
Group Insurance admin. charges	32	71	119%	6%
Income on Investments	27	16	-40%	1%
Miscellaneous Income	7	12	78%	1%
Total Revenue	959	1,270	32%	100%
Financial expenses	288	348	21%	27%
Personnel expenses	216	326	51%	26%
Operating and other expenses	122	170	40%	13%
Depreciation and amortization	13	16	28%	1%
Total Operating Cost	351	513	46%	40%
Provision & Write-offs	51	236	360%	19%
Total Expenditure	691	1,097	59%	86%
Profit before Tax	268	172	-36%	14%
Tax expense	94	61	-35%	5%
Profit after Tax	174	112	-36%	9%

* Net of Interest income reversal of Rs. 81 Crs on AP portfolio for Q4 FY11
 Note: Figures rounded wherever necessary; percentages are based on decimals

STRONG CAPITAL BASE DRIVE SKS' BALANCE SHEET

INR Crs.

Particulars	Q4FY10	Q4 FY11	YoY %	Q3 FY11	QoQ %
Equity share capital	65	72	12%	72	0.3%
Stock options outstanding	4	9	118%	10	-5%
Reserves and surplus	889	1,699	91%	1,763	-4%
Capital & Reserves	958	1,781	86%	1,845	-3%
Loan funds	2,695	2,236	-17%	3,204	-30%
Current liabilities and provisions	390	218	-44%	322	-32%
Provision for standard and non performing asset	12	65	439%	48	35%
Liabilities	3,097	2,519	-19%	3,574	-30%
Total Liabilities	4,055	4,300	6%	5,419	-21%
Fixed assets	19	22	16%	24	-9%
Intangible assets	6	9	68%	8	13%
Investment	0.2	4	1778%	4	0%
Deferred tax assets (net)	9	36	277%	37	-4%
Cash and bank balances	974	558	-43%	398	40%
Sundry debtors	3	2	-35%	2	-7%
Other current assets	21	16	-26%	95	-83%
Portfolio loans	2,937	3,479	18%	4,762	-27%
Other loans and advances	79	175	121%	88	98%
Total Loans and Advances	3,016	3,654	21%	4,851	-25%
Miscellaneous expenditure	8	-	-100%	-	-
Total Assets	4,055	4,300	6%	5,419	-21%
Note: 1.Assigned Portfolio	1,384	632	-54%	266	138%
2.Gross Loan Portfolio	4,321	4,111	-5%	5,028	-18%

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

SKS FOLLOWS CONSERVATIVE PROVISIONING POLICY

		RBI norms	SKS compliance	
			A.P.	Non A.P.
Asset Classification	Standard Assets	Up to 180 days	Up to 180 days	0-8 weeks
	Sub-Standard Assets	180-720 days	180-720 days	8-25 weeks
	Loss Assets	> 720days	>720 days	> 25 weeks
Provisioning Norms	Income Reversal	>180 days	>90 days	>90 days
	Standard Assets	0.25%	0.25%	0.25-1%
	Sub-Standard Assets	10%	10%	50%
	Loss Assets	100% provision / Write off	100% provision / Write off	100%

DETAILS OF CREDIT COSTS

Provisions, write-offs and interest reversal charged to Q4 and FY11 P&L

INR Crs.

Particulars	AP		Non AP		Total	
	Q4 FY11	FY11	Q4 FY11	FY11	Q4 FY11	FY11
Provision for Standard Assets & Non performing asset	(10.64)	0.75	27.40	51.85	16.76	52.60
Bad debts written off	37.88*	42.36*	13.94	36.55	51.82	78.91
Loss on short collection on assigned loans	29.39	86.56	8.25	18.16	37.64	104.72
Sub-Total	56.63	129.67	49.59	106.56	106.22	236.23
Interest Reversal	81.15	81.15	-	-	81.15	81.15
Total	137.78	210.82	49.59	106.56	187.37	317.38

Note: Bad debts written off for AP includes Rs.37.38 crs of additional write-offs based on management estimate

SKS POLICY COMPARED TO RBI NORMS RESULTS IN EXCESS CREDIT COSTS OF RS. 184 Crs FOR FY11

INR Crs.

Particulars	RBI norms	SKS policy	Excess credit cost
Provision for Standard & Non performing asset	-	52.60	52.60
Bad debts written off	29.04	78.91	49.87
Loss on short collection on assigned loans	104.72	104.72	-
Sub-Total	133.76	236.23	102.47
Income Reversal	-	81.15	81.15
Total	133.76	317.38	183.62

HIGHER CREDIT COSTS IMPACT PROFITABILITY FOR Q4 FY11

Particulars		Q4 FY10	Q3 FY11	Q4 FY11
Spread Analysis (as % of Avg. Gross Loan Portfolio)				
Gross Yield*	(I)	30.1%	29.8%	17.0%*
Portfolio Yield*		27.5%	27.7%	15.0%*
Financial Cost	(a)	8.1%	7.4%	7.6%
Operating Cost	(b)	10.8%	10.7%	9.2%
Provision and Write-offs	(c)	1.5%	7.7%	9.3%
Taxes	(d)	3.5%	1.3%	-3.1%
Total Expense	II = (a+b+c+d)	23.9%	27.2%	23.1%
Return on Avg. Gross Loan Portfolio	(I) - (II)	6.2%	2.6%	-6.1%
Efficiency:				
Cost to Income		49.2%	47.8%	98.6%
Asset Quality:				
Gross NPA		0.33%	0.38%	2.42%
Net NPA		0.16%	0.19%	1.28%
Gross NPA (INR crs)		9.6	18.2	84.3
Net NPA (INR crs)		4.8	9.0	43.7
Coverage		50%	51%	48%
Leverage:				
Debt : Equity (on Balance Sheet)		2.8	1.7	1.3
Capital Adequacy:				
		28.32%	35.65%	45.39%
Profitability:				
Return on Avg. Assets		6.3%	2.4%	-5.74%
Return on Avg. Assets (incl. assigned loans)		5.2%	2.3%	-5.26%
ROE		27.8%	7.5%	-15.4%
EPS - Diluted (INR)		9.63	4.47	(9.18)
Book Value (INR)		147.27	255.82	246.23

* Excluding income reversal of Rs.81 Crs on AP portfolio, Q4 FY11 Gross Yield would be 24.1% and Portfolio Yield would be 22.1%

CAPITAL EXPANSION, CREDIT LOSS ON AP PORTFOLIO REDUCES ROE TO 7.5%

Particulars		FY10	FY11
Spread Analysis (as % of Avg. Gross Loan Portfolio)			
Gross Yield*	(I)	28.3%	27.0%*
Portfolio Yield*		25.3%	24.5%*
Financial Cost	(a)	8.5%	7.4%
Operating Cost	(b)	10.4%	10.9%
Provision and Write-offs	(c)	1.5%	5.0%
Taxes	(d)	2.8%	1.3%
Total Expense	II = (a+b+c+d)	23.2%	24.7%
Return on Avg. Gross Loan Portfolio	(I) - (II)	5.1%	2.4%
Efficiency:			
Cost to Income		52.4%	55.7%
Asset Quality:			
Gross NPA		0.33%	2.42%
Net NPA		0.16%	1.28%
Gross NPA (INR crs)		9.6	84.3
Net NPA (INR crs)		4.8	43.7
Coverage		50%	48%
Leverage:			
Debt : Equity (on Balance Sheet)		2.8	1.3
Capital Adequacy:			
		28.32%	45.39%
Profitability:			
Return on Avg. Assets		4.9%	2.4%
Return on Avg. Assets (incl. assigned loans)		3.7%	2.0%
ROE		21.5%	7.5%
EPS (Diluted) (In Rs.)		27.33	15.24
Book Value (In Rs.)		147.27	246.23

*Excluding income reversal of Rs.81 Crs on AP portfolio, FY11 Gross Yield would be 28.8% and Portfolio Yield would be 26.2%

Note: For FY11, the metrics are based on the average of gross loan portfolio for four quarters

IMPACT ASSESSMENT BASED ON INTEREST CAP NOTIFIED BY RBI

Illustrative ROA Template

Particulars	Steady State/ Medium term
Interest rate yield	26.0%
1% Processing fees	2.1%
Portfolio Yield	28.1%
Membership fees	-
Group insurance Admin. Charges	-
Other income	1.0%
Gross Yield	29.1%
Financial cost	9.5%
Operating cost	9.0%
Provisions & write offs	1.5%
Taxes	3.0%
Total Expense	23.0%
Return on Avg. Gross loan portfolio	6.1%
Return on Assets	5.5%
Return on Assets (including assigned portfolio)	4.6%

Note: 1. Steady state assumptions based on compliance with RBI notification and estimates

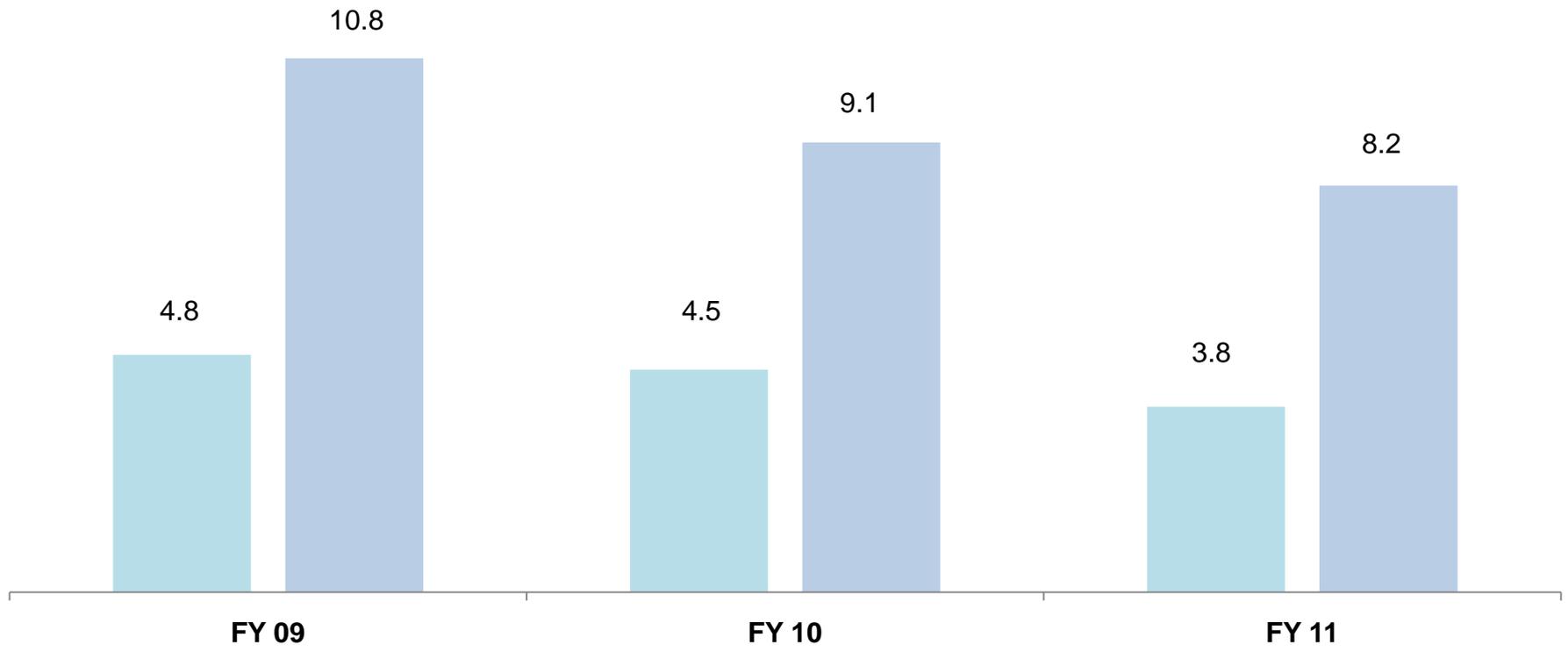
2. Assuming a borrowing cost of 12% and a margin cap of 12%, with interest yield of 24% the RoA (incl. assigned portfolio) would be 3.6%

FINANCIAL ARCHITECTURE (1/3)

Positive Asset Liability Management Structure

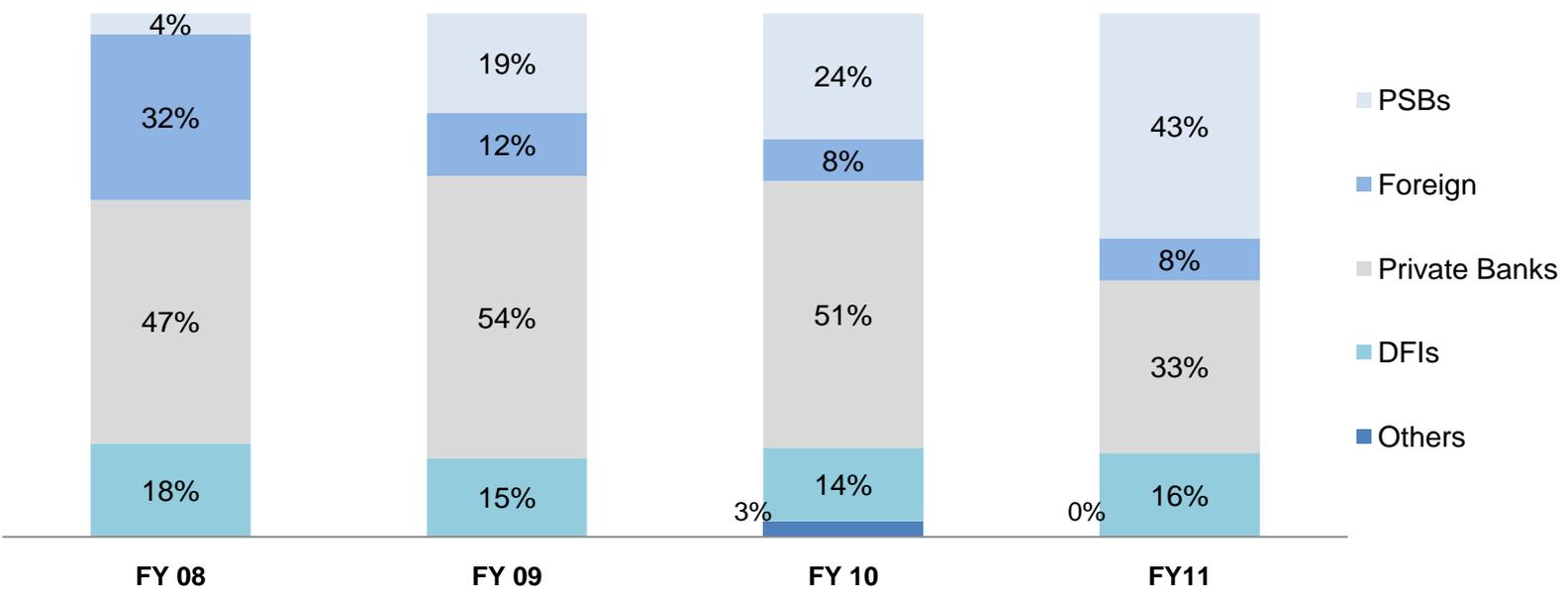
No. of months

■ Avg maturity of assets ■ Avg maturity of liabilities

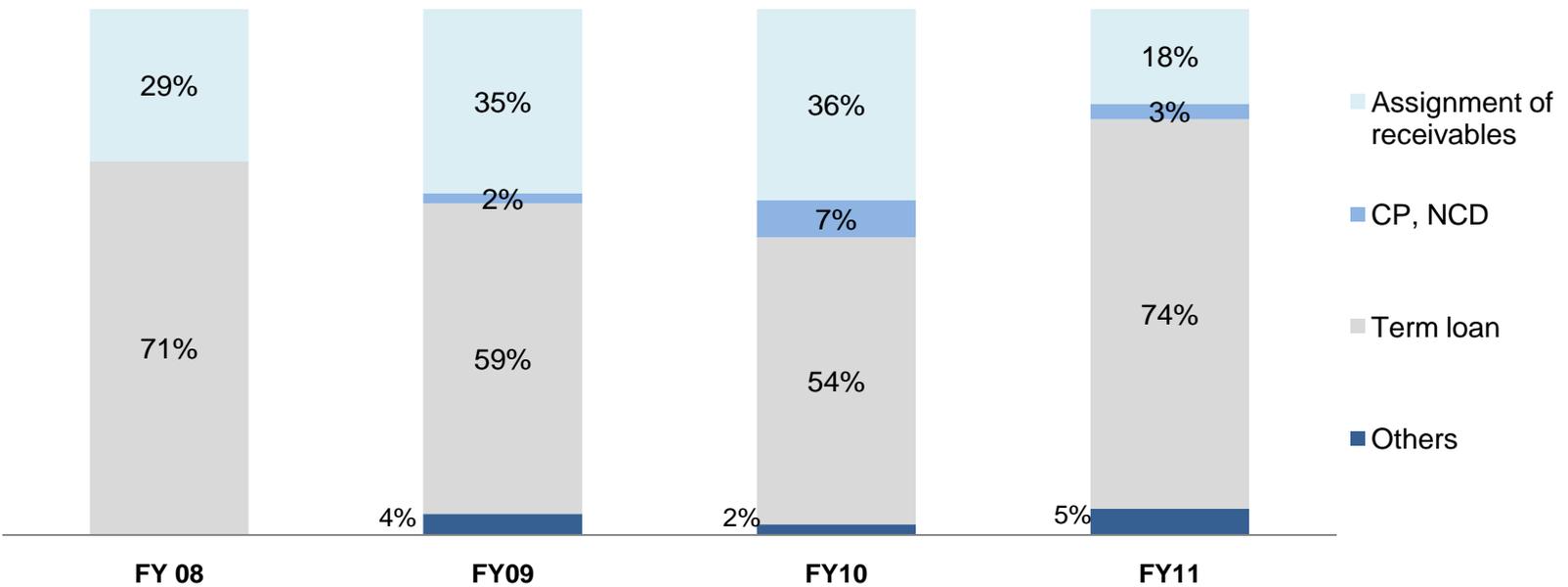


FINANCIAL ARCHITECTURE (2/3)

Lender Group Analysis

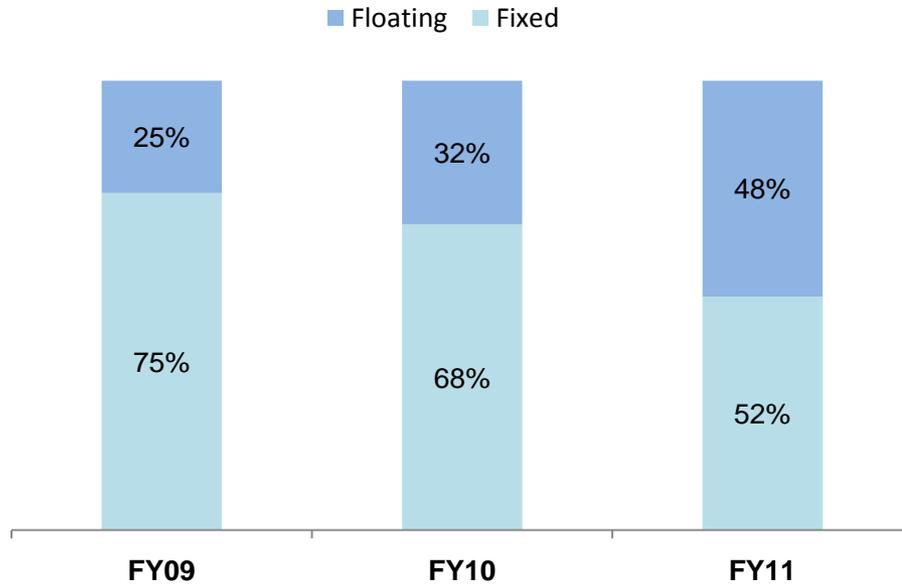


Sources Mix



FINANCIAL ARCHITECTURE (3/3)

Interest Rate Risk Analysis



Funding Cost Analysis

Metric	FY09	FY10	FY11
Cost of interest bearing liabilities	13.29%	11.94%	12.08%
Financial Cost*	11.1%	8.5%	7.4%

* Financial expenses to Avg. Gross Loan Portfolio

Funding Mix-Devoid of Dependence Risk

Banks	Mar. 31, 2011
SIDBI	12%
State Bank Group	9%
ICICI Bank	9%
IDBI Bank	9%
Central Bank of India	8%
Yes Bank	8%
Citi Bank	5%
Axis Bank	5%
Andhra Bank	5%
J&K Bank	5%
Syndicate Bank	4%
HDFC Bank	3%
Tata Capital	2%
Standard Chartered Bank	2%
Reliance Capital	2%
Vijaya Bank	2%

**Total amount outstanding as of Mar' 11: Rs 2,723 crores
concentration risk on rest of the 23 banks is 1% or below**

SKS IS FULLY EQUIPPED TO COMPLY WITH MALEGAM COMMITTEE STIPULATIONS

	<u>Malegam committee Recommendations</u>	<u>SKS compliance</u>
NBFC – MFIs	<ul style="list-style-type: none"> Loans to Microfinance sector to constitute not less than 85% of its total assets (excluding cash and bank balances) 	94%
Networth	<ul style="list-style-type: none"> Minimum Networth of Rs. 15 Crores 	Rs. 1,781 Crs
Interest rate	<ul style="list-style-type: none"> Interest rate - 26% Processing fees 1% on loan amt IRR – 28.1% 	IRR - 24.55%
CAR	<ul style="list-style-type: none"> 15.0% 	45.39%
Provisioning	Higher of <ul style="list-style-type: none"> 1% of the overdues (or) 90 to 180 days = 50% and >180 days = 100% of the overdues 	>1% provision on total loan book as of Q4FY11
Maximum loan amount	Rs. 50,000	Avg. Loan outstanding – Rs. 6,585 and Avg. Off take – Rs. 10,808
Loan Purpose	Atleast 75% for Income generation	More than 95% of loans are for income generation
Loan Collateral	Without collateral (at least 85% of assets)	All our income generation loans are without collateral (>95%)
Repayment Model	Weekly, Fortnightly and Monthly	Weekly and Monthly

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. 85% of the loan book</u>	<u>Max. 15% of the loan book</u>	<u>Fee Based services</u>
Income of borrower's family	Rural : <=Rs.60,000 Non-Rural : <=Rs. 1,20,000	-	-
Loan Purpose	Atleast 75% for Income generation	-	Fee based activities
Maximum Loan Amount	Rs. 50,000	-	-
Loan Ticket size and Tenure	<= 15,000 – No min. tenure > Rs.15,000 – Min. 24 months	-	-
Loan Collateral	Without collateral	-	-
Repayment Model	Weekly, Fortnightly or Monthly	-	-

AP SITUATION HAS POTENTIAL SOLUTIONS

MCR

- MCR calls for withdrawal of AP MFI Act
- AP govt. concerns are addressed, further diluting the need for active monitoring by the state

Legal Reprieve

- Interim Relief from the AP High Court on operations
- Scope for further and final relief

Consensus Building

- Collaborate with AP government to rebuild the sector in AP
- Women borrowers' associations have expressed willingness to repay loans, subject to restructuring

Customer sentiment

- Unmet credit needs of rural borrowers in AP

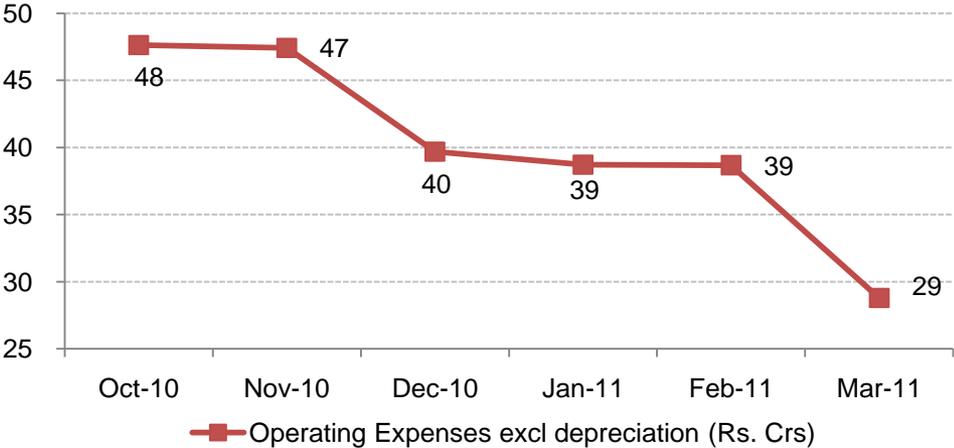
INR Crs.

	H1FY11 Pre AP MFI Act	H2 FY11 Post AP MFI Act
Disbursement in AP		
- SHG bank linkage*	~2,400 ¹	~300 ²
- MFI industry	5,035	8.5

*Source: SERP dashboard

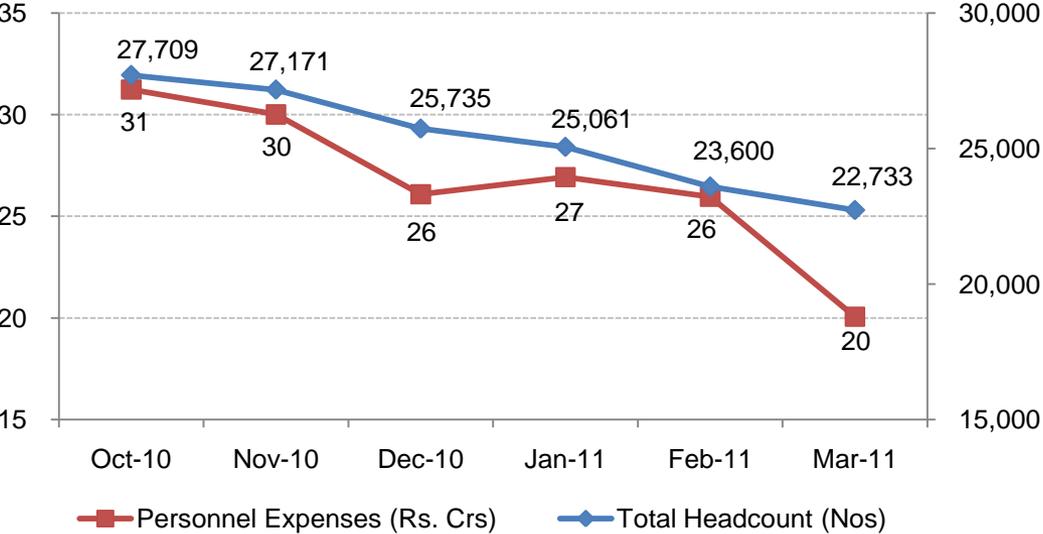
OPERATING COST REDUCTION PARTIALLY MITIGATES DROP IN REVENUES ON ACCOUNT OF AP ISSUE

Operating Cost Reduction



Monthly operating expenses reduce by 39%

Headcount and personnel cost optimization



Natural attrition reduces personnel costs (2/3rds of operating costs) by 35%

RISK MANAGEMENT

Risks	Mitigation Steps
-------	------------------

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 2,102 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 ~430 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)

*CARE has put the commercial paper ratings on Credit Watch

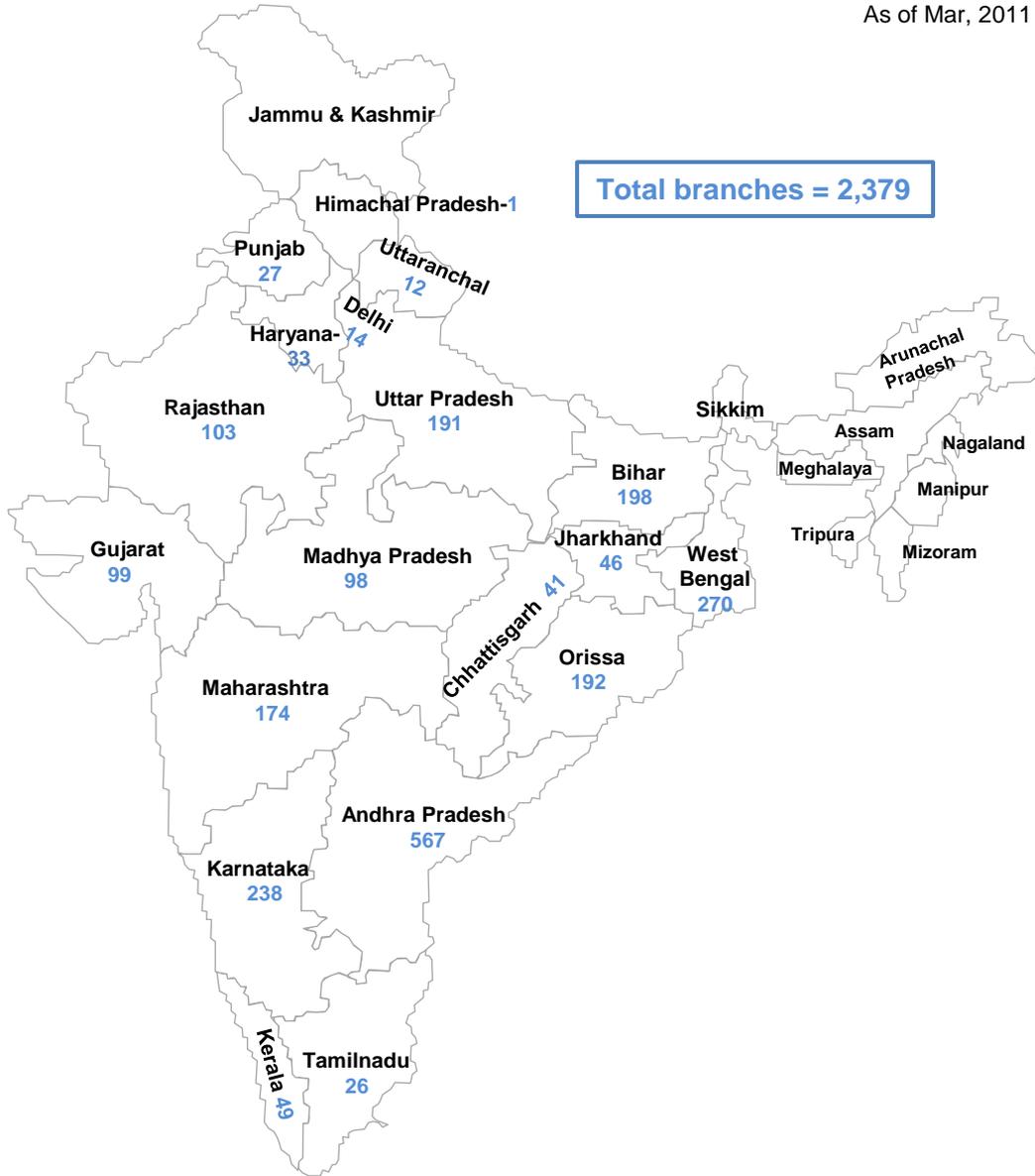
ANNEXURE

REGULATORY FRAMEWORK

	RBI norms	SKS compliance
Capital Adequacy	<ul style="list-style-type: none"> 15 % 	45.39%
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) 	✓
Asset Liability Management	<ul style="list-style-type: none"> For 1 to 30 days and upto 1 year time buckets Allow liability variance of 15% maximum negative asset- liability variance of 15% 	Positive ALM structure
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 	✓

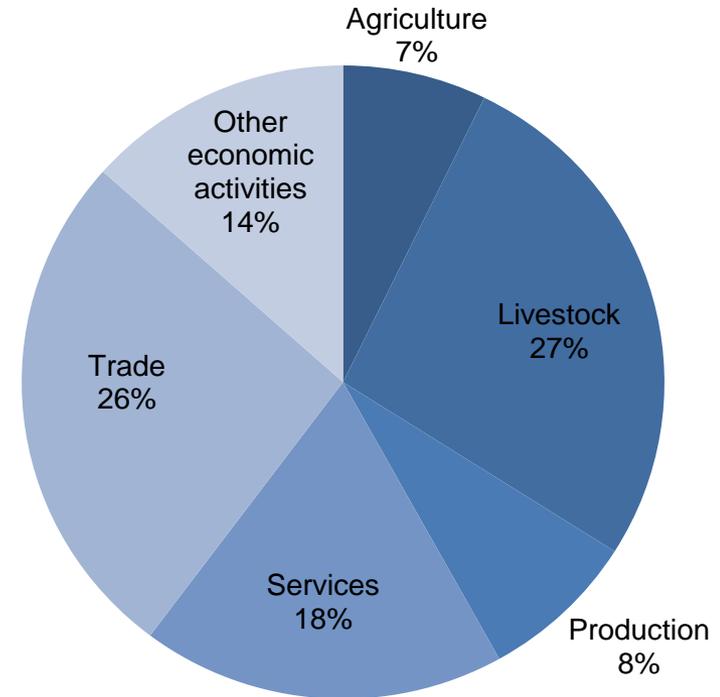
Pan India Distribution Network

As of Mar, 2011



Loan Outstanding by Economic Activity

As of Mar, 2011



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	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
2	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
3	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
4	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
5	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
6	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
7	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
8	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
9	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
10	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
11	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
12	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
13	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
14	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
15	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
16	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
17	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
18	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
19	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
20	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
21	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000

Simplified calculation of principal and interest rates

Passbook – Simplified



All transactions recorded in members' passbook

Passbook – Comprehensive



2.4 mn group training sessions on basic financial literacy in FY 11

Financial literacy



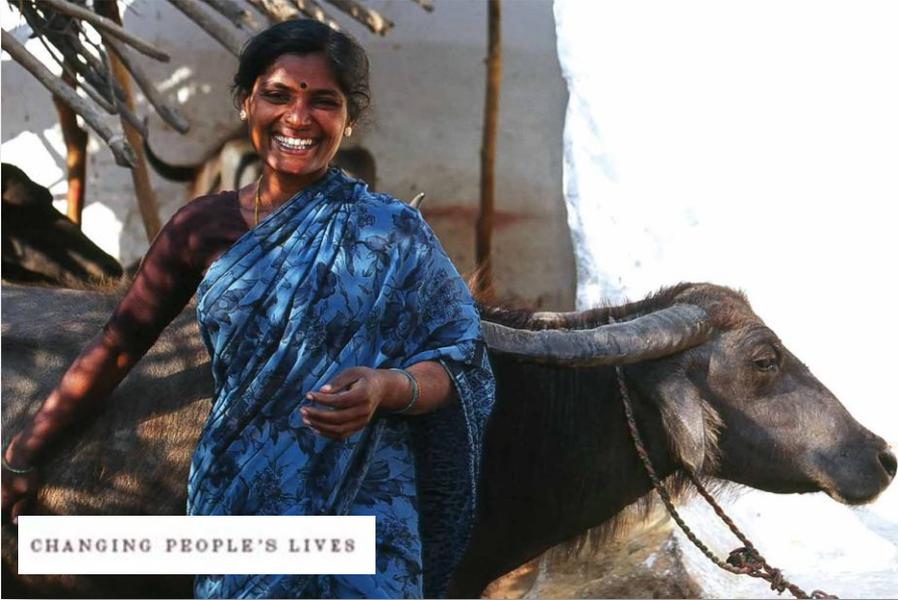
64 Sangam Leader Meetings, attended by 38,400 Sangam Leaders in FY 11

Sangam Leader meetings



About 3,672 responses received in the last survey

Group leaders' feedback



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