



**ANNUAL RETURN FOR THE FY 2020-21 –
FORM MGT -7**

**VANCHINAD FINANCE PRIVATE LIMITED
CIN: U65910KL1987PTC004722
KUZHUVELIL BLDG, 2ND FLOOR POOKATTUPADY ROAD,
UNICHIRA, EDAPPALLY, ERNAKULAM - 682021
Email - vanchinadfinancepvtltd@gmail.com,
Website - www.vanchinad.com**

FORM NO. MGT-7

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014]



सत्यमेव जयते

Annual Return (other than OPCs and Small Companies)

Form language English Hindi

Refer the instruction kit for filing the form.

I. REGISTRATION AND OTHER DETAILS

(i) * Corporate Identification Number (CIN) of the company

Global Location Number (GLN) of the company

* Permanent Account Number (PAN) of the company

(ii) (a) Name of the company

(b) Registered office address

(c) *e-mail ID of the company

(d) *Telephone number with STD code

(e) Website

(iii) Date of Incorporation

(iv)

Type of the Company	Category of the Company	Sub-category of the Company
Private Company	Company limited by shares	Indian Non-Government company

(v) Whether company is having share capital Yes No

(vi) *Whether shares listed on recognized Stock Exchange(s) Yes No

(vii) *Financial year From date (DD/MM/YYYY) To date (DD/MM/YYYY)

(viii) *Whether Annual general meeting (AGM) held Yes No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted Yes No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

*Number of business activities

S.No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1	K	Financial and insurance Service	K8	Other financial activities	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

*No. of Companies for which information is to be given

Pre-fill All

S.No	Name of the company	CIN / FCRN	Holding/ Subsidiary/Associate/ Joint Venture	% of shares held
1	S M L FINANCE LIMITED	U65910KL1996PLC010648	Holding	100

IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

(i) *SHARE CAPITAL

(a) Equity share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Total number of equity shares	25,000,000	22,000,000	22,000,000	22,000,000
Total amount of equity shares (in Rupees)	250,000,000	220,000,000	220,000,000	220,000,000

Number of classes

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
equity				
Number of equity shares	25,000,000	22,000,000	22,000,000	22,000,000

Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	250,000,000	220,000,000	220,000,000	220,000,000

(b) Preference share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid-up capital
Total number of preference shares	0	0	0	0
Total amount of preference shares (in rupees)	0	0	0	0

Number of classes

0

Class of shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of preference shares				
Nominal value per share (in rupees)				
Total amount of preference shares (in rupees)				

(c) Unclassified share capital

Particulars	Authorised Capital
Total amount of unclassified shares	0

(d) Break-up of paid-up share capital

Class of shares	Number of shares			Total nominal amount	Total Paid-up amount	Total premium
	Physical	DEMAT	Total			
Equity shares						
At the beginning of the year	22,000,000	0	22000000	220,000,000	220,000,000	
Increase during the year	0	0	0	0	0	0
i. Public Issues	0	0	0	0	0	0
ii. Rights issue	0	0	0	0	0	0
iii. Bonus issue	0	0	0	0	0	0
iv. Private Placement/ Preferential allotment	0	0	0	0	0	0
v. ESOPs	0	0	0	0	0	0
vi. Sweat equity shares allotted	0	0	0	0	0	0
vii. Conversion of Preference share	0	0	0	0	0	0

viii. Conversion of Debentures	0	0	0	0	0	0
ix. GDRs/ADRs	0	0	0	0	0	0
x. Others, specify <input type="text"/>						
Decrease during the year	0	0	0	0	0	0
i. Buy-back of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
At the end of the year	22,000,000	0	22000000	220,000,000	220,000,000	
Preference shares						
At the beginning of the year	0	0	0	0	0	
Increase during the year	0	0	0	0	0	0
i. Issues of shares	0	0	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0	0	0
iii. Others, specify <input type="text"/>						
Decrease during the year	0	0	0	0	0	0
i. Redemption of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
At the end of the year	0	0	0	0	0	

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

Class of shares		(i)	(ii)	(iii)
Before split / Consolidation	Number of shares			
	Face value per share			
After split / Consolidation	Number of shares			
	Face value per share			

(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) *

Nil

[Details being provided in a CD/Digital Media]

Yes

No

Not Applicable

Separate sheet attached for details of transfers

Yes

No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

Date of the previous annual general meeting		<input type="text"/>	
Date of registration of transfer (Date Month Year)		<input type="text"/>	
Type of transfer	<input type="text"/>	1 - Equity, 2 - Preference Shares, 3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
Ledger Folio of Transferor		<input type="text"/>	
Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee		<input type="text"/>	

Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

Date of registration of transfer (Date Month Year)	<input type="text"/>
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Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock
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Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
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Ledger Folio of Transferor	<input type="text"/>
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Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

Ledger Folio of Transferee	<input type="text"/>
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Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

(iv) *Debentures (Outstanding as at the end of financial year)

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	518,901	1000	518,901,000
Partly convertible debentures	0	0	0
Fully convertible debentures	0	0	0
Total			518,901,000

Details of debentures

Class of debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	549,158,000	77,585,000	107,842,000	518,901,000
Partly convertible debentures	0	0	0	0
Fully convertible debentures	0	0	0	0

(v) Securities (other than shares and debentures)

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
Total					

V. *Turnover and net worth of the company (as defined in the Companies Act, 2013)

(i) Turnover

331,043,420

(ii) Net worth of the Company

317,124,232

VI. (a) *SHARE HOLDING PATTERN - Promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	2	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	

6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	21,999,998	100	0	
10.	Others	0	0	0	
	Total	22,000,000	100	0	0

Total number of shareholders (promoters)

3

(b) *SHARE HOLDING PATTERN - Public/Other than promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	0	0	0	
10.	Others	0	0	0	

	Total	0	0	0	0
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Total number of shareholders (other than promoters)

0

**Total number of shareholders (Promoters+Public/
Other than promoters)**

3

**VII. *NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS
(Details, Promoters, Members (other than promoters), Debenture holders)**

Details	At the beginning of the year	At the end of the year
Promoters	3	3
Members (other than promoters)	0	0
Debenture holders	481	523

VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) *Composition of Board of Directors

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive
A. Promoter	1	1	1	1	0	0
B. Non-Promoter	1	2	1	2	0	0
(i) Non-Independent	1	0	1	0	0	0
(ii) Independent	0	2	0	2	0	0
C. Nominee Directors representing	0	0	0	0	0	0
(i) Banks & FIs	0	0	0	0	0	0
(ii) Investing institutions	0	0	0	0	0	0
(iii) Government	0	0	0	0	0	0
(iv) Small share holders	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0
Total	2	3	2	3	0	0

Number of Directors and Key managerial personnel (who is not director) as on the financial year end date

7

(B) (i) *Details of directors and Key managerial personnel as on the closure of financial year

Name	DIN/PAN	Designation	Number of equity share(s) held	Date of cessation (after closure of financial year : If any)
Griger Cherry Williams	00145586	Whole-time director	0	
Susanna Isaac	03296118	Director	0	
Kocheril Ittoop Varghese	08291568	Director	0	
Kadapuram Mathews m	08212342	Director	0	
Abin M Behanan	08712671	Director	0	
Naveena P Thampi	BCZPT7387M	Company Secretary	0	
Sibin Paulson	CNYPP1750M	CFO	0	

(ii) Particulars of change in director(s) and Key managerial personnel during the year

4

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation	Nature of change (Appointment/ Change in designation/ Cessation)
D Paul Ranjan	ACOPR4528G	CFO	27/10/2020	Cessation
Abin M Behanan	08712671	Additional director	31/12/2020	Change in Designation
Susanna Isaac	03296118	Additional director	31/12/2020	Change in Designation
Sibin Paulson	CNYPP1750M	CFO	01/01/2021	Appointment

IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS**A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

Number of meetings held

2

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding
EGM	28/09/2020	3	3	100
AGM	31/12/2020	3	3	100

B. BOARD MEETINGS

*Number of meetings held

4

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	09/06/2020	5	5	100
2	29/09/2020	5	5	100
3	22/12/2020	5	4	80
4	16/03/2021	5	5	100

C. COMMITTEE MEETINGS

Number of meetings held

5

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting	Attendance	
				Number of members attended	% of attendance
1	Audit Committee	09/06/2020	3	3	100
2	Audit Committee	22/12/2020	3	2	66.67
3	Nomination and Remuneration Committee	22/12/2020	3	2	66.67
4	Audit Committee	16/03/2021	3	3	100
5	CSR Committee	16/03/2021	3	3	100

D. *ATTENDANCE OF DIRECTORS

S. No.	Name of the director	Board Meetings			Committee Meetings			Whether attended AGM held on
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	30/09/2021
								(Y/N/NA)
1	Griger Cherry	4	4	100	5	5	100	Yes
2	Susanna Isaac	4	4	100	0	0	0	Yes
3	Kocheril Ittoop	4	4	100	0	0	0	Yes
4	Kadapuram M	4	4	100	5	5	100	Yes
5	Abin M Behan	4	3	75	5	3	60	Yes

X. *REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

1

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1	Griger Cherry Willia	Whole Time Dire	2,725,002	0	0	0	2,725,002
	Total		2,725,002	0	0	0	2,725,002

Number of CEO, CFO and Company secretary whose remuneration details to be entered

2

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1	D Paul Ranjan	CFO	100,000	0	0	0	100,000
2	Sibin Paulson	CFO	147,097	0	0	0	147,097
	Total		247,097	0	0	0	247,097

Number of other directors whose remuneration details to be entered

2

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1	K I Varghese	Director	1,207,500	0	0	0	1,207,500
2	Susanna Isaac	Director	1,381,500	0	0	0	1,381,500
	Total		2,589,000	0	0	0	2,589,000

XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year Yes No

B. If No, give reasons/observations

XII. PENALTY AND PUNISHMENT - DETAILS THEREOF

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

(B) DETAILS OF COMPOUNDING OF OFFENCES Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in Rupees)

XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment

Yes No

XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

M VASUDEVAN

Whether associate or fellow

Associate Fellow

Certificate of practice number

2437

I/We certify that:

(a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.

(b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.

(c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.

(d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

Declaration

I am Authorised by the Board of Directors of the company vide resolution no. ... dated

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

- Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
- All the required attachments have been completely and legibly attached to this form.

Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.

To be digitally signed by

Director

DIN of the director

00145586

To be digitally signed by

Company Secretary

Company secretary in practice

Membership number

Certificate of practice number

Attachments

- 1. List of share holders, debenture holders
- 2. Approval letter for extension of AGM;
- 3. Copy of MGT-8;
- 4. Optional Attachment(s), if any

Attach
Attach
Attach
Attach

List of attachments

Shareholders List-Vanchinad.pdf Vanchinad - Debenture Holders.pdf
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Remove attachment

Modify

Check Form

Prescrutiny

Submit

This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company



ANNUAL REPORT FOR THE FY 2020-21

VANCHINAD FINANCE PRIVATE LIMITED
CIN: U65910KL1987PTC004722
KUZHUVELIL BLDG, 2ND FLOOR POOKATTUPADY ROAD,
UNICHIRA, EDAPPALLY, ERNAKULAM - 682021
Email - vanchinadfinancepvtltd@gmail.com,
Website - www.vanchinad.com

VANCHINAD FINANCE PRIVATE LIMITED

BOARD OF DIRECTORS

Dr. Griger Cherry Williams (Whole-time Director)

Smt. Susanna Isaac (Director)

Shri. K. I. Varghese (Director)

Adv. K. Mathews Mathai (Independent Director)

CA Abin M Behanan (Independent Director)

AUDITORS

Mr. Vinay N Pisharady,
Chartered Accountant
Aluva – 683105

REGISTERED OFFICE

VANCHINAD FINANCE PRIVATE LIMITED
CIN: U65910KL1987PTC004722
KUZHUVELIL BLDG, 2ND FLOOR
POOKATTUPADY ROAD, UNICHIRA,
EDAPPALLY, ERNAKULAM - 682021
Email – vanchinadfinancepvtltd@gmail.com,
Website – www.vanchinad.com

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VANCHINAD FINANCE PRIVATE LIMITED

Kuzhuvellil Building, 02nd Floor, Pookkattupady Road,
Unichira, Edappally, Ernakulam, Kerala-682021

CIN: U65910KL1987PTC004722

Email – vanchinadfinancepvtltd@gmail.com, Website – www.vanchinad.com

Telephone No: 0484 -4853300

NOTICE OF THE 34TH ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of the members of **VANCHINAD FINANCE PRIVATE LIMITED** will be held on Thursday, 30th September, 2021, at Kuzhuvellil Building, 02nd Floor, Pookkattupady Road, Unichira, Edappally, Ernakulam-682021 at 5.00 PM to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2021 and Profit and Loss Statement and Cash flow Statement for the year ended as on that date, together with Auditor's Report and Directors Report thereon.
2. To appoint a director in place of Dr.Griger Cherry Williams (DIN: 00145586), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

3. Issue and allotment of Non-Convertible Debentures on private placement basis

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any amendment, modification, variation or re-enactment to any of the forgoing), and applicable circulars issued by Reserve Bank of India, and in compliance with other applicable rules, regulations and guidelines issued by any authority and the provisions of the Memorandum and Articles of Association of the Company, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board), for making offer(s) or invitation(s) to subscribe to secured/Unsecured redeemable Non-Convertible Debentures ('NCDs'), and allot NCDs on a private placement basis not exceeding the stipulated limit of subscribers in one or more tranches, for a period of one year, within the overall outstanding borrowing limits of the Company (hereinafter referred to as 'Debenture issue')".

"RESOLVED FURTHER THAT, for the purpose of giving effect to the foregoing resolution, the Board of Directors be and is hereby authorized to determine the terms of the issue including the class of investors to whom such NCDs are to be issued, time, total amount to be raised by issuance of NCDs, NCDs to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/discount, prepare offer letters, allotment of securities to successful allottees, to create securities in favour of one or more Trustees and to do all such acts, deeds, filings, matters and things and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company, to settle all questions, difficulties or doubts that may arise in this regard as the Board of Directors may in its sole and absolute discretion deems fit and delegate all or any of its powers

herein conferred to any Director(s) and/ or officer(s) of the Company, if required, as it may in its absolute discretion deem it necessary or desirable.”

For and on behalf of the Board of
VANCHINAD FINANCE PRIVATE LIMITED

Date: 07/09/2021
Place: Ernakulam

Dr. Griger Cherry Williams
Whole-time Director
(DIN: 00145586,
Address: Chungath House,
Guruvayur Road P.O., Kunnamkulam
Thrissur, Kerala - 680503)

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the company. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.**
2. **For appointing the proxy the enclosed proxy form duly filled, stamped and signed must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
3. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in and signed and hand over the same at the entrance of the hall for attending the meeting.
4. Members are requested to notify immediately any change in their address including e-mail address to the Registered Office of the Company.
5. Relevancy of question and the order of speakers will be decided by the Chairman. Members are requested to forward in writing to the Company any question on the Accounts, so as to reach the Registered Office one week before the date of the Annual General Meeting.

As per the requirement of Secretarial Standard 2, the following information relating to the director to be re-appointed as contained in Item No. 2

Particulars	Information
Name	Dr.Griger Cherry Williams
Age	39

Qualification	MBBS, M. D. (Doctor of Medicine)
Experience	More than 19 years of experience in NBFC business activities and other related matters.
Terms and conditions of appointment	As per the Resolution at Item No. 2
Remuneration sought to be paid	2,50,000/- (Rupees Two Lakh Fifty Thousand Only) per month
Remuneration Last drawn	2,50,000/- (Rupees Two Lakh Fifty Thousand Only) per month
Date of first appointment on Board	27/09/2018
Shareholding in the company	-
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Susanna Isaac (Wife)
Number of Meetings of the Board attended during the year	04/04
Other Directorships, Membership/ Chairmanship of Committees of other Boards	<ul style="list-style-type: none"> • SML Finance Limited(Managing Director) • Sangeeth Nidhi Limited(Director) • Yuvasakthi Trades LLP (Partner) • Ayur Bethaniya LLP (Partner) • Bethaniya Clinic LLP (Partner)

STATEMENT TO BE ANNEXED PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

3.Issue and allotment of secured redeemable Non-Convertible Debentures on private placement basis

Meaning, Scope and Implication of Item of business:

Private Placement" means any offer of securities or invitation to subscribe securities to a select group of persons by a company (other than by way of public offer) through issue of a private placement offer letter and which satisfies the conditions specified in section 42 of the Companies Act, 2013. As per Section 42 of the Companies Act, 2013 and the rules, to issue non-convertible debentures in an year, under private placement basis, special resolution needs to be passed by the members in their general meeting once in an year, authorizing the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) to make such issue in one or more series as per the Companies Act, 2013.

As per the provisions of Section 42, 71 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder, a company offering or making an invitation to subscribe secured redeemable Non-Convertible Debentures (NCDs) on a private placement basis is required to be obtained prior approval of members of the company by way of special resolution. Such special resolution would remain valid for a period of 01 (one) year from the date of passing such resolution, for all the offers or invitations for such NCDs to be made during the year.

NCDs issued on private Placement basis constitute an alternative source of borrowing for the company other than traditional borrowings from banks and financial institutions.

It is proposed to offer or invite subscription for NCDs on a private placement basis, in one or more tranches, within the overall outstanding borrowing limits of the company, as approved by the members, with an authority to the Board of Directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board),to determine the terms and conditions including the issue price of the NCDs, interest rate, repayment, security or otherwise as it may deem expedient and do all such acts, deeds, matters and things in connection

therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent, or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the resolution. Accordingly, approval of the members is being sought by way of special resolution under section 42 and other applicable provisions, if any of the Act and its rules thereunder.

The board accordingly recommends the special resolution for the approval of members.

As required by section 102(1) of the Companies Act, 2013 none of the Director, Manager, Key managerial personnel and relatives of such Director, Manager and Key Managerial Personnel is interested in the above resolution.

The special business transacted at the meeting of the company does not relate to or affects any other company. So disclosure pursuant to Sec 102(2) (b) of the Companies Act, 2013 is not applicable

For and on behalf of the Board of
VANCHINAD FINANCE PRIVATE LIMITED

Date: 07/09/2021
Place: Ernakulam

Dr. Griger Cherry Williams
Whole-time Director
(DIN: 00145586,
Address: Chungath House,
Guruvayur Road P.O., Kunnankulam
Thrissur, Kerala - 680503)

VANCHINAD FINANCE PRIVATE LIMITED

Kuzhuvellil Bldg, 2nd Floor, Pookattupady Road, Unichira, Edappally, Ernakulam - 682021

CIN: U65910KL1987PTC004722

Email – vanchinadfinancepvtltd@gmail.com

Telephone No: 0484 - 4853300

DIRECTORS' REPORT

To,
The Members

Your Directors are pleased to present the 34th Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31st March, 2021.

1. FINANCIAL RESULTS

(In Rupees)

Financial Highlights	For the Year Ending 31 st March 2021	For the Year Ending 31 st March 2020
Total Income	35,01,47,941	34,45,84,003
Total Expenditure (including Depreciation)	32,04,14,218	27,80,21,810
Profit/(Loss) before Tax	2,97,33,723	6,65,62,193
Tax (including deferred tax)	77,51,481	1,89,25,755
Profit/(Loss) after Tax	2,19,82,242	4,76,36,438
Surplus / (Deficit) carried to Balance Sheet	2,19,82,242	4,76,36,438

2. PERFORMANCE REVIEW

During the financial year 2020-21, the company had opened new 16 branches .The total income of the company increased from Rs.34.45 cr of the previous FY to Rs. 35.01 cr. The company had incurred expenditure of Rs.32.04 cr as compared to the previous year expenditure of Rs. 27.80 cr. Profit of the company during the FY 2020-21 decreased due to covid-19 effects during first half of the Financial Year. The company granted moratorium to the eligible customers during the period starting from March 2020 to August 2020. The repayment of loans from customers badly affected due the effect of Covid-19 pandemic. Even though company faced a difficult situation during the first half, we were able to recover from pandemic situation and performance during the period ended with a profit of Rs. 2.20 Cr

3. DIVIDEND

In view of the need to conserve the funds for plough back, the Directors did not to recommend any Dividend on Equity Shares for the Financial Year.

4. CHANGE IN NATURE OF BUSINESS, IF ANY

During the financial year 2020-21, the company started disbursing Personal loan and Gold loan and stopped granting of micro finance loan.

5. AMOUNTS TRANSFERRED TO RESERVES

The Company transferred Rs. 43,76,500 /- out of the current year profit to the Statutory Reserve created u/s 451C of RBI Act.

6. CHANGES IN SHARE CAPITAL DURING THE FINANCIAL YEAR, IF ANY

There was no change in the share capital of the company during the Financial Year 2020-21. As on date of this report, the Authorised share capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 equity shares of Rs. 10/- each. The issued, subscribed and Paid up share capital of the Company as on the date of this report is Rs. 22,00,00,000/- (Rupees Twenty Two Crores only) consisting of 2,20,00,000 equity shares of Rs. 10/- each.

7. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with differential rights during the financial year.

8. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued any employee stock options during the financial year.

9. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any sweat equity shares during the financial year.

10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER BALANCE SHEET DATE TILL THE DATE OF THIS REPORT

There were no material changes or commitments affecting the financial position of the company after balance sheet date till the date of this report.

11. DIRECTORS

The Board of Directors of the Company is duly constituted and the present structure as on the date of this report is as follows:

Sl. No.	Name	Designation	Date of Appointment	DIN	Status-Resident/Non Resident	Category-Independent / Non Independent	Executive / Non Executive
1.	Griger Cherry Williams	Whole-time Director	27/09/2018	00145586	Resident	Non Independent	Executive
2.	Susanna Isaac	Director	16/10/2019	03296118	Resident	Non Independent	Non-Executive
3.	Kocheril Ittoop Varghese	Director	06/11/2018	08291568	Resident	Non Independent	Executive
4.	Kadapuram Mathews mathai	Independent Director	27/08/2018	08212342	Resident	Independent	Non-Executive
5.	Abin M Behanan	Independent Director	03/03/2020	08712671	Resident	Independent	Non-Executive

In accordance with the Companies Act, 2013, Dr. Griger Cherry Williams (DIN - 00145586), Whole-time Director of the Company is liable to retire from office by rotation and is eligible for reappointment.

12. KEY MANAGERIAL PERSONNEL

The Company is covered under section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, appointment of Key Managerial Personnel is mandatory. Mr.Sibin Paulson, is appointed as the Chief Financial Officer of the company with effect from 01.01.2021. The company has whole-time Director, Chief Financial Officer and Company Secretary as Key Managerial Personnel.

13. THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Name of Key Managerial Personnel	Position	Date of Appointment/Resignation/Change in Designation	Appointment/Resignation/Change in Designation
D Paul Ranjan	Chief Financial Officer	27.10.2020	Resignation
Abin M Behanan	Independent Director	31.12.2020	Change in Designation
Susanna Isaac	Director	31.12.2020	Change in Designation
Sibin Paulson	Chief Financial Officer	01.01.2021	Appointment

14. NUMBER OF BOARD MEETINGS HELD AND THE DATE ON WHICH HELD

The Board held Four meetings during the fiscal. The dates on which the meetings were held are as follows:

09.06.2020	29.09.2020	22.12.2020	16.03.2021
------------	------------	------------	------------

The maximum time gap between any two meetings was not more than 120 days.

15. ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS & LAST ANNUAL GENERAL MEETING:

Name of the Director	Attendance particulars			Shareholding in the Company (Face value of Rs. 10/- each) Equity Shares
	Board meetings	Last AGM 31.12.2020	EGM 28.09.2020	
Griger Cherry Williams	04/04	Present	Present	-
Susanna Isaac	04/04	Present	Present	-
Kocheril Ittoop Varghese	04/04	Present	present	-
Adv. K Mathews Mathai	04/04	Present	Present	-
Abin M behanan	03/04	Present	Present	-

16. INDEPENDENT DIRECTORS & STATEMENT OF DECLARATION

The Company is covered under section 149 (4) of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and have 2 independent Directors. The company has also obtained declaration of Independence from Independent Directors.

17. WOMEN DIRECTOR

The Company is not covered under rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence it is not mandatory to appoint women director in the Board. However company has a women director in the Board.

18. NOMINATION AND REMUNERATION COMMITTEE

The company is covered under section 178 (1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Nomination and Remuneration Committee of the company consists of following members;

1. Adv. K. Mathews Mathai - Chairman (Independent Director)
2. CA Abin M Behanan - Member (Independent Director)
3. Mr. Griger Cherry Williams - Member (Executive Director)

During the Financial Year, 2020-21, meeting of Nomination and Remuneration Committee was held on 22nd Day of December 2020.

19. DETAILS OF THE REMUNERATION PAID TO EXECUTIVE DIRECTOR FOR THE YEAR

The aggregate of salary and perquisites paid for the year ended 31st March, 2021 to the Executive Directors of the Company were as follows:-

1. Mr. Griger Cherry Williams (Whole-time Director) - Rs. 27,25,002/-
2. Mr. Kocheril Ittoop Varghese (Director)- Rs 12,07,500/-

20. REMUNERATION PAID TO NON EXECUTIVE DIRECTORS

The aggregate of salary and perquisites paid for the year ended 31st March, 2021 to the Non-Executive Director of the Company was as follows:-

1. Mrs. Susanna Isaac (Director) – Rs. 13,81,500/-

21. AUDIT COMMITTEE

The Company is covered under section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Audit Committee of the board consist of following members;

- | | | |
|-------------------------------|---|---------------------------------|
| 1. CA Abin M Behanan | - | Chairman (Independent Director) |
| 2. Adv. K. Mathews mathai | - | Member (Independent Director) |
| 3. Dr. Griger Cherry Williams | - | Member (Executive Director) |

During the Financial Year, 2019-20, meeting of Audit Committee was held on the following dates;

09.06.2020	22.12.2020	16.03.2021
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22. VIGIL MECHANISM

The company is not required to constitute a vigil mechanism pursuant to the provision of section 177 (9) of the companies Act, 2013 and Rules framed thereunder.

23. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company is not covered under section 178 (5) of the Companies Act, 2013 and hence not required to constitute Stakeholders Relationship Committee.

24. STATUTORY AUDITOR

Mr. Vinay N Pisharady, Chartered Accountant (Membership No:233743), Pothiyil Pisharam, Marampally P.O., Aluva Via, Ernakulam, Kerala – 683105, appointed as the Statutory Auditor of the Company for a period of 5 years from the conclusion of the 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting.

25. AUDITORS REPORT

The Report of the Auditors of the Company and notes to accounts are self-explanatory.

26. COST AUDITORS

The Company is not required to appoint Cost Auditor under section 148 of the Companies Act, 2013.

27. MAINTENANCE OF COST RECORDS

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

28. SECRETARIAL AUDIT REPORT

The Company is not covered under section 204 of the Companies Act, 2013 and hence not required to annex Secretarial Audit Report.

29. DEPOSITS AND DEBENTURES

The Company has not accepted any deposits from public during the year. The details as required under Rule 8(5) of the Companies (Accounts) Rules, 2014 is provided herewith;

The Company has allotted Non-convertible Debentures during the Financial Year 2020-21 and details of which are as follows;

Series	Date of Allotment	No. of Debentures	Total amount of Debentures (in Rs.)
Series-19	16.12.2020	6300	6300000
	31.12.2020	9250	9250000
	16.01.2021	12350	12350000
	30.01.2021	13140	13140000
Series-20	16.02.2021	5500	5500000
	01.03.2021	2200	2200000
	18.03.2021	9025	9025000
	31.03.2021	19820	19820000
TOTAL		77585	7,75,85,000/-

Total outstanding debentures as on 31.03.2021 was Rs. 51,89,01,000 /- and total outstanding subordinated debt as on 31.03.2021 was Rs. 17,97,73,000/-.

30. LOANS, GUARANTEES AND INVESTMENTS

The company has complied with Section 185 and 186 of the Companies Act, 2013 with regard to Granting of loan to related entities. The Company had granted Inter corporate Loan amounting to Rs. 1.5 Cr to SML Finance Ltd, Holding company and the same was repaid by SML Finance during the Financial Year itself. Details of inter corporate Loans granted by the company are included in the Balance Sheet.

The company had not given guarantees or made investments within the meaning of Section 186 of the Companies Act, 2013 and rules made there under.

31. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

During the year, no Companies had become or ceased to be Subsidiaries, Joint ventures and Associated Companies. This information may be considered as per Rule 8(5) of the Companies (Accounts) Rules, 2014. Presently our Company is the wholly owned subsidiary of S M L FINANCE LIMITED.

32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS

The Company had entered into related party transactions during the financial year 2020-21. As per Section 134 (3) (h) of the Companies Act, 2013, the particulars of Contracts or Arrangements with related parties within the meaning of Section 188 is provided in the prescribed Form AOC-2 and forms part of this Report as **Annexure I**.

33. CORPORATE SOCIAL RESPONSIBILITY

The annual report on CSR activities, indicating the contents of CSR policy, composition of CSR Committee and other requisite details form part of this report as **Annexure II**.

34. EXTRACT OF ANNUAL RETURN

As required under Section 134(3A) of the Companies Act 2013, an extract of the Annual Return under Section 92 in the prescribed form MGT 9, is published in the website of the company www.vanchinad.com .

35. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

During Financial Year no cases reported under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

36. FRAUD REPORTING

During the Financial Year, there were no cases regarding fraud have been reported to the Board/Central Government.

37. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No order has been passed by the Regulators/Courts/Tribunal, which affects the going concern status or Company's operations.

38. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

There was no voluntary revision of Financial Statements or Board's Report in respect of preceding three financial years.

39. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate internal control and process on place with respective Financial Statements, which provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial Statements. This Controls and processes are driven through various policies, procedures and certification. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

Report on the Internal Financial Control with Reference to the Financial Statements included in the Auditor's Report.

40. FORMAL ANNUAL EVALUATION

The Company is not covered under section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014 and hence the statement regarding manner adopted for formal annual evaluation is not mandatory. However company is doing formal annual evaluation of Board of Directors and senior management.

41. RISK MANAGEMENT

The Company recognizes the importance of risk management and towards this end, the Board of Directors had approved and adopted Risk Management Policy (the 'Policy') for implementation of risk management strategy. The board also constituted a Risk Management Committee for reviewing the systems used to manage, identify and assess risks faced by the Company viz., credit risk, operational risk, liquidity risk, governance risk, interest rate risk etc. For each risks identified in the process, corresponding controls are assessed and procedure are put in place for monitoring, mitigating and reporting risk on a periodic basis.

The following risk management activities were carried out during the financial year:

- A) Assessed and strengthened the Policy for further standardization of risk identification, assessment and governance of risks across the Company.
- B) Assessment of business momentum relative to competition and competitive position in key market segments.
- C) Regularly assessed progress on the execution of strategic decisions, progress on the growth of software enabled services, impact of automation, performance of subsidiary businesses and operating cost optimization.
- D) Regularly assessed the business environment including trend line of key external indicators and internal business indicators such as client concentration.
- E) Reviewed key operational risks and actions based on inputs from external assessments, internal audit findings and incidents. Reviewed operational risk areas including client service delivery and information security.
- F) Monitored key developments in the regulatory environment and its impact in operations of the Company.

42. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your company's operations do not involve large-scale use of energy. The disclosure of particulars under this head is not applicable as your Company operates in the service sector. Although your company is not large-scale energy user, it acknowledges, the concept of conservation of energy. There were no foreign exchange earnings or outgo for the Company during the financial year.

43. UNSECURED LOAN FROM DIRECTORS

During the Financial year 2020-21, the Company had not accepted any unsecured loans from its directors.

44. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to the provisions of Section 134 (5) of the Companies Act, 2013 your Directors wish to confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures:

- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

45. SECRETARIAL STANDARDS

Your directors wish to confirm that the applicable secretarial standards had been complied by the Company.

46. APPRECIATION

We take this opportunity to thank all regulators including the Reserve Bank of India, Registrar of Companies, Income Tax and GST authorities etc for their valuable guidelines and advices for the corporate compliance, Social responsibility and growth of the company. We also thank all the employees for their contribution to the growth and success of your Company. We would also like to thank bankers, stakeholders and business associates for their extended support during the year.

For and on behalf of the Board of
VANCHINAD FINANCE PRIVATE LIMITED

Griger Cherry Williams
Whole-time Director
(DIN: 00145586,
Address: Chungath House, Guruvayur Road P.O.,
Kunnamkulam Thrissur, Kerala - 680503)

Kocheril Ittoop Varghese
Director
(DIN: 08291568,
Address: Flat No. West 127 Federal Park, Vennala,
Ernakulam, Kerala - 682028)

Place: Ernakulam
Date: 07-09-2021

Form No. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

Details of material contracts or arrangements or transactions at arm's length basis

Sl. No: 1	Particulars	Details
a)	Name of the related party & nature of relationship	C.C.William Varghese Father of whole-time director
b)	Nature of contracts/arrangements/transaction	Remuneration for holding office or place of profit
c)	Duration of the contracts/arrangements/transaction	2020-21
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.54,00,000/-
e)	Date of approval by the Board	12.04.2019
f)	Amount paid as advances, if any	Nil

Sl. No: 2	Particulars	Details
a)	Name of the related party & nature of relationship	C.C. William Varghese Father of whole-time director
b)	Nature of contracts/arrangements/transaction	Rent
c)	Duration of the contracts/arrangements/transaction	2020-21
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 18,67,500/-
e)	Date of approval by the Board	04.04.2018
f)	Amount paid as advances, if any	Nil

Sl. No: 3	Particulars	Details
a)	Name of the related party & nature of relationship	Susanna Isaac (Director)
b)	Nature of contracts/arrangements/transaction	Salary for holding office or place of profit
c)	Duration of the contracts/arrangements/transaction	2020-21
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 13,81,500/-
e)	Date of approval by the Board	09.06.2020
f)	Amount paid as advances, if any	Nil

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES**(1) A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs**

The Company has adopted the Corporate Social Responsibility Policy (the '**Policy**') outlining the various activities defined in Schedule VII of the Companies Act, 2013. The Policy envisages the formulations of the CSR Committee which will recommend the amount of expenditure to be incurred on the activities referred to in the Policy to the Board of Directors and monitor the project/ programs from time to time with reporting of the progress on such project/ programs to the Board of Directors. The execution of the projects/ programs is either by way of partnering through the implementation agencies or directly by the Company.

Our Policy is aimed at demonstrating care for the community through its focus on education and skill development, health, wellness and environmental sustainability including biodiversity, energy and water conservation. Also embedded in this is objective to render support to the marginalized cross section of the society by providing opportunities to improve their quality of life.

(2) The composition of CSR Committee:

1. Adv.K Mathews mathai - Chairman (Independent Director)
2. CA Abin M Behanan - Member (Independent Director)
3. Dr. Griger Cherry Williams - Member (Whole-time Director)

(3) Average net profit of the Company for last three financial years

₹ 5,58,23,125 /-

(4) Prescribed CSR expenditure (two percentage of the amount as in item 3 above)

₹ 11,16,463 /-

(5) Details of CSR spent during the financial year

- (a) Total amount to be spent for the financial year (including last year unspent amount of Rs. 3,04,042) : **₹ 14,20,505**
- (b) Total Amount spent during the FY 2020-21: **₹ 14,24,200/-**
- (c) Amount unspent, if any (cumulative CSR unspent as on 31st March 2021): Nil
- (d) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. no.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs	Amount spent on the projects or programs Sub-head: (1).Direct expenditure on projects or programs (2).Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing Agency
1	Medical and treatment aid	Preventive healthcare	Purhussery Panchayath Palakkad	10,000	10,000	10,000	Direct
			Ernakulam	100000	100000	1,10,000	
			Pazhanji, Thrissur	100000	100000	2,10,000	
			Kalamassery, Ernakulam	200000	200000	4,10,000	

			Panayapilly, Ernakulam	200000	200000	6,10,000	
			Mannam, Ernakulam	200000	200000	8,10,000	
			Paravur, Ernakulam	200000	200000	10,10,000	
			Paravur, Ernakulam	155000	155000	11,65,000	
2	Trust and charitable society, rehabilitation, food items, house construction to weaker sections of society, Marriage Aid, Disaster Relief Activities etc.	Eradication of poverty	Kavalappara, Malappuram	50000	50000	12,15,000	Direct
			Ezhupunna, Alappuzha	200000	200000	14,15,000	Direct
3	Study materials	Promotion of education	Kottayam	9200	9200	14,24,200	Direct
Total				14,24,200	14,24,200		

(6) In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: NA

(7) A responsibility statement of the CSR Committee that the implementation and monitoring of Policy, is in compliance with CSR objectives and policy of the Company

We hereby declare that implementation and monitoring of the Policy are in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of
VANCHINAD FINANCE PRIVATE LIMITED

Griger Cherry Williams
Whole-time Director
(DIN: 00145586,
Address: Chungath House, Guruvayur Road P.O.,
Kunnamkulam Thrissur, Kerala - 680503)

Kocheril Ittoop Varghese
Director
(DIN: 08291568,
Address: Flat No. West 127 Federal Park, Vennala,
Ernakulam, Kerala - 682028)

Place: Ernakulam
Date:07-09-2021

Independent Auditor's Report on the financial statements

To the Members of Vanchinad Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Vanchinad Finance Private Limited, ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and

prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.


2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.
Refer Note 28

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



Vinay N. Pisharady FCA
Chartered Accountant
Membership No.233743
UDIN: 21233743AAAABG6226

Aluva,
07.09.2021

“Annexure A” To The Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) There are no immovable properties held in the name of the company.
- 2) In our opinion and according to the information and explanations given to us, the nature of the Company’s business is such that it is not required to hold any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any public deposit from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under where ever applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Duty of Customs, Duty of Excise and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of Income Tax, Goods and Service Tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions or debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

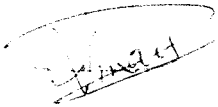
12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has complied with the requirements of section 42 of the Companies Act, 2013 and the amount raised by preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review have been used for the purposes for which the funds were raised..

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) According to the Information and explanation given to us and based on our examination of the records of the Company, the Company has obtained the required registration under section 45-IA of the Reserve Bank of India Act, 1934



Vinay N. Pisharady FCA
Chartered Accountant
Membership No.233743

Aluva,
07.09.2021

Annexure “B” To The Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Vanchinad Finance Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Vanchinad Finance Private Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

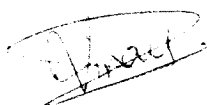
detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Vinay N. Pisharady FCA

Chartered Accountant

Membership No.233743

Aluva,

07.09.2021

BALANCE SHEET AS AT 31ST MARCH 2021

PARTICULARS	Note No.	31.03.2021 Rs.	31.03.2020 Rs.
I. EQUITY AND LIABILITIES			
Share Holders' Funds:			
Share Capital	3	22,00,00,000	22,00,00,000
Reserves and Surplus	4	9,71,24,232	11,91,41,991
Share Application Money pending allotment			
Non-Current Liabilities			
Long-term borrowings	5	70,36,21,531	70,14,53,455
Deferred tax liabilities (Net)		-	-
Other Long term liabilities	6	1,71,21,148	1,51,47,207
Long term provisions	7	97,28,579	51,66,183
Current Liabilities			
Short-term borrowings	8	38,80,94,230	33,50,47,050
Trade payables		-	-
Other Current liabilities	9	3,16,23,300	2,25,64,202
Short-term provisions	10	-	52,018
Total		1,46,73,13,019	1,41,85,72,104
II. ASSETS			
Non-Current Assets			
Property, Plant & Equipments	11	91,41,570	97,08,013
Intangible assets	11	24,96,423	22,81,217
Non-current investments		-	-
Deferred tax assets (net)	12	25,14,719	7,66,200
Long-term loans and advances_ Financing Activities	13	39,44,94,593	35,70,00,063
Long-term loans and advances	14	78,87,147	67,48,541
Other Non-current assets		-	-
Current Assets			
Current investments		-	-
Cash and cash equivalents	15	2,27,08,813	16,90,179
Short-term loans and advances_ Financing Activities	13	87,38,52,490	91,61,76,149
Short-term loans and advances	16	13,35,68,872	11,34,44,516
Other Current assets	17	2,06,48,392	1,07,57,225
Total		1,46,73,13,019	1,41,85,72,104

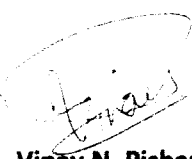
Notes are an integral part of the financial statements

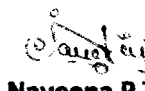
For and on behalf of the Board of Directors


In terms of our report attached.

Dr. Griger Cherry Williams
(Whole Time Director)
DIN: 00145586

K.L.Varghese
(Director)
DIN: 08291568


Vinay N. Pisharady FCA
Chartered Accountant
Membership No: 233743


Naveena P Thampi
(Company Secretary)


Sibin Paulson
(Chief Financial Officer)

Place: Aluva
Date: 07.09.2021

Place: Edappally
Date: 07.09.2021




PROFIT AND LOSS STATEMENT FOR THE YEAR 31ST MARCH 2021


PARTICULARS	Note No.	31.03.2021 Rs.	31.03.2020
INCOME			
Revenue from operations	18	33,10,43,420	33,32,98,956
Other Income	19	1,91,04,521	1,12,85,047
TOTAL INCOME		35,01,47,941	34,45,84,003
EXPENSES			
Employee benefit expense	20	8,82,94,793	7,02,09,888
Finance cost	21	13,57,25,001	13,23,30,754
Depreciation and amortization expense	22	39,04,544	37,34,953
Other expenses	23	9,24,89,881	7,17,46,214
TOTAL EXPENSES		32,04,14,218	27,80,21,810
Profit before tax		2,97,33,723	6,65,62,193
Tax expense:			
Current tax		95,00,000	1,90,00,000
Deferred tax		(17,48,519)	(74,245)
Total Tax Expense		77,51,481	1,89,25,755
Profit/(loss) for the year from continuing operation		2,19,82,242	4,76,36,438
Earning per equity share:			
Basic & Diluted	26	1.00	2.17

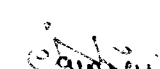
Notes are an integral part of the financial statements

For and on behalf of the Board of Directors

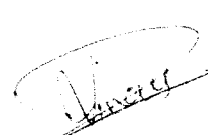
In terms of our report attached.


Dr. Griger Cherry Williams
(Whole Time Director)
DIN: 00145586


K.I. Varghese
(Director)
DIN: 08291568


Naveena P Thampi
(Company Secretary)


Sibin Paulson
(Chief Financial Officer)


Vinay N. Pisharady FCA
Chartered Accountant
Membership No: 233743

Place: Aluva
Date: 07.09.2021

Place : Edappally
Date: 07.09.2021



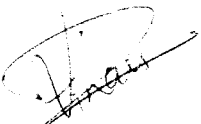
Cash Flow Statement for the year ended 31st March 2021

In terms of AS - 3 on Cash Flow Statement under Indirect Method


Particulars	2020-21 Rs	2019-20 Rs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit Before Taxation	2,97,33,723	6,65,62,193
Adjustments for:		
Provision for depreciation	39,04,544	37,34,953
Interest on borrowings	13,57,25,001	13,23,30,754
Interest income	(1,76,68,189)	(14,76,712)
Interest on income tax refund	(93,686)	(1,37,535)
Bad Debts written off	3,85,32,677	-
Provision for standard assets & NPA	54,04,624	-8,92,696
Operating profit before working capital changes	19,55,38,693	20,01,20,958
(Increase)/Decrease in Loans & Advances	(11,38,606)	(13,42,500)
(Increase)/Decrease in Loans & Advances-Financing activities	(3,37,03,548)	(24,87,42,602)
(Increase)/Decrease in Short term Loans & Advances	(1,82,58,935)	(10,88,49,606)
(Increase)/Decrease in Current Assets	(98,91,167)	(65,57,322)
Increase/(Decrease) in Sundry Creditors & Other liabilities	1,01,38,793	1,28,24,524
Cash from operations	14,26,85,230	(15,25,46,547)
Income tax paid	(1,12,71,735)	(1,77,48,385)
Net cash flow from / (used in) operating activities	13,14,13,495	(17,02,94,931)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(35,53,306)	(61,26,587)
Proceeds from sale of fixed assets	-	-
Interest income	1,76,68,189	14,76,712
Net cash flow from / (used in) investing activities	1,41,14,883	(46,49,875)
C. Cash flow from Financing activities		
Proceeds from issuance of equity shares	-	-
Repayment of short term borrowings	5,30,47,180	14,04,80,487
Proceeds from long-term borrowings	21,68,076	16,71,43,512
Interest on borrowings	(13,57,25,001)	(13,23,30,754)
Dividend paid	(4,40,00,000)	-
Net cash flow from / (used in) financing activities	(12,45,09,745)	17,52,93,245
Net increase / (decrease) in Cash and cash equivalents	2,10,18,633	3,48,438
Opening Cash & Cash Equivalents	16,90,180	13,41,742
Closing Cash & Cash Equivalents	2,27,08,813	16,90,180


In terms of our report attached.

For and on behalf of the Board of Directors



Vinay N. Pisharady FCA
Chartered Accountant
Membership No: 233743

Place: Aluva
Date: 07.09.2021

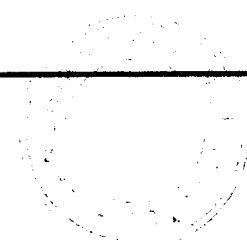

Dr. Griger Cherry Williams
(Whole Time Director)
DIN: 00145586


Naveena P Thampi
(Company Secretary)

Place : Edappally
Date: 07.09.2021


K.I. Varghese
(Director)
DIN: 08291568


Sibin Paulson
(Chief Financial Officer)



1. COMPANY INFORMATION

Vanchinad Finance Private Limited ('the company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The company is principally engaged in lending activity.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (IGAAP) under the historical cost convention as a going concern and on accrual basis and in accordance with the provisions of the Companies Act, 2013 and the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended).

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Prudential norms: The Company Complies all the material aspect, with the prudential norms relating to the income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the direction issued by the Reserve Bank of India in terms of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions, 2007"), as applicable to the company.

2.2. Uses of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3. Revenue recognition

General: Revenue is recognised as earned and accrued when it is reasonably certain that its ultimate collection will be made and the revenue is measurable.

Income from loans:

Interest income from loan transactions is accounted for by applying the interest rate implicit in such contracts.

Service charges, documentation charges and other fees on loan transactions are recognised at the commencement of the contract.

Delayed payment charges, fee based income and interest on trade advances are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

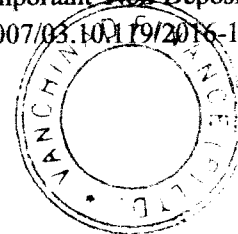
Income on business assets classified as Non-performing Assets, is recognized strictly in accordance with the guidelines issued by The Reserve Bank of India for Non-Banking Financial Companies.

Other Income: In respect of the other heads of income, the Company accounts the same on accrual basis.

2.4. Provisioning Norms for Standard & Sub-Standard Assets

Non-performing assets are recognized and provided for, as per management estimates, subject to the minimum provision required as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued vide master direction No DNBR.PD.007/03.10.19/2016-17 dated September 01, 2016 as amended from time to time

Similarly, provision on standard assets is also made as per the RBI NSI- ND Directions.



2.5. Property, Plant and Equipments

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment losses if any. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long Term Loans & Advances.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

2.6. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

2.7. Depreciation and Amortisation

In respect of fixed assets acquired during the year, depreciation /amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are amortised on a Straight Line basis over the estimated useful economic life. Computer Software which is not an integral part of the related hardware is classified as an intangible asset, and amortised over a period of five years, being its estimated useful life.

2.8. Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on written down value basis over its remaining useful life.

2.9. Investments

Investments are classified into current and non-current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as Current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Investment in subsidiary company is stated at cost.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.10. Employee Benefits

Short Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense)

Post-employment benefits:

Defined contribution plans: Defined contribution plans are employee state insurance scheme and employee pension scheme all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plans: Eligible Employees receives benefit from the provided fund, which is a defined benefit plan. Both the employee and company make monthly contribution to provided fund plan equal to a specified percentage of covered employee's salary.

The Company makes specified monthly contributions towards to the government administrated pension fund. The Company has no obligation other than the contribution payable to provident fund authorities.

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit Method.

Actuarial gains and losses are recognized in the Statement of Profit and Loss as and when incurred.

2.11. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

2.12. Income taxes

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or

substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down, as considered appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

In accordance with the provisions of Section 115BAA of the Income Tax Act 1961, the Company has opted to pay tax at the reduced rate prescribed therein with effect from the current financial year. Consequently, tax expenses for the year comprising current and deferred tax as per Accounting have been recognized using the reduced tax rates applicable.

2.13. Segment Reporting

The Company primarily operates as a Loan company and its operations are in India. Since the Company has not operated in any other reportable segments, as per AS 17 'Segment Reporting', no segment reporting is applicable. Company operates in a single geographical segment. Hence, secondary geographical segment information disclosure is not applicable.

2.14. Cash and Cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.15. Cash Flow Statement

Company has prepared cash flow statement using the Indirect Method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

2.16. Classification of Debentures

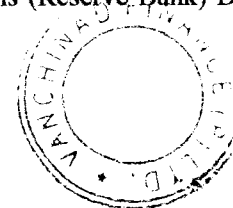
Company has classified debentures as current and non-current based on the maturity period of debenture as mentioned in debenture certificate.

2.17. Earnings per share

The basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18. Provisions and Contingent liabilities

- a. A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions .These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements
- b. Provision policy for loan portfolios: Company provides for non-performing loans and advances as mentioned in Para 13 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. Provision for standard assets (including interest receivable) is made at 0.25% as mentioned in Para 14 of Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 and shown in the balance sheet as 'Contingent Provisions for standard asset'.



Notes on Financial Statements for the Year ended 31st March, 2021

Note : 3

SHARE CAPITAL

Particulars	March 31, 2021	March 31, 2020
(a) Authorised Capital		
2,50,00,000(Previous year: 2,50,00,000) Equity Shares of Rs. 10/- each	25,00,00,000	25,00,00,000
	<u>25,00,00,000</u>	<u>25,00,00,000</u>
(b) Issued, Subscribed and Paidup Capital		
2,20,00,000(Previous Year: 2,20,00,000) Equity Shares of Rs.10/- each	22,00,00,000	22,00,00,000
Total	22,00,00,000	22,00,00,000

i. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Value	No. of shares	Value
No. of shares at the beginning of the year	2,20,00,000	22,00,00,000	2,20,00,000	22,00,00,000
Add: Fresh Issue	-	-	-	-
Less: Shares brought back	-	-	-	-
Outstanding at the end of the year	2,20,00,000	22,00,00,000	2,20,00,000	22,00,00,000

ii. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii. Details of Shareholders holding more than 5% shares :-

Name of the Shareholder	March 31, 2021		March 31, 2020	
	No. of Shares	%	No. of Shares	%
SML Finance Limited	2,19,99,998	100.00%	2,19,99,998	100.00%

Note : 4

RESERVES & SURPLUS

Particulars	March 31, 2021	March 31, 2020
Statutory Reserve - u/s 45IC of RBI Act.		
As per last balance sheet	2,39,37,594	1,44,10,294
Add: Current year's transfer	43,96,500	95,27,300
Closing Balance	2,83,34,094	2,39,37,594
Profit & Loss Account:		
Balance as per last financial statements	9,52,04,396	5,70,95,258
(+) Net profit/(net loss) for the current year	2,19,82,242	4,76,36,438
	11,71,86,638	10,47,31,696
Less: Appropriations		
Dividend on equity shares	4,40,00,000	-
Transfer to General Reserve	-	-
Transfer to Reserve u/s 45 IC of RBI Act, 1934	43,96,500	95,27,300
Balance as at the end of the year	6,87,90,138	9,52,04,396
Total	9,71,24,232	11,91,41,991



Notes on Financial Statements for the Year ended 31st March, 2021

Nature and purpose of Reserves

Statutory reserve

Statutory Reserve is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934. It requires every non banking finance institution which is a Company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. The Company has appropriated 20% of the Profit After Tax to the fund for the year.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of profit for the period at a specified percentage in accordance with applicable regulations. After the introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Retained earnings or Surplus

This reserve represents the cumulative profits of the Company.

Note : 5

LONG TERM BORROWINGS

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Secured				
Non Convertible Debentures	51,89,01,000	54,91,58,000	-	-
Term Loan- Habitat	-	83,58,144	83,58,144	1,49,58,430
Vehicle Loan from Banks	6,14,207	7,36,311	1,22,103	1,11,631
Emergency Loan (COVID 19)	43,33,324	-	1,30,00,008	-
Unsecured				
Subordinated Bonds- Non Current	17,97,73,000	14,32,01,000	-	-
Non Convertible Debentures	-	-	-	-
Total	70,36,21,531	70,14,53,455	2,14,80,255	1,50,70,061

Nature of Security

Privately Placed Non-Convertible Debentures are secured by pari passu charge on the specified receivables arising out of loan and to the extent of shortfall in asset cover by a pari passu charge on the current assets of the Company.

Term-Loan Habitat is secured primarily by way of exclusive Hypothecation charge on book debts equivalent to 110% of the loan amount.

Emergency Loan (COVID 19) is secured by way of First Charge of hypothecation of Standard book debts / standard loan receivables, present and future of Chavara, Ayur, Peerumed, Vandithavalam, Oachira, Pothancodu, Neyyattinkara, Attingal, Kilimanoor branches of the company and Second charge by way of hypothecation of remaining book debts/standard loan receivables, current assets etc ,present and future of the company other than the amount mentioned at branches furnished under above and EM of Commercial Building and residential building.

Further, the loan has been guaranteed by the Personal guarantee of Directors/Corporate guarantee

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.

Notes on Financial Statements for the Year ended 31st March, 2021

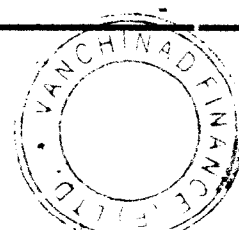
Note 5.1- Non Convertible Debentures -Private Placement

5.1.1 Series wise classification of Non Convertible Debentures

Series Name	Date of allotment	Date of maturity	March 31, 2021	March 31, 2020
VFPL/ NCD / Series 1	31.03.2018	31.03.2028	2,69,23,000	3,73,30,000
VFPL/ NCD / Series 2	31.03.2018	31.03.2028	3,64,80,000	4,50,30,000
VFPL/ NCD / Series 3	31.03.2018	31.03.2028	-	-
VFPL/ NCD / Series 4	31.03.2018	31.03.2028	3,26,66,000	3,51,26,000
VFPL/ NCD / Series 5	31.03.2018	31.03.2028	2,38,31,000	2,85,56,000
VFPL/ NCD / Series 6	31.03.2018	31.03.2028	2,64,55,000	2,69,55,000
VFPL/ NCD / Series 7	31.05.2018	31.05.2028	32,45,000	42,95,000
VFPL/ NCD / Series 8	31.05.2018	31.05.2028	50,00,000	75,00,000
VFPL/ NCD / Series 9	01.10..2018	01.10.2028	1,52,75,000	1,99,75,000
VFPL/ NCD / Series 10	01.12.2018	01.12.2028	3,43,75,000	4,27,75,000
VFPL/ NCD / Series 11	29.01.2019	29.01.2029	2,53,31,000	2,98,31,000
VFPL/ NCD / Series 12	29.03.2019	29.03.2029	6,69,60,000	7,96,10,000
VFPL/ NCD / Series 13	31.05.2019	31.05.2029	3,51,50,000	4,69,00,000
VFPL/ NCD / Series 14	30.07.2019	30.07.2029	2,39,00,000	3,66,50,000
VFPL/ NCD / Series 15	16.08.2019	16.08.2029	20,20,000	20,20,000
VFPL/ NCD / Series 15	02.09.2019	02.09.2029	70,00,000	1,40,00,000
VFPL/ NCD / Series 15	17.09.2019	17.09.2029	58,00,000	63,00,000
VFPL/ NCD / Series 15	01.10.2019	01.10.2029	83,00,000	1,18,00,000
VFPL/ NCD / Series 16	16.10.2019	16.10.2029	82,00,000	1,02,00,000
VFPL/ NCD / Series 16	01.11.2019	01.11.2029	96,00,000	1,16,00,000
VFPL/ NCD / Series 16	16.11.2019	16.11.2029	45,00,000	65,00,000
VFPL/ NCD / Series 16	30.11.2019	30.11.2029	32,50,000	32,50,000
VFPL/ NCD / Series 17	16.12.2019	16.12.2029	66,00,000	66,00,000
VFPL/ NCD / Series 17	01.01.2020	01.01.2030	38,50,000	48,50,000
VFPL/ NCD / Series 17	16.01.2020	16.01.2030	26,00,000	42,00,000
VFPL/ NCD / Series 17	31.01.2020	30.01.2030	47,25,000	72,25,000
VFPL/ NCD / Series 18	17.02.2020	17.02.2030	71,19,000	79,19,000
VFPL/ NCD / Series 18	02.03.2020	02.03.2030	27,00,000	27,00,000
VFPL/ NCD / Series 18	16.03.2020	16.03.2030	68,61,000	68,61,000
VFPL/ NCD / Series 18	31.03.2020	31.03.2030	26,00,000	26,00,000
VFPL/ NCD / Series 19	16.12.2020	16.12.2030	63,00,000	-
VFPL/ NCD / Series 19	31.12.2020	31.12.2030	92,50,000	-
VFPL/ NCD / Series 19	16.01.2021	16.01.2031	1,23,50,000	-
VFPL/ NCD / Series 19	30.01.2021	30.01.2031	1,31,40,000	-
VFPL/ NCD / Series 20	16.02.2021	16.02.2031	55,00,000	-
VFPL/ NCD / Series 20	01.03.2021	01.03.2031	22,00,000	-
VFPL/ NCD / Series 20	18.03.2021	18.03.2031	90,25,000	-
VFPL/ NCD / Series 20	31.03.2021	31.03.2031	1,98,20,000	-
Total			51,89,01,000	54,91,58,000

5.1.2 Coupon Rate wise classification of Non Convertible Debentures

Coupon Rate	No. of Units	(a) Non- current	(b) Current maturity	Total
Coupon Rate- 12	200	9,11,75,000	-	9,11,75,000
Coupon Rate- 12.5	397	25,97,59,000	-	25,97,59,000
Coupon Rate- 13	175	14,36,87,000	-	14,36,87,000
Coupon Rate- 13.5	10	2,42,80,000	-	2,42,80,000
Total		51,89,01,000		51,89,01,000



Notes on Financial Statements for the Year ended 31st March, 2021

5.1.3 Maturity wise classification of Non Convertible Debentures

From the Balance Sheet date	(a) Non- current	(b) Current maturity	Total
Repayable on maturity :			
Maturing beyond 5 years	51,89,01,000	-	51,89,01,000
Maturing between 3 years to 5 years	-	-	-
Maturing between 1 year to 3 years	-	-	-
Maturing within 1 year	-	-	-
Total at face value	51,89,01,000	-	51,89,01,000
Less: Unamortised discounting charges			
Total redemption value, net of unamortized discounting charges			
Total	51,89,01,000	-	51,89,01,000

Note 5.2 - Subordinated Liabilities

Particulars	March 31, 2021	March 31, 2020
At Amortised Cost:		
(a) Subordinated Debts	17,97,73,000	14,32,01,000
Total (A)	17,97,73,000	14,32,01,000
Subordinated liability in India	17,97,73,000	14,32,01,000
Subordinated liability outside India	-	-
Total	17,97,73,000	14,32,01,000

Unsecured Subordinated Debt - Private Placement

5.2.1 Series wise classification of Subordinated Debt

Particulars	Maturity Period	No of units	March 31, 2021	March 31, 2020
Sub Ordinate Debts-Cumulative	2018-2023	1,23,196	12,31,96,000	12,31,96,000
Sub Ordinate Debts-Cumulative	2019-2024	9,880	98,80,000	98,80,000
Sub Ordinate Debts-Cumulative	2020-2025	40,107	4,01,07,000	1,01,25,000
Sub Ordinate Debts-Cumulative	2021-2026	6,590	65,90,000	-
Total			17,97,73,000	14,32,01,000

5.2.2 Interest Rate wise classification of Subordinated Debt

Particulars	Interest %	March 31, 2021	March 31, 2020
Subordinated Debt-Cumulative	11.5%	19,30,000	19,30,000
Subordinated Debt-Cumulative	12.5%	1,39,40,000	58,75,000
Subordinated Debt-Cumulative	13.5%	2,60,12,000	2,60,12,000
Subordinated Debt-Cumulative	14.5%	1,02,50,000	1,02,50,000
Subordinated Debt-Cumulative	15%	53,00,000	53,00,000
Subordinated Debt-Cumulative	12%	2,96,25,000	1,32,65,000
Subordinate Debts- Monthly	11%	15,95,000	15,95,000
Subordinate Debts- Monthly	12%	2,38,57,000	1,17,10,000
Subordinate Debts- Monthly	13%	5,10,41,000	5,10,41,000
Subordinate Debts- Monthly	14%	1,62,23,000	1,62,23,000
Total		17,97,73,000	14,32,01,000



Notes on Financial Statements for the Year ended 31st March, 2021

5.2.3 Maturity wise classification of Subordinated Debt

From the Balance Sheet date	(a) Non- current	(b) Current maturity	Total
Repayable on maturity :			
Maturing beyond 5 years	5,53,47,000	-	5,53,47,000
Maturing between 3 years to 5 years	67,65,000	-	67,65,000
Maturing between 1 year to 3 years	11,76,61,000	-	11,76,61,000
Maturing within 1 year	-	-	-
Total at face value	17,97,73,000	-	17,97,73,000
Less: Unamortised discounting charges	-	-	-
Total redemption value, net of unamortized discounting charges	17,97,73,000	-	17,97,73,000

Note : 6

OTHER LONG TERM LIABILITIES

Particulars	March 31, 2021	March 31, 2020
(i) Other than Acceptances		
Interest accrued but not due on borrowings	1,71,21,148	1,51,47,207
Total	1,71,21,148	1,51,47,207

Note : 7

LONG TERM PROVISIONS

Particulars	March 31, 2021	March 31, 2020
(a) Provision for employee benefits		
Provision for gratuity	8,66,015	17,08,242
(b) Other Provisions:		
Contingent Provision against Standard Assets	34,32,106	34,57,941
Provision for Non Performing Assets	54,30,458	-
Total	97,28,579	51,66,183

Note : 8

SHORT TERM BORROWINGS

Particulars	March 31, 2021	March 31, 2020
Loans repayable on demand		
From Banks		
Cash credit (secured) [refer note (i) below]	23,80,94,230	8,50,47,050
(b) Deposits		
Unsecured		
Inter-corporate deposit	15,00,00,000	25,00,00,000
Total	38,80,94,230	33,50,47,050

Nature of Security

(a) Loans repayable on demand from Banks

State Bank of India Cash Credit having a limit of Rs.19.50 Cr is secured by way of First Charge of hypothecation of Standard book debts / standard loan receivables, present and future of Chavara, Ayur, Peerumed, Vandithavalam, Oachira, Pothancodu, Neyyattinkara, Attingal, Kilimanoor branches of the company and Second charge by way of hypothecation of remaining book debts/standard loan receivables,current assets etc ,present and future of the company other than the amount mentioned at branches furnished under above and EM of Commercial Building and residential building.

Notes on Financial Statements for the Year ended 31st March, 2021

Syndicate Bank Overdraft having a limit of Rs.2000 lakhs is secured by way of Exclusive Charge of hypothecation over specific standard Book Debts/loan receivables present and future of the company with 25% margin and second charge by way of Hypothecation of remaining Standard Book debts/loan receivables, current assets etc present and future of the company other than mentioned above and Mortgage of Commercial land having an extent of 125.45 cents (50.79 Ares) consists 21.54 cents in Sy.No.457/2, 0.76 cents in Sy.No.393 and 103.15 cents in Sy.No.396/2 and owned by Dr. Griger Cherry Williams with Realisable value of 40.16 crores as per the valuation report of Mr.P.Radhakrishnan dated 23.10.2019.

Further, the loan has been guaranteed by the Personal/Corporate guarantee of Directors.

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.

Note : 9

OTHER CURRENT LIABILITIES

Particulars	March 31, 2021	March 31, 2020
(a) Current maturities of long-term debt		
(i) Non Convertible Debentures , Subordinated Debts, Unsecured Loan	-	-
(ii) Current maturities of Vehicle Loans	1,22,103	1,11,631
(iii) Other Secured Loans	2,13,58,152	1,49,58,430
(b) Interest Accrued and due on borrowings	19,19,691	28,66,439
(d) Other payables :		
(i) Statutory remittances (Refer note (i) below)	27,12,371	27,35,953
(ii) Expense payable	19,47,133	18,91,749
(iii) Other payable	35,63,850	-
Total	3,16,23,300	2,25,64,202

(i) Statutory dues includes provident fund, employees state insurance, professional tax, withholding taxes and indirect tax payable

Note : 10

SHORT TERM PROVISIONS

Particulars	March 31, 2021	March 31, 2020
(a) Provision for employee benefits:	-	52,018
(b) Provision Others :		
Provision for Income tax ((Refer note(i) below)	-	-
Total	-	52,018

(i) Net of Advance Tax- Rs. 98,43,770 /- and TDS - Rs. 15,21,651/- ; PY Advance Tax- Rs. 1,95,22,000/- & TDS Rs. 1,97,724.80

Note : 12

DEFERRED TAX (LIABILITY)/ ASSET

Particulars	March 31, 2021	March 31, 2020
Deferred Tax Asset		
On difference between book balance and tax balance of fixed assets	11,02,800	7,66,200
Others	14,11,919	-
Total	25,14,719	7,66,200



Note: 11: Property, Plant & Equipment

Sl. No.	Particulars	Gross Block			Depreciation			Net Block			
		Cost up to 01.04.2020	Additions	Deletions	Cost up to 31.03.2021	Up to 01.04.2020	For the Year	Deductions	Up to 31.03.2021	As on 31.03.2020	As on 31.03.2021
Property, Plant & Equipments											
1	Furniture and fittings	71,19,406	5,79,981	-	76,99,387	32,71,229	10,56,677	-	43,27,906	38,48,177	33,71,481
2	Electrical fittings	19,51,109	2,61,002	-	22,12,112	8,86,783	2,88,442	-	11,75,226	10,64,326	10,36,886
3	Computer & Accessories	26,58,168	7,09,253	-	33,67,421	19,81,424	5,50,833	-	25,32,256	6,76,744	8,35,165
4	Air conditioner	4,32,581	63,502	-	4,96,083	1,79,314	84,125	-	2,63,439	2,53,268	2,32,644
5	Vehicle	10,84,642	-	-	10,84,642	3,46,662	2,29,269	-	5,75,931	7,37,980	5,08,711
6	Name Board	1,63,732	2,31,937	-	3,95,669	46,275	56,140	-	1,02,415	1,17,457	2,93,253
7	Fabrication Work	30,11,634	3,52,710	-	33,64,344	4,27,584	6,99,241	-	11,26,825	25,84,050	22,37,518
8	Electronic Items	5,13,772	1,30,691	-	6,44,463	1,21,470	1,09,149	-	2,30,619	3,92,302	4,13,844
9	Office Equipments	64,566	2,00,915	-	2,65,481	30,857	32,828	-	63,685	33,710	2,01,797
10	Mobile Phone	-	10,900	-	10,900	-	629	-	629	-	10,271
	Total	1,69,99,609	25,40,892	-	1,95,40,501	72,91,596	31,07,335	-	1,03,98,931	97,08,013	91,41,570
Intangible Assets											
11	Software	29,73,629	10,12,414	-	39,86,043	6,92,412	7,97,209	-	14,89,620	22,81,217	24,96,423
	Total	29,73,629	10,12,414	-	39,86,043	6,92,412	7,97,209	-	14,89,620	22,81,217	24,96,423
	Grand Total	1,99,73,238	35,53,306	-	2,35,26,545	79,84,008	39,04,544	-	1,18,88,551	1,19,89,231	1,16,37,994
	<i>Previous Year</i>	<i>1,38,46,651</i>	<i>61,26,587</i>	<i>-</i>	<i>1,99,73,238</i>	<i>42,49,054</i>	<i>37,34,953</i>	<i>-</i>	<i>79,84,008</i>	<i>95,97,597</i>	<i>1,19,89,231</i>



Notes on Financial Statements for the Year ended 31st March, 2021

Note : 13

LOANS AND ADVANCES- Financing Activities

Particulars	March 31, 2021	March 31, 2020
Loans		
(A)		
Other Loans	53,94,15,679	1,21,18,82,241
Business Loans	36,30,159	86,90,128
Personal Loans	63,50,72,972	5,26,03,843
Gold Loan	1,71,94,267	-
CDL	4,55,95,561	-
Micro Housing Loan	2,74,38,445	-
Total (A) - Gross	1,26,83,47,083	1,27,31,76,212
(B)		
(i) Secured by Securities and Assets	1,71,94,267	-
(ii) Covered by Bank/Government guarantees	-	-
(ii) Unsecured	1,25,11,52,816	1,27,31,76,212
Total (B) - Gross	1,26,83,47,083	1,27,31,76,212
(C)		
Loans in India		
(i) Public Sector	-	-
(ii) Others	1,26,83,47,083	1,27,31,76,212
Total (C) - Gross	1,26,83,47,083	1,27,31,76,212
Total	1,26,83,47,083	1,27,31,76,212

Note - 13.1 Loans And Advances - Financing Activity Maturity Wise

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loans				
(A)				
Other Loans	2,59,91,573	32,51,06,635	51,34,24,106	88,67,75,606
Business Loans	1,31,730	24,02,634	34,98,429	62,87,494
Personal Loans	35,63,62,407	2,94,90,794.00	27,87,10,565	2,31,13,049
Gold Loan	-	-	1,71,94,267	-
CDL	16,35,069	-	4,39,60,492	-
Micro Housing Loan	1,03,73,814	-	1,70,64,631	-
Total (A) - Gross	39,44,94,593	35,70,00,063	87,38,52,490	91,61,76,149
(B)				
(i) Secured by Securities and Assets	-	-	1,71,94,267	-
(ii) Covered by Bank/Government guarantee:	-	-	-	-
(ii) Unsecured	39,44,94,593	35,70,00,063	85,66,58,223	91,61,76,149
Total (B) - Gross	39,44,94,593	35,70,00,063	87,38,52,490	91,61,76,149
(C)				
Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others	39,44,94,593	35,70,00,063	87,38,52,490	91,61,76,149.00
Total (C) - Gross	39,44,94,593	35,70,00,063	87,38,52,490	91,61,76,149
Total	39,44,94,593	35,70,00,063	87,38,52,490	91,61,76,149



Notes on Financial Statements for the Year ended 31st March, 2021

Note 13.2 - Category wise details of Financial Assets

Particulars	F.Y. 2020-21			Total
	Standard	Sub Standard	Doubtful	
Other Loans	51,25,58,755	2,68,56,924	-	53,94,15,679
Business Loans	34,82,514	1,47,645	-	36,30,159
Personal Loans	63,50,72,972	-	-	63,50,72,972
Gold Loan	1,71,94,267	-	-	1,71,94,267
CDL	4,55,95,561	-	-	4,55,95,561
Micro Housing Loan	2,74,38,445	-	-	2,74,38,445
Total Closing	1,24,13,42,514	2,70,04,569	-	1,26,83,47,083

Note 13.2 - Category wise details of Financial Assets

Particulars	F.Y. 2019-20			Total
	Standard	Sub Standard	Doubtful	
Other Loans	1,21,18,82,241	-	-	1,21,18,82,241
Business Loans	86,90,128	-	-	86,90,128
Personal Loans	5,26,03,843	-	-	5,26,03,843
Gold Loan	-	-	-	-
CDL	-	-	-	-
Micro Housing Loan	-	-	-	-
Total	1,27,31,76,212	-	-	1,27,31,76,212

Note 13.3 - Category wise details of Financial Assets

Particulars	F.Y. 2020-21			Total
	Standard	Sub Standard	Doubtful	
Opening balance	1,27,31,76,212	-	-	1,27,31,76,212
Transfer to				
Standard Grade	-	-	-	-
Sub-Standard Grade	-2,70,04,569	2,70,04,569	-	-
Doubtful Assets	-	-	-	-
New assets originated or purchased	-48,29,129	-	-	-48,29,129
Total	1,24,13,42,514	2,70,04,569	-	1,26,83,47,083

Note : 14

LONG TERM LOANS AND ADVANCES

Particulars	March 31, 2021	March 31, 2020
(a) Loans and advances to Related Parties		
(b) Security deposits		
Unsecured, considered good	71,67,422	67,48,541
(c) Balances with government authorities		
Advance tax / Regular Assessment Tax	7,19,725	-
Total	78,87,147	67,48,541



Notes on Financial Statements for the Year ended 31st March, 2021

Note : 15

CASH AND CASH EQUIVALENTS

Particulars	March 31, 2021	March 31, 2020
Cash and Cash Equivalents		
(a) Cash in Hand	6,78,013	88,195
(b) Balance with Banks		
(i) In current accounts	2,20,30,800	16,01,984
	<u>2,27,08,813</u>	<u>16,90,179</u>
Other Bank Balances		
(i) In Deposit Accounts	-	-
(ii) In Earmarked Accounts	-	-
	<u>-</u>	<u>-</u>
Total	<u>2,27,08,813</u>	<u>16,90,179</u>

Note : 16

SHORT TERM LOANS AND ADVANCES

Particulars	March 31, 2021	March 31, 2020
(a) Unsecured, considered good Loans and advances to related parties	13,15,00,000	11,00,00,000
(b) Other Loans and Advance		
(i) Balances with government authorities		
Unsecured, considered good		
Income Tax receivable	18,65,421	33,96,559
GST Receivable	-	25,750
(ii) Others (Unsecured, considered good)	2,03,451	22,207
Total	<u>13,35,68,872</u>	<u>11,34,44,516</u>

Note : 17

OTHER CURRENT ASSETS

Particulars	March 31, 2021	March 31, 2020
(a) Accruals		
Interest Accrued	2,06,48,392	1,01,90,979
Insurance claim receivable	-	5,66,246
Total	<u>2,06,48,392</u>	<u>1,07,57,225</u>

Note : 18

REVENUE FROM OPERATIONS

Particulars	March 31, 2021	March 31, 2020
Income from Financing Activities	31,29,50,396	31,84,99,576
Processing fee	73,75,092	1,34,49,230
Documentation charge	1,07,17,932	13,50,150
Total	<u>33,10,43,420</u>	<u>33,32,98,956</u>



Notes on Financial Statements for the Year ended 31st March, 2021

Note : 19

OTHER INCOME

Particulars	March 31, 2021	March 31, 2020
(a) Interest Income		
Interest on IC Deposits	1,76,68,189	14,76,712
(b) Other income		
Advertisement	-	96,67,200
Interest on IT Refund	93,686	1,37,520
Miscellaneous Income	5,09,680	3,615
Bad debts recovered	8,32,966	-
Total	1,91,04,521	1,12,85,047

Note : 20

EMPLOYEE BENEFIT EXPENSES

Particulars	March 31, 2021	March 31, 2020
Salary, Bonus and Allowances	8,03,95,083	6,29,67,617
Contributions to provident and other funds	78,99,710	72,42,271
Total	8,82,94,793	7,02,09,888

Note : 21

FINANCE COSTS

Particulars	March 31, 2021	March 31, 2020
(a) Interest expenses on		
Borrowings		
Interest On ICD	3,19,72,601	3,80,23,070
Interest On Debentures	6,45,37,510	6,16,33,340
Interest On Bonds	2,23,38,885	1,81,05,219
Term Loan	24,96,762	20,44,169
Vehicle Loan	71,785	81,362
Other Loans from Bank	1,43,07,458	1,24,43,594
Total	13,57,25,001	13,23,30,754

Note : 22

DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	March 31, 2021	March 31, 2020
Depreciation	31,07,335	31,40,228
Amortisation	7,97,209	5,94,726
Total	39,04,544	37,34,953



Notes on Financial Statements for the Year ended 31st March, 2021

Note : 23

OTHER EXPENSES

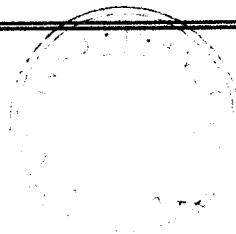
Particulars	March 31, 2021	March 31, 2020
Advertisement	11,099	17,105
Audit fees	2,50,000	3,14,290
Bank Charges	18,67,149	29,51,068
Cleaning charges	13,79,911	7,02,150
Directors remuneration	53,14,002	28,53,870
Electricity and Water charges	7,19,631	10,34,248
Postage	4,82,598	3,85,154
Printing & Stationery	27,77,547	15,15,697
Rent	88,48,480	86,30,168
Telephone and Internet charges	9,13,977	7,61,751
Travelling expenses	12,41,487	26,79,335
Repairs & Maintenance	10,16,344	7,93,112
Rates & Taxes	2,44,170	1,55,669
Subscription charges	49,46,119	24,45,357
ROC Filing fee	26,400	37,700
Professional and Legal fees	4,45,706	15,24,217
Vehicle Expenses	19,942	32,996
Donation(Corporate social responsibility)	14,24,200	3,69,500
Meeting & Training Expenses	27,09,919	1,84,53,907
Branch Opening Expenses	-	1,05,263
Provisions and Written Offs	4,45,79,738	84,20,161
Interest, Late Fees & others	3,54,010	4,06,404
Office Expenses	14,04,310	15,19,623
Interest on income tax	-	60,960
Incentives	1,14,64,034	1,55,76,612
Round Off	1,356	(103)
Death And Disability Re-Habilitation Assistance	30,634	-
Kerala Flood Cess	17,121	-
Total	9,24,89,881	7,17,46,214

A. Details of CSR expenditure

Particulars	March 31, 2021	March 31, 2020
(a) Gross amount required to be spend by the company during the year	14,20,504	6,73,542
Amount spent during the year:	Spent during the year	Yet to be spend
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	14,24,200	14,24,200

B. Payment to Auditor comprises of :

Particulars	March 31, 2021	March 31, 2020
As auditors - statutory audit	2,50,000	2,25,000
For other services	-	-
Income Tax Representation Fee	-	-
Total	2,50,000	2,25,000



Notes on Financial Statements for the Year ended 31st March, 2021

C. Provisions & Written Offs

Particulars	March 31, 2021	March 31, 2020
Provision for		
Standard assets	(25,834)	(6,29,256)
Non performing assets	54,30,458	(2,63,440)
Sub Standard assets		
Bad debts written off	3,85,32,677	79,82,857
Advances & other write-offs	6,42,437	13,30,000
Total	4,45,79,738	84,20,161

Note : 24

Details of Employee Benefits : Disclosures required under Accounting Standard 15 – Employee Benefits (Revised 2005)

(a) Defined Contribution Plans :

During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined contribution

Particulars	March 31, 2021	March 31, 2020
Employers Contribution to Provident Fund	43,97,337	31,08,316
Employers Contribution to Employee's State Insurance	21,29,166	19,21,329

(b) Defined benefit Plans - Gratuity:

i. Components of employer expense

Particulars	March 31, 2021	March 31, 2020
Current service cost	3,84,044	4,40,781
Interest cost	1,64,668	-
Expected return on plan assets	(61,609)	-
Actuarial losses/(gains)	3,78,912	13,19,479
Total expense recognised in the Statement of Profit and Loss	8,66,015	17,60,260

ii. Actual contribution and benefit payments for year

Particulars	March 31, 2021	March 31, 2020
Actual benefit payments	-	-
Actual contributions	17,60,260	-

iii. Net asset / (liability) recognised in the Balance Sheet

Particulars	March 31, 2021	March 31, 2020
Present value of defined benefit obligation	-26,61,967	-17,60,260
Fair value of plan assets	17,95,952	-
Funded status [Surplus / (Deficit)]	-8,66,015	-17,60,260
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	-8,66,015	-17,60,260

iv. Change in Defined Benefit Obligations (DBO) during the year

Particulars	March 31, 2021	March 31, 2020
Present value of DBO at beginning of the year	17,60,260	-
Current service cost	3,84,044	4,40,781
Interest cost	1,64,668	-
Actuarial (gains) / losses	3,52,995	13,19,479
Benefits paid	-	-
Present value of DBO at the end of the year	26,61,967	17,60,260

Notes on Financial Statements for the Year ended 31st March, 2021

v. Change in fair value of assets during the year

Particulars	March 31, 2021	March 31, 2020
Plan assets at beginning of the year	-	-
Expected return on plan assets	61,609	-
Actual company contributions	17,60,260	-
Actuarial gain / (loss)	(25,917)	-
Benefits paid	-	-
Plan assets at the end of the year	17,95,952	-

vi. Composition of the plan assets is as follows:

Particulars	March 31, 2021	March 31, 2020
Government bonds	-	-
PSU bonds	-	-
Equity mutual funds	-	-
Insurer Managed Funds	17,95,952	-

vii. Actuarial assumptions

Particulars	March 31, 2021	March 31, 2020
Discount rate	8%	6.27%
Rate of return on plan assets	7%	NA
Salary escalation	5%	5%

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors. The estimates of future Salary increases, considered in the actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note : 25

INCOME TAX

The components of income tax expense for the year ended March 31, 2021 and year ended March 31, 2020 are:

Particulars	March 31, 2021	March 31, 2020
Current tax	95,00,000	1,90,00,000
Deferred Tax	(17,48,519)	(74,245)
Income tax expense reported in statement of profit and loss	77,51,481	1,89,25,755

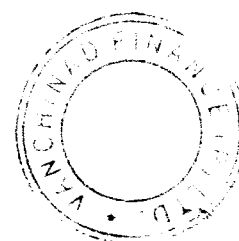
The Company has computed the tax expense of the current financial year as per the tax regime announced under section 115BAA of the Income Tax Act, 1961. Accordingly, tax expense for the year comprising current and deferred tax as per Indian Accounting Standards -12 Income Taxes have been recognised using the reduced tax rates applicable.

Note : 26

EARNINGS PER SHARE

The company reports basic and diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year.

Particulars	March 31, 2021	March 31, 2020
Profit after tax (in Rs in Lakhs.)	2,19,82,242	4,76,36,438
Weighted average number of shares used as denominator for calculating basic and	2,20,00,000	2,20,00,000
Nominal value of shares (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	1.00	2.17



Ernakulam

Notes on Financial Statements for the Year ended 31st March, 2021

Note : 27

RELATED PARTY TRANSACTIONS

Names of Related Parties

(A) Holding company

SML Finance Limited

(B) Key Management Personnel

Dr. Griger Cherry Williams

Paul Ranjan

Sibin Paulson

Naveena P Thambi

Designation

Whole-Time Director

Chief Financial Officer (Resigned on 27.10.2020)

Chief Financial Officer

Company Secretary

(C) Entities in which KMP / Relatives of KMP can exercise significant influence

B R D Finance Limited

Ayur Bethaniya Llp

SML Motors

(D) Relatives of Key Management Personnel Relation

C C William Verghese

Susanna Isaac

Parent of WTD

Spouse of WTD

The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the Auditors.

Details of Related Party Transactions :

Particulars	KMP		Relatives of KMP	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Directors Remuneration				
Griger Cherry Williams	27,25,002	15,00,000		
Susanna Isaac			13,81,500	1,50,000
Paul Ranjan	1,00,000	6,00,000		
Sibin Paulson	1,47,097	-		
Naveena P Thambi	-	-		
Interest paid on NCD				
Griger Cherry Williams	4,68,001	4,69,284		
Remuneration				
C.C.William Varghese			54,00,000	54,00,000
Rent				
C.C.William Varghese			18,67,500	18,00,000
Loans and Advances				
SML Motors (Prop .C.C.William Varghese)				
Granted During the Year			2,15,00,000	-
Interest on Loans				
SML Motors (Prop .C.C.William Varghese)			(17,23,535)	-

Notes on Financial Statements for the Year ended 31st March, 2021

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Inter-corporate deposit				
Sml Finance Limited				
Granted During The FY	1,50,00,000	11,50,00,000		
Recieved During The FY	1,50,00,000	11,50,00,000		
B R D Finance Limited				
Accepted During The FY			-	26,00,00,000
Repaid During The FY			10,00,00,000	1,00,00,000
Ayur Bethaniya LLP				
Granted During The FY			-	11,00,00,000
Recieved During The FY			-	-
Interest on ICD				
Sml Finance Limited	-5,44,657	82,69,646		
Brd Finance Limited	-		3,19,72,601	2,97,53,424
Ayur Bethaniya LLP	-		(1,53,99,997)	-14,76,712
SML Motors			(17,23,535)	-
Dividend				
Sml Finance Limited	4,40,00,000	-		

Balance outstanding as at the year end: Asset/ (Liability)

Particulars	KMP		Relatives of KMP	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
NCD - Private Placed				
Griger Cherry Williams-Whole-Time Director	36,00,000	36,00,000		
Subordinate debt				
Griger Cherry Williams-Whole-Time Director	5,00,000	-		
SML Motors			17,95,000	9,50,000
Interest payable on Subordinate Debt				
Griger Cherry Williams-Whole-Time Director	64,168	-		
SML Motors			2,30,336	67,344

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Receivables				
Ayur Bethaniya Llp			1,46,17,390	14,76,712
SML Motors			2,36,470	-
Payables				
Brd Finance Limited			(19,19,691)	(28,66,439)
Loans and Advnaces				
B R D Finance Limited			(15,00,00,000)	(25,00,00,000)
Ayur Bethaniya LLP			11,00,00,000	11,00,00,000
SML Motors			2,15,00,000	-

Transaction with other executive director

Name	Nature of Transaction	March 31, 2021	March 31, 2020
K.I.Varghese - Director	Remuneration	12,07,500	12,03,870
K.I.Varghese - Director	Interest paid on subordinate debts	2,875	-

Notes on Financial Statements for the Year ended 31st March, 2021

Note : 28

Contingent liabilities and capital commitments

Particulars	March 31, 2021	March 31, 2020
Contingent Liabilities: -		
Claim not acknowledge as debt by the company	-	-
In respect of tax demands where the Company has filed appeal before various author	-	-
Guarantee and Letter of Credit issued by banker on behalf of the company	-	-

Future cash outflow in respect of above is determinable only on receipt of judgments /decision pending with various forums/authorities. The Company is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defense. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations

Note: 29

DISCLOSURE WITH REGARD TO DUES TO MICRO AND SMALL ENTERPRISES

Payment against the supplies from the undertakings covered under the Micro, Small & Medium Enterprises Development Act, 2006 are generally made in accordance with the agreed credit terms. On the basis of information and record available with the management, the details of the outstanding balances of such suppliers and interest due on such accounts as on March 31, 2021 is Nil. (as on March 31, 2021 is Nil). Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2021 together with interest paid /payable are required to be furnished.

Note: 30

Details of Ratings assigned by credit rating agencies and migration of ratings during the year

The Company has been assigned following credit rating from all rating agencies during the financial year ended March 31, 2021

Instrument	Rating Agency	Rating Assigned	
		March 31, 2021	March 31, 2020
1 Long Term Facilities	Infomerics Valuation and Rating Private Limited	BB+	BBB-
2 Short Term Loan Facilities	infomerics Valuation and Rating Private Limited	A4+	A3

Note: 31

Particulars	March 31, 2021	March 31, 2020
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss		
Provisions for depreciation on Investment	-	-
Provision towards NPA	54,30,458	-
Provision made towards Income tax (Net of Deferred Tax)	77,51,481	1,89,25,755
Other Provision and Contingencies (with details)	-	-
Provision for standard Assets	34,32,106	34,57,941

Note: 32

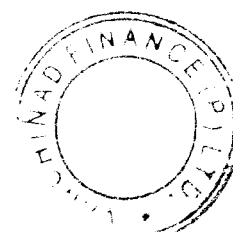
Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The company does not have any joint venture or subsidiary overseas during the year 2020-21 & 2019-20

Note: 33

Draw Down from Reserves

No reserves have been draw down during the financial year 2020-21 & 2019-20



Notes on Financial Statements for the Year ended 31st March, 2021

Note: 34

Concentration of Advances

Particulars	March 31, 2021	March 31, 2020
1 Gold Loans granted against collateral of gold jewellery	1,71,94,267	-
2 Total assets of the Company	1,46,73,13,019	
3 Percentage of Gold Loans to Total Assets	1.17%	N.A

Note: 35

Movement of NPAs

Particulars	March 31, 2021	March 31, 2020
i Net NPAs* to Net Advances (%)	1.54%	0.00%
ii Movement of NPAs* (Gross)		
(a) Opening balance	-	26,34,398
(b) Net additions during the year	2,70,04,569	-26,34,398
(c) Closing balance	2,70,04,569	-
iii Movement of Net NPAs*		
(a) Opening balance	-	23,70,958
(b) Net additions during the year	2,70,04,569	-23,70,958
(c) Less provision during the year	54,30,458	
(d) Closing Balance	2,15,74,111	-
iv Movement of provisions for NPAs* (excluding Provisions on Standard Assets)		
(a) Opening balance		2,63,440
(b) Provisions made during the year	54,30,458	-
(c) Write-off/ write-back of excess provisions	-	2,63,440
(d) Closing balance	54,30,458	-

Note: 36

Customer complaints

Particulars	March 31, 2021	March 31, 2020
1 No. of complaints pending as at the beginning of the year	-	-
2 No. of complaints received during the year	-	-
3 No. of complaints redressed during the year	-	-
4 No. of complaints pending as at the end of the year	-	-

Note: 37

Value of imports calculated on CIF Balance

The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2020-21. (2019-20 – Nil)

Note: 38

Expenditure in Foreign Currency

The company does not have any expenditure in Foreign Currency during the year 2020-21. (2019-20 – Nil)

Note-39

Earning in Foreign Currency

The company does not have any earnings in Foreign Currency during the year 2020-21. (2019-20 – Nil)

Note-40

Miscellaneous

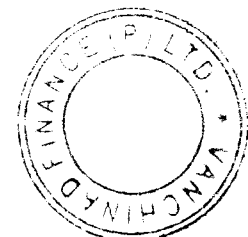
- The company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 as amended. The company operates in a single geographical segment i.e. domestic.
- The Company has not obtained registration from other financial sector regulators except Reserve Bank of India.
- No penalties were imposed by the regulator during the year during the financial year ended March 31, 2021, (March 31, 2020: Nil)
- Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.



Disclosures required as per Reserve Bank of India Master Direction – Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(* in lakhs)

Sl. No.	Particulars		As at March 31, 2021	
	<u>Liabilities side :</u>		Amount out-standing	Amount overdue
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:			
	(a)	Debentures : Secured	5,271.37	-
		: Unsecured	-	-
		(other than falling within the meaning of public deposits)	-	-
	(b)	Deferred Credits	Nil	-
	(c)	Term Loans	83.58	-
	(d)	Inter-corporate loans and borrowing	1,519.20	-
	(e)	Commercial Paper	Nil	-
	(f)	Public Deposits	Nil	-
	(g)	Other Loans –	-	-
		Cash credit / overdraft facilities from banks	2,380.94	-
		Vehicle Loans	7.36	-
		Other Loans (Emergency Covid Loan)	173.33	-
		Unsecured Loans	-	-
		Subordinated debts	1,886.58	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
	(a)	In the form of Unsecured debentures	Nil	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of	Nil	-
	(c)	Other public deposits	Nil	-
	Assets side :		Amount out-standing	
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :			
	(a)	Secured		174.29
	(b)	Unsecured		12,569.49
4	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities			
	(i)	Lease assets including lease rentals under sundry debtors :		
		(a) Financial lease	Nil	
		(b) Operating lease	Nil	
	(ii)	Stock on hire including hire charges under sundry debtors:		
		(a) Assets on hire		-
		(b) Repossessed Assets		-
	(iii)	Other loans counting towards asset financing activities		
		(a) Loans where assets have been repossessed	Nil	
		(b) Loans other than (a) above	Nil	
5	Break-up of Investments			
	Current Investments :			
	1	Quoted :		
	(i)	Shares		
		(a) Equity		-
		(b) Preference		-
	(ii)	Debentures and Bonds		-
	(iii)	Units of mutual funds		-
	(iv)	Government Securities		-
	(v)	Others (please specify)		-
	2	Unquoted :		
	(i)	Shares		
		(a) Equity		-
		(b) Preference		-
	(ii)	Debentures and Bonds		-
	(iii)	Units of mutual funds		-
	(iv)	Government Securities		-
	(v)	Others (please specify)		-



Long Term investments :				
1	Quoted :			
(i)	Shares			
	(a) Equity	-		
	(b) Preference	-		
(ii)	Debentures and Bonds	-		
(iii)	Units of mutual funds	-		
(iv)	Government Securities	-		
(v)	Others (please specify)	-		
2	Unquoted :			
(i)	Shares			
	(a) Equity	-		
	(b) Preference	-		
(ii)	Debentures and Bonds	-		
(iii)	Units of mutual funds	-		
(iv)	Government Securities	-		
(v)	Others (please specify)	-		
6	Borrower group-wise classification of assets financed as in (3) and (4) above :			
Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2	Other than related parties	174.29	12,515.19	12,689.48
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
Category		Market Value / Break up or fair value or	Book Value (Net of Provisions)	
1	Related Parties			
	(a) Subsidiaries	-		-
	(b) Companies in the same group	-		-
	(c) Other related parties	-		-
2	Other than related parties	-		-
Total		-		-
8	Other information			
Particulars		Amount		
(i)	Gross Non-Performing Assets*			
	(a) Related parties	-		
	(b) Other than related parties	270.05		
(ii)	Net Non-Performing Assets*			
	(a) Related parties	-		
	(b) Other than related parties	215.74		
(iii)	Assets acquired in satisfaction of debt	-		

For and on behalf of the Board of Directors

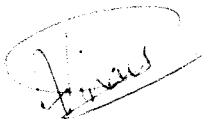
In terms of our report attached.

Dr. Griger Cherry Williams
(Whole Time Director)
DIN: 00145586

K.I.Varghese
(Director)
DIN: 08291568

Naveena P Thampi
(Company Secretary)

Sibin Paulson
(Chief Financial Officer)


Vinay N. Pisharady FCI
Chartered Accountant
Membership No: 233743

Place: Aluva
Date: 07.09.2021

Place : Edappally
Date: 07.09.2021

