



ANNUAL REPORT FOR THE FY 2019-20

**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,
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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 33rd Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31st March, 2020.

1. FINANCIAL RESULTS

(In Rupees)

Financial Highlights	For the Year Ending 31st March 2020	For the Year Ending 31st March 2019
Total Income	34,45,84,003	22,86,41,193
Total Expenditure (including Depreciation)	27,80,21,810	17,01,66,722
Profit/(Loss) before Tax	6,65,62,193	5,84,74,471
Tax (including deferred tax)	1,89,25,755	1,71,29,231
Profit/(Loss) after Tax	4,76,36,438	4,13,45,240
Surplus / (Deficit) carried to Balance Sheet	4,76,36,438	4,13,45,240
Earnings per share	2.17	1.88

2. PERFORMANCE REVIEW

During the financial year 2019-20, the company had opened new 12 branches and started new personal Loan product. As a result there was substantial increase in total income from Rs. 22,86,41,193/- of the previous FY to Rs. 34,45,84,003 /-. The total expenditure of the Company also increased due to substantial increase in employees count and increase in NCD and Subordinate Debt. The company had incurred expenditure of Rs. 27,80,21,810 /- as compared to the previous year expenditure of Rs. 17,01,66,722/-. Performance of the company ended with a profit of Rs. 4,76,36,438/- compared to previous year profit of Rs. 4,13,45,240/-.

3. DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 2 per Ordinary (Equity) Share of the face value of Rs. 10 each (20% of Paid up Share Capital), payable to those Shareholders whose names appear in the Register of Members as beneficial holder on the Book Closure Date.

4. CHANGE IN NATURE OF BUSINESS, IF ANY

During the financial year 2019-20, there was no change in the nature of business of the Company.

5. AMOUNTS TRANSFERRED TO RESERVES

The Company has transferred Rs. 94,51,300/- out of the current year profit to the Statutory Reserve created u/s 45IC 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 2019-20. 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	Additional 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, Shri. Kocheril Ittoop Varghese (DIN - 08291568), 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. The company has full-time Director, Chief Financial Officer and Company Secretary as Key Managerial Personnels.

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

Name of Director	Position	Date of Appointment/Resignation	DIN	Appointment/Resignation/Change in Designation
CC.William Varghese	Whole-time Director	12.04.2019	00074708	Resignation
Mary Williams	Director	12.04.2019	00135332	Resignation
Susanna Isaac	Additional Director	16/10/2019	03296118	Appointment
Srividya Damodaran	Independent Director	16.10.2019	08212482	Resignation
Abraham Jacob	Independent Director	29.01.2020	07944286	Resignation
Abin M Behanan	Independent Director	03.03.2020	08712671	Appointment
Jayakumar G	Chief Financial Officer	01.04.2019	-	Appointment
Naveena P Thampi	Company Secretary	01.04.2019	-	Appointment
Jayakumar G	Chief Financial Officer	01.07.2019	-	Resignation
D Paul Ranjan	Chief Financial Officer	01.10.2019	-	Appointment

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

The Board of Directors had held Five Board meetings during the year. The dates on which the meetings were held are as follows:

12.04.2019	10.07.2019	16.10.2019	29.01.2020	03.03.2020
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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 30.09.2019	EGM 01.04.2019	EGM 02.05.2019	EGM 22.02.2020	
Griger Cherry Williams	05/05	Present	Present	Present	Present	-
Susanna Isaac	03/03	N.A	N.A	N.A	Present	-
Kocheril Ittoop Varghese	05/05	Present	present	Present	Present	-
Abraham Jacob	02/04	Present	Absent	Absent	N.A	-
Kadapuram Mathews mathai	05/05	Present	Absent	Absent	Present	-
Srividya Damodaran	01/02	Present	Absent	Absent	N.A	-
Abin M behanan	01/01	N.A	N.A	N.A	N.A	-

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 women directors 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, 2019-20, meeting of Nomination and Remuneration Committee was held on 16th Day of October 2019.

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, 2020 to the Executive Directors of the Company were as follows:-

1. Mr. Griger Cherry Williams (Whole-time Director) - Rs. 15,00,000/-
2. Mr. Kocheril Ittoop Varghese (Director)- Rs 12,03,870 /-

20. REMUNERATION PAID TO NON EXECUTIVE DIRECTORS

The aggregate of salary and perquisites paid for the year ended 31st March, 2020 to the Non-Executive Directors of the Company were as follows:-

1. Mrs. Susanna Isaac (Additional Director) – Rs. 1,50,000/-

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;

10.07.2019	16.10.2019	29.01.2020
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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

At the 32nd Annual General Meeting held on 30.09.2019 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 2019-20 and details of which are as follows;

Series	Date of Allotment	No. of Debentures	Total amount of Debentures (in Rs.)
Series -13	31/05/2019	46,900	4,69,00,000/-
Series- 14	30/07/2019	36,650	3,66,50,000/-
Series- 15	16/08/2019	2020	20,20,000/-
	02/09/2019	14,000	1,40,00,000/-
	17/09/2019	6300	63,00,000/-
	01/10/2019	11,800	1,18,00,000/-
Series- 16	16/10/2019	10200	1,02,00,000/-
	01/11/2019	11600	1,16,00,000/-
	16/11/2019	6500	65,00,000/-
	30/11/2019	3250	32,50,000/-
Series- 17	16/12/1019	6600	66,00,000/-
	01/01/2020	4850	48,50,000/-
	16/01/2020	4200	42,00,000/-
	31/01/2020	7225	72,25,000/-
Series- 18	17/02/2020	7919	79,19,000/-
	02/03/2020	2700	27,00,000/-
	16/03/2020	6861	68,61,000/-
	31/03/2020	2600	26,00,000/-
	TOTAL	1,92,175	19,21,75,000/-

Total outstanding debentures as on 31.03.2020 was Rs. 54,91,58,000 /- and total outstanding subordinated debt as on 31.03.2020 was Rs. 14,32,01,000 /-.

30. LOANS, GUARANTEES AND INVESTMENTS

The Company has granted inter corporate loan amounting to Rs.11 crore to Ayur Bethaniya LLP, a related entity of the company. Granting of such loan complied with Section 185 and 186 of the Companies Act, 2013. 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 2019-20. 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 set out as an **Annexure III** attached hereto and forms part of this report.

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.

All the complaints received during the Financial Year had resolved as per 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 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 2019-20, 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 advises 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., Kunnankulam Thrissur, Kerala - 680503)

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

Place: Ernakulam
Date: 22.12.2020

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	2019-20
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	2019-20
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 18,00,000 /-
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 (Additional Director)
b)	Nature of contracts/arrangements/transaction	Salary for holding office or place of profit
c)	Duration of the contracts/arrangements/transaction	2019-20
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.1,50,000/-
e)	Date of approval by the Board	03.03.2020
f)	Amount paid as advances, if any	Nil

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., Kunnankulam Thrissur, Kerala - 680503)

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

Place: Ernakulam
Date: 22.12.2020

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

₹ 3,36,77,065/-

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

₹ 6,73,542/-

(5) Details of CSR spent during the financial year

- (a) Total amount to be spent for the financial year: ₹ 6,73,542
 (b) Total Amount spent during the FY 2019-20: ₹ 3,69,500/-
 (c) Amount unspent, if any (cumulative CSR unspent as on 31st March 2020): ₹ 3,04,042/-
 (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	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

			undertaken				
1	Medical and treatment aid	Preventive healthcare	Peerumed, Idukki	19,000	19,000	19,000	Direct
2	Trust and charitable society, rehabilitation, food items, house construction to weaker sections of society, Marriage Aid, Disaster Relief Activities etc.	Eradication of poverty	Chavara	65,500	65,500	84,500	Direct
			Parippally	22,500	22,500	1,07,000	Direct
			Pathanamthitta	63,500	63,500	1,70,500	Direct
			Koyilandi	10,000	10,000	1,80,500	Direct
			Vaikom	13,000	13,000	1,93,500	Direct
			Thamarassery	10,000	10,000	2,03,500	Direct
3	Study materials	Promotion of education	Vandithavalam	21,000	21,000	2,24,500	Direct
			Chavara	19,500	19,500	2,44,000	Direct
			Peerumed	45,500	45,500	2,89,500	Direct
			Kollam	80,000	80,000	3,69,500	Direct
Total				3,69,500	3,69,500		

(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: Our Company cannot utilize the entire amount due to time lag in implementation process due to unexpected lockdown as a result of Covid-19. Your directors ensure to spend the entire amount during the year 2020-21 itself.

(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: 22.12.2020

Annexure III

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2020 of
VANCHINAD FINANCE PRIVATE LIMITED

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Name of the Company	VANCHINAD FINANCE PRIVATE LIMITED
CIN	U65910KL1987PTC004722
Date of Registration	13/03/1987
Category of the company	Deemed Public Company (Company limited by Shares)
Address of the registered office and contact details	Kuzhuvellil Bldg, 2nd Floor Pookattupady Road, Unichira, Edappally, Ernakulam, Kerala - 682021 Tel: 0484 - 4853300 E-mail: vanchinadfinancepvtltd@gmail.com
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	financial Activities	65999	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: [No. of Companies for which information is being filled]

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	Percentage Holding	Applicable section
1	S M L FINANCE LIMITED	U65910KL1996PLC010648	Holding	100	2(87)(ii)

IV. SHARE HOLDING PATTERN

(Equity share capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2019]	No. of Shares held at the end of the year [As on 31-March-2020]	% Change during the year

	De mat	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	2	2	0.00	0	2	2	0.00	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	21999998	21999998	100	0	21999998	21999998	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	22000000	22000000	100	0	22000000	22000000	100	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Others- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)= (A) (1)+(A) (2)	0	22000000	22000000	100	0	22000000	22000000	100	0
B. Public Shareholdin g									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0

e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
C) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0

Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	22000000	22000000	100	0	22000000	22000000	100	0

ii) Shareholding of Promoters as on 31.03.2020

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	C.C.William Varghese	1 (Beneficial Holder: S M L Finance Limited)	0	0	1 (Beneficial Holder: S M L Finance Limited)	0	0	0
2	Mary Williams	1 (Beneficial Holder: S M L Finance Limited)	0	0	1 (Beneficial Holder: S M L Finance Limited)	0	0	0
3	S M L Finance Limited	21999998	100	0	21999998	100	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change): There is no change in total Promoters shareholding)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total	No. of shares	% of total

		shares of the company		shares of the company
At the beginning of the year	22000000	100	22000000	100
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc): There is no change in total Promoters shareholding.	0	0.00	22000000	100
At the end of the year	22000000	100	22000000	100

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

NIL				
	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0.00	0	0.00
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0.00	0	0.00
At the end of the year	0	0.00	0	0.00

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of the KMP and Directors	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	Griger Cherry Williams	At the beginning of the year	0	0	0	0
		Changes during the year:	0	0	0	0
		At the end of the year	0	0	0	0
2	Kocheril	At the beginning of the	0	0	0	0

	Ittoop Varghese	year				
		Changes during the year:	0	0	0	0
		At the end of the year	0	0	0	0
3	Susanna Isaac	At the beginning of the year	0	0	0	0
		Changes during the year:	0	0	0	0
		At the end of the year	0	0	0	0
4	Kadapuram Mathews mathai	At the beginning of the year	0	0	0	0
		Changes during the year:	0	0	0	0
		At the end of the year	0	0	0	0
5	Abin M Behanan	At the beginning of the year	0	0	0	0
		Changes during the year:	0	0	0	0
		At the end of the year	0	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(In Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	59,45,02,563	13,44,76,000	0	72,89,78,563
ii) Interest due but not paid	43,65,914	19,23,452	0	62,89,366
iii) Interest accrued but not due	68,98,415	26,10,196	0	95,08,611
Total (i+ii+iii)	60,57,66,892	13,90,09,648		74,47,76,540
Change in Indebtedness during the financial year				
* Addition	22,59,60,065	28,15,21,518	0	50,74,81,583
* Reduction	16,26,73,911	2,00,00,000	0	18,26,73,911
Net Change	6,32,86,154	26,15,21,518	0	32,48,07,672

Indebtedness at the end of the financial year				
i) Principal Amount	65,83,69,566	39,32,01,000	0	1,05,15,70,566
ii) Interest due but not paid	-	28,66,439	0	28,66,439
iii) Interest accrued but not due	1,06,83,480	44,63,727	0	1,51,47,207
Total (i+ii+iii)	66,90,53,046	40,05,31,166		1,06,95,84,212

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of Managing Director/ Whole time Directors/ Manager	Total Amount
		Griger Cherry Williams (WTD)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,00,000	15,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity		-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	15,00,000	15,00,000
	Ceiling as per the Act	-	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Kocheril Ittoop Varghese (Executive Director)	Susanna Isaac (Director)	
1	<u>Independent Directors</u>			
	Fee for attending board / committee meetings	-	-	-

	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	-	-	-
2	<u>Other Directors</u>			
	Fee for attending board / committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify (Salary)	12,03,870	1,50,000	13,53,870
	Total (2)	12,03,870	1,50,000	13,53,870
	Total (B)=(1+2)	12,03,870	1,50,000	13,53,870
	Total Managerial Remuneration	12,03,870	1,50,000	13,53,870
	Ceiling as per the Act	-	-	-
	Overall Ceiling as per the Act	-	-	-

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD: NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Name of Key Managerial Personnel	
		Paul Ranjan (CFO)	Jayakumar G(CFO)
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	Salary and allowances for the F.Y. 2019-20- (A)	6,00,000	4,00,000
	Bonus Paid for the F.Y. 2019-20- - - (B)	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	Perquisites- (C)	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity		
4	Commission - as % of profit	-	-

	- others, specify...		
5	Others, please specify	-	-
	Total (A)+(B)+(C)	6,00,000	4,00,000

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment			None		
Compounding			None		
B. DIRECTORS					
Penalty			None		
Punishment			None		
Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment			None		
Compounding			None		

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., Kunnankulam Thrissur, Kerala - 680503)

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

Place: Ernakulam
Date: 22.12.2020

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 2020, 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 standalone 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, 2020, 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 there under, 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.

Emphasis of Matter Paragraph

We draw attention to Note No 2.17(c) to the Statement which describes the impact of the COVID-19 pandemic on the operations and financial position of the company, and the continuing uncertainties which may require changes in estimates in the future. Our opinion is not modified in respect of this matter.

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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 Standalone 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 standalone 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 standalone 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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".

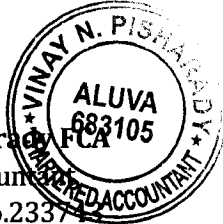
g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position. *Refer Note 27*

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. Pisharadi
Chartered Accountant
Membership No.2337
UDIN: 20233743AAAAAP9682



Aluva,
22.12.2020

"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, 2020:

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, 2020 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;


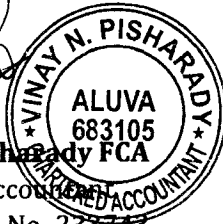
12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

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 standalone 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
22.12.2020

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, 2020 in conjunction with our audit of the standalone 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.

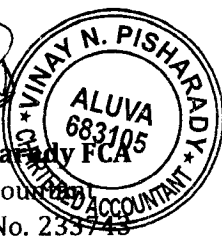
Limitations of Internal Financial Controls over Financial Reporting

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, 2020, 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. Pishard
Chartered Accountant
Membership No. 235743



Aluva
22.12.2020

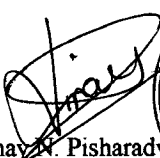

Balance Sheet as at 31st March, 2020

Particulars	Note No.	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
Share Capital	2	22,00,00,000	22,00,00,000
Reserves and Surplus	3	11,91,41,991	7,15,05,552
(2) Non-Current Liabilities			
Long-term borrowings	4	70,14,53,455	53,43,09,943
Deferred tax liabilities (Net)		-	-
Other Long term liabilities	5	1,51,47,207	95,08,611
Long term provisions	6	51,66,183	43,50,637
(3) Current Liabilities			
Short-term borrowings	7	33,50,47,050	19,45,66,563
Trade payables		-	-
Other current liabilities	8	2,25,64,202	1,71,38,533
Short-term provisions	9	52,018	-
Total		1,41,85,72,104	1,05,13,79,839
II.Assets			
(1) Non-current assets			
Property, Plant & Equipments	10	97,08,013	92,06,854
Intangible assets	10	22,81,217	3,90,743
Capital work-in-progress		-	-
Intangible assets under development		-	-
Non-current investments		-	-
Deferred tax assets (net)	11	7,66,200	6,91,955
Long-term loans and advances_ Financing Activities	12	35,70,00,063	75,31,46,032
Long-term loans and advances	13	67,48,541	54,06,041
Other non-current assets		-	-
(2) Current assets			
Current investments		-	-
Inventories		-	-
Trade receivables		-	-
Cash and cash equivalents	14	16,90,179	13,41,742
Short-term loans and advances_ Financing Activities	12	91,61,76,149	27,12,87,578
Short-term loans and advances	15	11,34,44,516	57,08,990
Other current assets	16	1,07,57,225	41,99,903
Total		1,41,85,72,104	1,05,13,79,839

Notes are an integral part of the financial statements

Auditors' Report:


Vide our report of even date.



 Vinay N. Pisharady
 Chartered Accountant
 Membership No. 233743

Place: Aluva
Date: 22.12.2020

For and on behalf of the Board


 Griger Cherry Williams
 (Whole time Director)
 DIN: 00145586


 Kocheril Ittoop Varghese
 (Director)
 DIN: 08291568

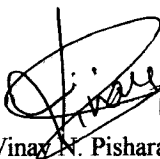
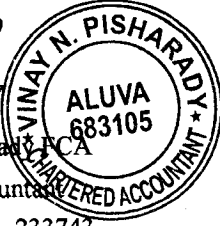
Place: Aluva
Date: 22.12.2020

Profit and Loss statement for the year ended 31st March, 2020

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
REVENUE			
Revenue from operations	17	33,32,98,956	22,02,18,680
Other Income	18	1,12,85,047	84,22,513
Total Revenue		34,45,84,003	22,86,41,193
EXPENSES			
Employee benefit expense	19	7,02,09,888	3,27,23,083
Financial Costs	20	13,23,30,754	7,62,86,487
Depreciation and amortization expense	21	37,34,953	29,32,454
Other expenses	22	7,17,46,214	5,82,24,698
Total Expenses		27,80,21,810	17,01,66,722
Profit before tax		6,65,62,193	5,84,74,471
Tax expense:			
Current tax		1,90,00,000	1,69,88,890
Deferred tax		(74,245)	1,40,341
Net Tax Expense		1,89,25,755	1,71,29,231
Profit/(Loss) from the period from continuing operations		4,76,36,438	4,13,45,240
Earning per equity share: Basic & Diluted	23	2.17	1.88
Notes are an integral part of the financial statements			

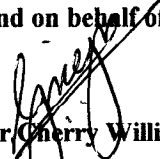
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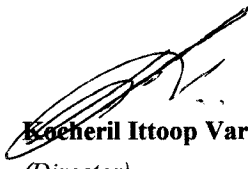
Vide our report of even date.



 Vinay N. Pisharady, FCA
 Chartered Accountant
 Membership No. 233743

Place: Aluva
Date: 22.12.2020

For and on behalf of the Board


 Griger Cherry Williams
 (Whole time Director)
 DIN: 00145586


 Kocheeril Ittoop Varghese
 (Director)
 DIN: 08291568

Place: Aluva
Date: 22.12.2020



Ernakulam

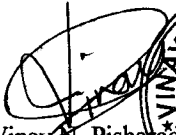
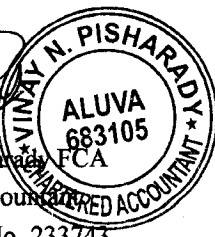
Cash Flow Statement for the year ended 31st March 2020

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

	2019-20	2018-19
	Rs	Rs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit Before Taxation	6,65,62,193	5,84,74,471
<i>Adjustments for:</i>		
Provision for depreciation	37,34,953	29,32,454
Interest on borrowings	13,23,30,754	7,62,86,487
Interest income	(14,76,712)	-
Interest on income tax refund	(1,37,535)	-
Profit on sale of fixed assets	-	-
Provision for standard assets & NPA	-8,92,696	12,44,648
	<u>13,35,58,765</u>	<u>8,04,63,589</u>
Operating profit before working capital changes	<u>20,01,20,958</u>	<u>13,89,38,060</u>
(Increase)/Decrease in Loans & Advances	(13,42,500)	(6,70,000)
(Increase)/Decrease in Loans & Advances-Financing activities	(24,87,42,602)	(26,34,48,037)
(Increase)/Decrease in Short term Loans & Advances	(10,88,49,606)	(7,63,864)
(Increase)/Decrease in Current Assets	(65,57,322)	(40,08,036)
Increase/(Decrease) in Sundry Creditors & Other liabilities	1,28,24,524	1,99,22,070
	<u>(35,26,67,505)</u>	<u>(24,89,67,868)</u>
Cash from operations	<u>(15,25,46,547)</u>	<u>(11,00,29,807)</u>
Income tax paid	(1,77,48,385)	(1,96,65,721)
Net cash flow from / (used in) operating activities (A)	<u>(17,02,94,931)</u>	<u>(12,96,95,528)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(61,26,587)	(41,44,955)
Proceeds from sale of fixed assets		
Interest income	14,76,712	-
Net cash flow from / (used in) investing activities (B)	<u>(46,49,875)</u>	<u>(41,44,955)</u>
C. Cash flow from Financing activities		
Proceeds from issuance of equity shares	-	-
Repayment of short term borrowings	14,04,80,487	(1,40,38,433)
Proceeds from long-term borrowings	16,71,43,512	22,46,46,943
Interest on borrowings	(13,23,30,754)	(7,62,86,487)
Net cash flow from / (used in) financing activities (C)	<u>17,52,93,245</u>	<u>13,43,22,023</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	<u>3,48,438</u>	<u>4,81,540</u>
Cash and cash equivalents at the beginning of the year	13,41,742	8,60,202
Cash and cash equivalents at the end of the year	16,90,180	13,41,742

Auditors' Report:

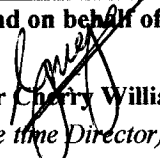
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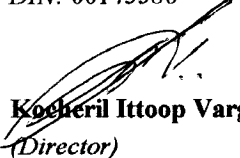
 Vinay N. Pisharady FCA
 Chartered Accountant
 Membership No. 233743

Place: Aluva
Date: 22.12.2020

For and on behalf of the Board



 Griger Cherry Williams
 (Whole time Director)
 DIN: 00145586



 Kocheril Ittoop Varghese
 (Director)
 DIN: 08291568

Place: Aluva
Date: 22.12.2020

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 measureable.

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. 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.

2.5. 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.

2.6. 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.

2.7. 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.

2.8. 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.

2.9. 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:

1. **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.
2. **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.

2.10. 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.

2.11. 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.

2.12. 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.

2.13. 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.

2.14. 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.

2.15. Classification of Debentures

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

2.16. 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.

2.17. 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'.
- c. The lock-down restrictions imposed by Governments on account of the outbreak of the COVID-19 pandemic have affected the operations of the company, more particularly for periods commencing from the last week of the financial year ended 31st March 2020. However, with such restrictions being increasingly relaxed from the last week of April 2020 in many areas, the operations of the company have since been improving. To mitigate the burden of debt servicing brought about by the disruptions, the company has offered an optional moratorium on payment of loan installments falling due between March 1, 2020 and May 31, 2020, in accordance with the regulatory package announced by RBI in March/ April 2020; and further extensions, if any, based on RBI announcements in May 2020 will be decided by the company in the future. Given the continuing uncertainties associated with the pandemic, the company will continue to monitor the position and appropriately adjust any significant changes in such estimates based on future conditions.

Notes on Financial Statements for the Year ended 31st March, 2020

2 SHARE CAPITAL

Particulars	March 31, 2020	March 31, 2019
Authorised Capital		
2,50,00,000 Equity Shares of Rs. 10/- each (Previous year - 2,50,00,000 Equity Shares of Rs. 10/- each)	25,00,00,000	25,00,00,000
	25,00,00,000	25,00,00,000
Issued, Subscribed and Paidup Capital		
2,20,00,000 Equity Shares of Rs. 10/- each (Previous year, No. of shares- 22,00,000)	22,00,00,000	22,00,00,000
TOTAL	22,00,00,000	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. The reconciliation of the number of shares outstanding is set out below :

Particulars	March 31, 2020		March 31, 2019	
	No. of shares	Value	No. of shares	Value
No. of equity 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	-	-	-	-
No. of equity shares at the end of the year	2,20,00,000	22,00,00,000	2,20,00,000	22,00,00,000

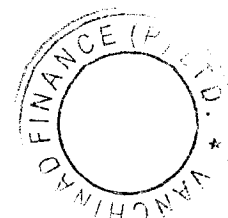
iv. The details of Shareholders holding more than 5% shares :-

Name of the Shareholder	March 31, 2020		March 31, 2019	
	No. of Shares	%	No. of Shares	%
SML Finance Limited	2,19,99,998	99.99%	2,19,99,998	99.99%

3 RESERVES & SURPLUS

Particulars	March 31, 2020	March 31, 2019
Statutory Reserve - u/s 451C of RBI Act.		
As per last balance sheet	1,44,10,294	61,41,247
Add: Current year's transfer	95,27,300	82,69,048
Closing Balance	2,39,37,594	1,44,10,294
Profit & Loss Account:		
As per last balance sheet	5,70,95,258	2,40,19,066
Add: Current years profit	4,76,36,438	4,13,45,240
	10,47,31,696	6,53,64,306
Less: Appropriations		
Transfer to General Reserve	-	-
Transfer to Reserve u/s 45 IC of RBI Act, 1934	95,27,300	82,69,048
Closing Balance	9,52,04,396	5,70,95,258
TOTAL	11,91,41,991	7,15,05,552

The Board of Directors have proposed a dividend of 20% at Rs 2 per share on equity share of Rs. 10/- each for the current financial year subject to approval of the members of the company at the forthcoming Annual General Meeting.



Notes on Financial Statements for the Year ended 31st March, 2020

4 LONG TERM BORROWINGS

Particulars	Non Current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
SECURED				
Non Convertible Debentures	54,91,58,000	39,89,86,000	-	-
Term Loan- Habitat	83,58,144	-	1,49,58,430	-
Vehicle Loan from Banks	7,36,311	8,47,943	1,11,631	1,02,057
UNSECURED				
Subordinated Bonds- Non Current	14,32,01,000	12,44,76,000	-	-
Non Convertible Debentures	-	1,00,00,000	-	-
TOTAL	70,14,53,455	53,43,09,943	1,50,70,061	1,02,057

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

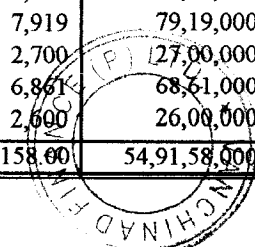
Debenture is secured by receivables against Loans

Term-Loan Habitat is secured primarily by way of exclusive Hypothecation charge on book debts equivalent to 100% of the loan amount and additional 10% hypothecation of book debts.

Series Wise

Series Name	Date of allotment	Date of maturity	No of units	Amount
VFPL Debenture series1	31.03.2018	31.03.2028	37,330	3,73,30,000
VFPL Debenture series2	31.03.2018	31.03.2028	45,030	4,50,30,000
VFPL Debenture series3	31.03.2018	31.03.2028	-	-
VFPL Debenture series4	31.03.2018	31.03.2028	35,126	3,51,26,000
VFPL Debenture series5	31.03.2018	31.03.2028	28,556	2,85,56,000
VFPL Debenture series6	31.03.2018	31.03.2028	26,955	2,69,55,000
VFPL Debenture series7	31.05.2018	31.05.2028	4,295	42,95,000
VFPL Debenture series8	31.05.2018	31.05.2028	7,500	75,00,000
VFPL Debenture series9	01.10.2018	01.10.2028	19,975	1,99,75,000
VFPL Debenture series10	01.12.2018	01.12.2028	42,775	4,27,75,000
VFPL Debenture series11	29.01.2019	29.01.2029	29,831	2,98,31,000
VFPL Debenture series12	29.03.2019	29.03.2029	79,610	7,96,10,000
VFPL Debenture series13	31.05.2019	31.05.2029	46,900	4,69,00,000
VFPL Debenture series14	30.07.2019	30.07.2029	36,650	3,66,50,000
VFPL Debenture series15	16.08.2019	16.08.2029	2,020	20,20,000
VFPL Debenture series15	02.09.2019	02.09.2029	14,000	1,40,00,000
VFPL Debenture series15	17.09.2019	17.09.2029	6,300	63,00,000
VFPL Debenture series15	01.10.2019	01.10.2029	11,800	1,18,00,000
VFPL Debenture series16	16.10.2019	16.10.2029	10,200	1,02,00,000
VFPL Debenture series16	01.11.2019	01.11.2029	11,600	1,16,00,000
VFPL Debenture series16	16.11.2019	16.11.2029	6,500	65,00,000
VFPL Debenture series16	30.11.2019	30.11.2029	3,250	32,50,000
VFPL Debenture series17	16.12.2019	16.12.2029	6,600	66,00,000
VFPL Debenture series17	01.01.2020	01.01.2030	4,850	48,50,000
VFPL Debenture series17	16.01.2020	16.01.2030	4,200	42,00,000
VFPL Debenture series17	31.01.2020	30.01.2030	7,225	72,25,000
VFPL Debenture series18	17.02.2020	17.02.2030	7,919	79,19,000
VFPL Debenture series18	02.03.2020	02.03.2030	2,700	27,00,000
VFPL Debenture series18	16.03.2020	16.03.2030	6,861	68,61,000
VFPL Debenture series18	31.03.2020	31.03.2030	2,600	26,00,000
			5,49,158,000	54,91,58,000

Note : Coupon rate of "NCDs" outstanding as on March 31, 2019 varies from 12.50 to 14.00%



Notes on Financial Statements for the Year ended 31st March, 2020

Maturity wise

From the Balance Sheet date	(a) Non- current	(b) Current maturity	Total
Repayable on maturity :			
Maturing after 5 years	54,91,58,000	-	54,91,58,000
Maturing between 3 years to 5 years	-	-	-
Maturing between 1 year to 3 years	-	-	-
Maturing within 1 year	-	-	-
Matured during the year	-	-	-
	54,91,58,000	-	54,91,58,000

Coupon Rate wise

Coupon Rate	March 31, 2020	March 31, 2019
Coupon Rate- 12	5,56,80,000	2,78,75,000
Coupon Rate- 12.50	27,82,11,000	31,60,81,000
Coupon Rate- 13	18,34,87,000	5,50,30,000
Coupon Rate- 13.5	3,17,80,000	1,00,00,000
	54,91,58,000	40,89,86,000

Subordinated debts

Series Wise

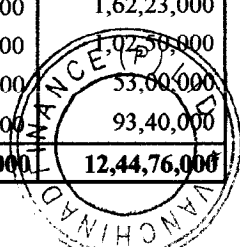
Series Name	Maturity Period	No of units	Amount
Sub Ordinate Debts-Cumulative	2018-2023	1,23,196	12,31,96,000
Sub Ordinate Debts-Cumulative	2019-2024	9,880	98,80,000
Sub Ordinate Debts-Cumulative	2020-2025	10,125	1,01,25,000
	-	1,43,201	14,32,01,000

Maturity wise

From the Balance Sheet date	(a) Non- current	(b) Current maturity	Total
Repayable on maturity :			
Maturing after 5 years	49,75,000	-	49,75,000
Maturing between 3 years to 5 years	3,70,85,000	-	3,70,85,000
Maturing between 1 year to 3 years	10,11,41,000	-	10,11,41,000
Maturing within 1 year	-	-	-
Matured during the year	-	-	-
	14,32,01,000	-	14,32,01,000

Coupon Rate wise

Particulars	Interest %	March 31,2020	March 31, 2019
Sub Ordinate Debts	11.00%	15,95,000	5,50,000
Sub Ordinate Debts	11.50%	19,30,000	4,30,000
Sub Ordinate Debts	12.00%	1,17,10,000	28,00,000
Sub Ordinate Debts	12.50%	58,75,000	25,30,000
Sub Ordinate Debts	13.00%	5,10,41,000	5,10,41,000
Sub Ordinate Debts	13.50%	2,60,12,000	2,60,12,000
Sub Ordinate Debts	14.00%	1,62,23,000	1,62,23,000
Sub Ordinate Debts	14.50%	1,02,50,000	53,00,000
Sub Ordinate Debts	15.00%	53,00,000	93,40,000
Sub Ordinate Debts	12.00%	1,32,65,000	
TOTAL		14,32,01,000	12,44,76,000



Notes on Financial Statements for the Year ended 31st March, 2020

5 OTHER LONG TERM LIABILITIES

Particulars	March 31,2020	March 31,2019
(i) Other than Acceptances Interest accrued but not due on borrowings	1,51,47,207	95,08,611
TOTAL	1,51,47,207	95,08,611

6 LONG TERM PROVISIONS

Particulars	March 31, 2020	March 31, 2019
(a) Provision others :		
Contingent Provision against Standard Assets	34,57,941	40,87,197
Provision for Non Performing Assets	-	2,63,440
(b) Provision for employee benefits	17,08,242	-
TOTAL	51,66,183	43,50,637

7 SHORT TERM BORROWINGS

Particulars	March 31, 2020	March 31, 2019
Loans repayable on demand		
From Banks		
Cash credit (secured) [refer note (i) below	8,50,47,050	19,45,66,563
(b) Deposits		
Unsecured		
Inter-corporate deposit	25,00,00,000	-
TOTAL	33,50,47,050	19,45,66,563

1 Nature of Security

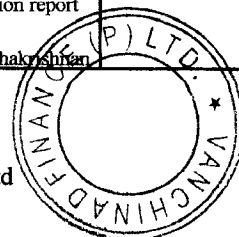
(a) Loans repayable on demand from Banks

Particulars	Primary	Collateral	Guarantors
State Bank of India	First Charge by way of hypothecation of Standard book debts / standard loan receivables current assets etc, present and future of the branches of the company mentioned under item 1(a). Second charge by way of hypothecation of remaining book debts/standard loan receivables,current assets etc present and future othe company otherthan the amount mentioned at branches furnished under item 1(a)	EM of Commercial Building and plot	Personal guarantor William Verghese C C Mary Williams Griger Cherry williams Corporate Guarantor M/S SML Finance Ltd
Syndicate Bank	Hypothication of Exclusive Charge by way of hypothication over specific standard Book Debts/loan receivables present and future of the company with 25% margin (under item 1(b) ,Asset should be replaced by standard assets of equivalent value,as and when there is slippage to NPA/reduction in value due to repayment.In case the value of the receivables falls below the reffered stipulation,Company will be liable to pay overdue interest on the portion not covered as per above(An undertaking in this regard shall be obtained from the company).Second charge by way of Hypothication of remaining Standard Book debts/loan receivables,current assets etc present and future of the company(under item 1(b) other than mentioned above.	Mortgage of Commercial land having an extent of 125.45 cents (50.79 Ares) consists 21.54 cents in Sy.No.396/2 at Poonithura village,Kanayannur Taluk,Ernakulam Dist.,owned by Dr. Griger Cherry Williams with Rea;isable value of 40.16 crores asper the valuation report of Mr.P.Radhakrishnan	Personal guarantor William Verghese C C Griger Cherry williams Corporate Guarantor M/S SML Finance Ltd

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

Item 1(a) :Chavara,Ayur,Peerumed,Vandithavalam,Oachira Branches of Vanchinad Finance Pvt Ltd

Item 1(b) :Adoor, Kundara, Kottiyam, Parippally, Vaikom, Kattakkada Branches of Vanchinad Finance Pvt Ltd



Notes on Financial Statements for the Year ended 31st March, 2020

8 OTHER CURRENT LIABILITIES

Particulars	March 31, 2020	March 31, 2019
(a) Current maturities of long-term debt	1,50,70,061	1,02,057
(b) Interest Accrued and due on borrowings	28,66,439	62,89,366
(d) Other payables :		
(i) Statutory remittances	27,35,953	32,23,217
(ii) Expense payable	18,91,749	75,23,893
TOTAL	2,25,64,202	1,71,38,533

9 SHORT TERM PROVISIONS

Particulars	March 31, 2020	March 31, 2019
(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 1,95,22,000 Rs. and TDS 1,97,724.80 Rs., PY Advance Tax Rs.1,95,00,000/- & TDS Rs. 1,65,724/-

11 DEFERRED TAX (LIABILITY)/ ASSET

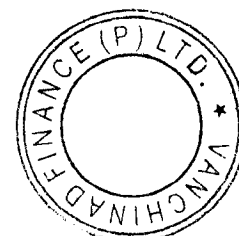
Particulars	March 31, 2020	March 31, 2019
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	7,66,200	3,68,346
Tax effect of items constituting deferred tax assets		
Others	-	3,23,609
TOTAL	7,66,200	6,91,955

12 LOANS AND ADVANCES- Financing Activities

Particulars	Non Current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Secured, considered good	-	-	-	-
Unsecured , Considered goods				
Other Loans	32,51,06,635	75,19,51,032	88,67,75,606	26,15,29,211
Business Loans	24,02,634	11,95,000	62,87,494	97,58,367
Personal Loans	2,94,90,794	-	2,31,13,049	-
TOTAL	35,70,00,063	75,31,46,032	91,61,76,149	27,12,87,578

13 LONG TERM LOANS AND ADVANCES

Particulars	March 31, 2020	March 31, 2019
(a) Security deposits		
Unsecured, considered good	67,48,541	54,06,041
TOTAL	67,48,541	54,06,041



Notes on Financial Statements for the Year ended 31st March, 2020

14 CASH AND CASH EQUIVALENTS

Particulars	March 31, 2020	March 31, 2019
(a) Cash in Hand	88,195	1,16,181
(b) Balance with Banks		
(i) In current accounts	16,01,984	12,25,561
TOTAL	16,90,179	13,41,742

15 SHORT TERM LOANS AND ADVANCES

Particulars	March 31, 2020	March 31, 2019
(a) Unsecured, considered good		
Loans and advances to related parties	11,00,00,000	-
(b) Other Loans and Advance		
(ii) Balances with government authorities		
Unsecured, considered good		
Income Tax receivable	33,96,559	45,71,604
GST Receivable	25,750	10,57,067
(ii) Others (Unsecured, considered good)	22,207	80,319
TOTAL	11,34,44,516	57,08,990

16 OTHER CURRENT ASSETS

Particulars	March 31, 2020	March 31, 2019
(a) Accruals		
Interest Accrued	1,01,90,979	9,70,963
Insurance claim receivable	5,66,246	2,26,424
(b) Other Receivables		
Receivable from SML Finance Ltd	-	12,00,000
Advertisement Income Receivable	-	13,45,200
Amount Receivable from Terminated Employee	-	4,57,316
TOTAL	1,07,57,225	41,99,903

17 REVENUE FROM OPERATIONS

Particulars	March 31, 2020	March 31, 2019
Income from Financing Activities	31,84,99,576	20,96,87,044
Processing fee	1,34,49,230	1,05,31,636
Documentation charge	13,50,150	-
TOTAL	33,32,98,956	22,02,18,680

18 OTHER INCOME

Particulars	March 31, 2020	March 31, 2019
(a) Interest Income		
Interest on IC Deposits	14,76,712	-
(b) Other income		
Advertisement	96,67,200	83,27,338
Sundry Amounts Written off	-	95,175
Interest on IT Refund	1,37,520	-
Miscellaneous Income	3,615	-
TOTAL	1,12,85,047	84,22,513

Notes on Financial Statements for the Year ended 31st March, 2020

19 EMPLOYEE BENEFIT EXPENSES

Particulars	March 31, 2020	March 31, 2019
Salary, Bonus and Allowances	6,29,67,617	2,99,02,103
Contributions to provident and other funds	72,42,271	28,20,980
TOTAL	7,02,09,888	3,27,23,083

20 FINANCIAL COSTS

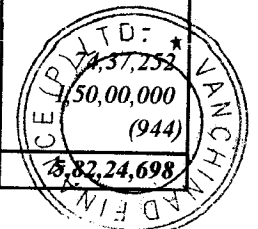
Particulars	March 31, 2020	March 31, 2019
(a) Interest expenses on Borrowings	13,23,30,754	7,62,86,487
TOTAL	13,23,30,754	7,62,86,487

21 FINANCIAL COSTS

Particulars	March 31, 2020	March 31, 2019
(a) Interest expenses on Depreciation	31,40,228	28,34,768
Amortisation	5,94,726	97,686
TOTAL	37,34,953	29,32,454

22 OTHER EXPENSES

Particulars	March 31, 2020	March 31, 2019
Advertisement	17,105	5,17,793
Audit fees	3,14,290	2,13,500
Bank Charges	29,51,068	22,15,127
Cleaning charges	7,02,150	6,84,333
Directors remuneration	28,53,870	38,00,000
Electricity and Water charges	10,34,248	5,19,030
Newspaper and Periodicals	-	2,695
Postage	3,85,154	2,71,213
Printing & Stationery	15,15,697	8,30,570
Rent	86,30,168	64,75,144
Telephone and Internet charges	7,61,751	6,88,109
Travelling expenses	26,79,335	14,69,056
Repairs & Maintenance	7,93,112	6,03,808
Rates & Taxes	1,55,669	57,778
Subscription charges	24,45,357	11,16,845
ROC Filing fee	37,700	1,59,600
Professional and Legal fees	13,46,217	11,16,422
Debenture Trusteeship Fee	1,78,000	1,86,000
Vehicle Insurance and Expenses	32,996	43,886
Donation(Corperate social responsibility)	3,69,500	48,000
PF Damages	1,27,073	8,745
Meeting & Training Expenses	1,84,29,907	1,22,97,573
Branch Opening Expenses	1,05,263	4,78,000
Staff Welfare Expense	24,000	-
Provisions and Written Offs	70,90,161	12,93,624
GST Interest	2,74,431	1,363
GST Late fee	4,900	-
Office Expenses	15,19,623	6,90,176
Advance written off	13,30,000	-
Interest on income tax	60,960	-
Incentives	1,55,76,612	4,37,252
Business Consultancy	-	50,00,000
Round Off	(103)	(944)
TOTAL	7,17,46,214	8,82,24,698



Notes on Financial Statements for the Year ended 31st March, 2020

A. Details of CSR expenditure

Particulars	March 31, 2020	March 31, 2019
(a) Gross amount required to be spend by the company during the year	6,73,542	-
Amount spent during the year:	Spent during the year	Yet to be spend
(i) Construction/acquisition of any asset		Total
(ii) On purposes other than (i) above	3,69,500	3,04,042
		6,73,542

B. Payment to Auditor as:

Particulars	March 31, 2020	March 31, 2019
As auditors - statutory audit	2,25,000	2,00,000
For other services	-	-
TOTAL	2,25,000	2,00,000

C. Provisions & write of

Particulars	March 31, 2020	March 31, 2019
Provision for		
Standard assets	-6,29,256	10,43,616
Non performing assets	-2,63,440	2,01,033
Bad debts written off (net of recoveries)	79,82,857	48,975
Total	70,90,161	12,93,624

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 plan

Particulars	March 31, 2020	March 31, 2019
Employers Contribution to Provident Fund	31,08,316	11,31,156
Employers Contribution to Employee's State Insurance	19,21,329	14,33,348

(b) Defined benefit Plans - Gratuity:

i. Components of employer expense

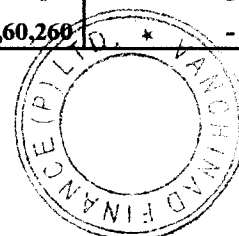
Particulars	March 31, 2020	March 31, 2019
Current service cost	4,40,781	-
Interest cost	-	-
Expected return on plan assets	-	-
Actuarial losses/(gains)	13,19,479	-
Total expense recognised in the Statement of Profit and Loss	17,60,260	-

ii. Actual contribution and benefit payments for year

Particulars	March 31, 2020	March 31, 2019
Actual benefit payments	-	-
Actual contributions	-	-

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

Particulars	March 31, 2020	March 31, 2019
Present value of defined benefit obligation	-17,60,260	-
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	-17,60,260	-
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	-17,60,260	-



Notes on Financial Statements for the Year ended 31st March, 2020

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

Particulars	March 31, 2020	March 31, 2019
Present value of DBO at beginning of the year	-	-
Current service cost	4,40,781	-
Interest cost	-	-
Actuarial (gains) / losses	13,19,479	-
Benefits paid	-	-
Present value of DBO at the end of the year	17,60,260	-

v. Change in fair value of assets during the year

Particulars	March 31, 2020	March 31, 2019
Plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Actual company contributions	-	-
Actuarial gain / (loss)	-	-
Benefits paid	-	-
Plan assets at the end of the year	-	-

vi. Composition of the plan assets is as follows:

Particulars	March 31, 2020	March 31, 2019
Government bonds	-	-
PSU bonds	-	-
Equity mutual funds	-	-
Insurer Managed Funds	-	-

vii. Actuarial assumptions

Particulars	March 31, 2020	March 31, 2019
Discount rate	0%	0%
Rate of return on plan assets	0%	0%
Salary escalation	0%	0%

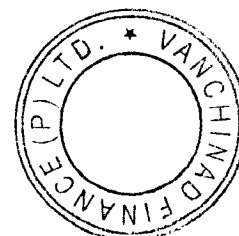
The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

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.

23 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, 2020	March 31, 2019
Profit after tax (in Rs in Lakhs.)	4,76,36,438	4,13,45,240
Weighted average number of shares used as denominator for calculating basic and diluted earning per	2,20,00,000	2,20,00,000
Nominal value of shares (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	2.17	1.88



Notes on Financial Statements for the Year ended 31st March, 2020

24 RELATED PARTY TRANSACTIONS

Names of Related Parties

(A) Holding company

SML Finance Limited

(B) Key Management Personnel

Dr. Griger Cherry Williams

Susanna Isaac

K.I.Varghese

Paul Ranjan

Jayakumar Govindan

Designation

Whole-Time Director

Director

Director

Chief Financial Officer

Chief Financial Officer

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

B R D Finance Limited

Ayur Bethaniya Lp

(D) Relatives of Key Management Personnel

Relation

C C William Varghese

Parent of MD

Details of Related Party Transactions :

Particulars	KMP		Relatives of KMP	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Directors Remuneration				
1. Griger Cherry Williams-Whole-Time Director	15,00,000	3,00,000		
2. K.I.Varghese - Director	12,03,870	5,00,000		
3. Susanna Isaac -Director	1,50,000	-		
4. Paul Ranjan- Cfo	6,00,000	-		
5 Jayakumar - Cfo	4,00,000	-		
Remuneration				
1. C.C.William Varghese			54,00,000	30,00,000
Rent				
1. C.C.William Varghese			18,00,000	19,62,500
Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Inter-corporate deposit				
1. Sml Finance Limited				
Accepted During The Fy	11,50,00,000	5,75,00,000		
Repaid During The Fy	11,50,00,000	7,55,00,000		
2. B R D Finance Limited				
Accepted During The Fy			26,00,00,000	-
Repaid During The Fy			1,00,00,000	-
3. Ayur Bethaniya Llp				
Granted During The Fy			11,00,00,000	
Recieved During The Fy			-	
Interest on ICD				
1. Sml Finance Limited	82,69,646	1,22,45,208		
2. Brd Finance Limited			2,97,53,424	-
3. Ayur Bethaniya Llp				
Business Consultancy				
1. Sml Finance Limited	-	1,50,00,000		

25 DISCLOSURE WITH REGARD TO DUES TO MICRO AND SMALL ENTERPRISES

The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the Company and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under 'The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006'. Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2020 together with interest paid /payable are required to be furnished.

26 PROVISIONS AND CONTINGENCIES

Particulars	March 31, 2020	March 31, 2019
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	-	2,63,440
Provision made towards Income tax (Net of Deferred Tax)	1,89,25,755	1,71,29,231
Other Provision and Contingencies		
Provision for standard Assets	34,57,941	40,87,197

27 PROVISION FOR STANDARD AND NON-PERFORMING ASSETS AS PER PRUDENTIAL NORMS.

In terms of Non Systemically Important Non-Banking Financial (Non-Deposit accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

Asset Category	March 31, 2020		March 31, 2019	
	Amount	Provision	Amount	Provision
Unsecured Loans				
Standard Asset	1,38,31,76,212	34,57,941	1,02,17,99,212	40,87,197
Substandard Asset	-	-	26,34,398	2,63,440
Doubtful assets	-	-	-	-
Total	1,38,31,76,212	34,57,941	1,02,44,33,610	43,50,637

Particulars	March 31, 2020	March 31, 2019
(i) Net NPAs to Net Advances (%)	0.00%	0.26%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	26,34,398	90,241
(b) Additions during the year	-	26,34,398
(c) Reductions during the year	26,34,398	90,241
(d) Closing balance	-	26,34,398
(iii) Movement of Net NPAs		
(a) Opening balance	23,70,958	27,834
(b) Additions during the year	-	23,70,958
(c) Reductions during the year	23,70,958	27,834
(d) Closing balance	-	23,70,958
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	2,63,440	62,407
(b) Provisions made during the year	-	2,63,440
(c) Write-off / write-back of excess provisions	2,63,440	62,407
(d) Closing balance	-	2,63,440

28 ADDITIONAL INFORMATION TO THE STATEMENT OF PROFIT AND LOSS

Particulars	March 31, 2020	March 31, 2019
CIF Value of Imports of Capital Goods	-	-
Expenditure in foreign currency on accrual basis	-	-
Earnings in Foreign Currency	-	-

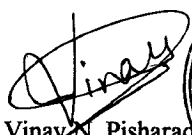
29 **CONTINGENT LIABILITY NOT PROVIDED FOR**

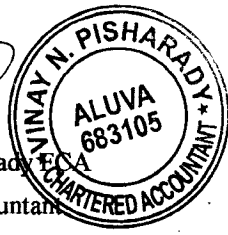
Particulars	March 31, 2020	March 31, 2019
Matters where the future cash outflows are determinable only on receipt of pending judgements /conclusions	-	-

30 *Previous year figures have been reworked, re-grouped, re-arranged and re-classified wherever necessary to conform to current year's classifications/disclosure. The figures are rounded off to nearest rupees*

Auditors' Report:

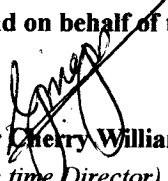
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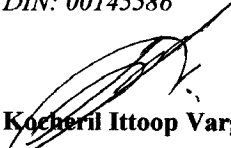

 Vinay N. Pisharady
 Chartered Accountant
 Membership No. 233743



Place: Aluva
 Date: 22.12.2020

For and on behalf of the Board


 Griger Cherry Williams
 (Whole time Director)
 DIN: 00145586


 Kocheril Ittoop Varghese
 (Director)
 DIN: 08291568

Place: Aluva
 Date: 22.12.2020



Note - 9 :

Sl. No.	Particulars	Gross Block				Depreciation				Net Block	
		Cost up to 01.04.2019	Additions	Deletions	Cost up to 31.03.2020	Up to 01.04.2019	For the Year	Deductions	Up to 31.03.2020	As on 31.03.2019	As on 31.03.2020
	Property, Plant & Equipments										
1	Furniture and fittings	68,38,620	2,80,785	-	71,19,406	19,99,412	12,71,817	-	32,71,229	48,39,209	38,48,177
2	Electrical fittings	18,62,722	88,388	-	19,51,109	5,39,376	3,47,407	-	8,86,783	13,23,346	10,64,326
3	Computer & Accessories	21,17,419	5,40,748	-	26,58,168	14,68,341	5,13,082	-	19,81,424	6,49,078	6,76,744
4	Air conditioner	3,78,075	54,506	-	4,32,581	91,604	87,710	-	1,79,314	2,86,471	2,53,268
5	Vehicle	10,84,642	-	-	10,84,642	13,883	3,32,779	-	3,46,662	10,70,759	7,37,980
6	Name Board	1,63,732	-	-	1,63,732	5,249	41,026	-	46,275	1,58,482	1,17,457
7	Fabrication Work	4,33,393	25,78,241	-	30,11,634	23,790	4,03,794	-	4,27,584	4,09,603	25,84,050
8	Electronic Items	4,22,920	90,852	-	5,13,772	2,863	1,18,607	-	1,21,470	4,20,057	3,92,302
9	Office Equipments	56,699	7,867	-	64,566	6,851	24,006	-	30,857	49,848	33,710
	Total	1,33,58,222	36,41,387	-	1,69,99,609	41,51,368	31,40,228	-	72,91,596	92,06,854	97,08,013
	Intangible Assets										
10	Software	4,88,429	24,85,200	-	29,73,629	97,686	5,94,726	-	6,92,412	3,90,743	22,81,217
	Total	4,88,429	24,85,200	-	29,73,629	97,686	5,94,726	-	6,92,412	3,90,743	22,81,217
	Grand Total	1,38,46,651	61,26,587	-	1,99,73,238	42,49,054	37,34,953	-	79,84,008	95,97,597	1,19,89,231
	Previous Year	97,01,696	41,44,955	-	1,38,46,651	13,16,600	29,32,454	-	42,49,054	83,85,096	95,97,597



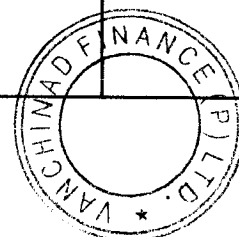
Vanchinad Finance Private Limited

Ernakulam

31 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)


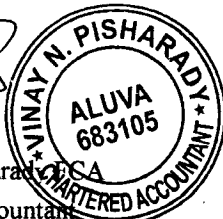
Sl. No.	Particulars		As at March 31, 2020	
	<u>Liabilities side :</u>		Amount out-standing	Amount overdue
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:			
	(a)	Debtentures : Secured : Unsecured (other than falling within the meaning of public deposits)	5,598.42 - -	- - -
	(b)	Deferred Credits	Nil	-
	(c)	Term Loans	233.17	-
	(d)	Inter-corporate loans and borrowing	2,528.66	-
	(e)	Commercial Paper	Nil	-
	(f)	Public Deposits	Nil	-
	(g)	Other Loans – Cash credit / overdraft facilities from banks Vehicle Loans Unsecured Loans Subordinated debts	- 850.47 8.48 - 1,476.65	- - - -
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not			
	(a)	In the form of Unsecured debtentures	Nil	-
	(b)	In the form of partly secured debtentures i.e. debtentures where there is a shortfall in the value	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		-
	(b)	Unsecured		12,833.67
4	Break up of Leased Assets and stock on hire and other assets counting towards asset financing			
	(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)	Debtentures and Bonds		-
	(iii)	Units of mutual funds		-
	(iv)	Government Securities		-
	(v)	Others (please specify)		-
	2	Unquoted :		
	(i)	Shares		
		(a) Equity		-
		(b) Preference		-
	(ii)	Debtentures and Bonds		-
	(iii)	Units of mutual funds		-
	(iv)	Government Securities		-
	(v)	Others (please specify)		-



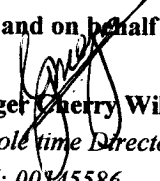
Long Term investments :				
1	Quoted :			
(i)	Shares			
	(a) Equity			-
	(b) Preference			-
(ii)	Debentures and Bonds			-
(iii)	Units of mutual funds			-
(iv)	Government Securities			-
(v)	Others (please specify)			-
2	Unquoted :			
(i)	Shares			
	(a) Equity			-
	(b) Preference			-
(ii)	Debentures and 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	-	12,833.67	12,833.67
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 NAV	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			0
(ii)	Net Non-Performing Assets*			
	(a) Related parties			-
	(b) Other than related parties			0
(iii)	Assets acquired in satisfaction of debt			-

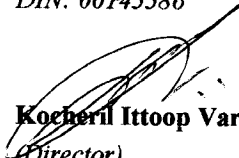
Auditors' Report:

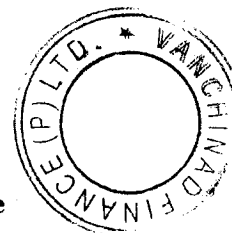
Vide our report of even date.



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