

**INDEPENDENT AUDITORS' REPORT**

To the Members of **SUBHKIRAN CAPITAL LIMITED**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of SUBHKIRAN CAPITAL LIMITED, which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

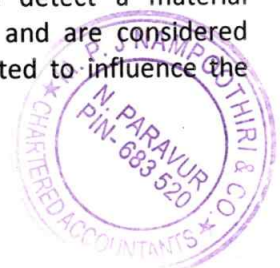
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit or Loss and its cash flows for the year ended on that date.

**Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies(Accounts)Rules,2014.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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

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.



## 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 I, a statement on the matters specified in paragraphs 3 and 4 of the orders.
2. As required by Non-Banking Financial Companies Auditor's Report (Reserve bank) Directions 2016, we give in Annexure – III, a statement on the matters specified in the paragraphs 3 and 4 of the said directions.
3. 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, and the cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 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 II".
  - (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) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us;
    - i. The Company did not have any pending litigations on its financial position.
    - 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

**For MPJ NAMPOOTHIRI & CO.**  
**Chartered Accountants**  
**Firm Registration No : 0023205**



**M.P JAYANTHAN NAMPOOTHIRI**  
**PARTNER**  
**M.NO:022858**

**Place: North Paravur**  
**Date: 23/05/2019**

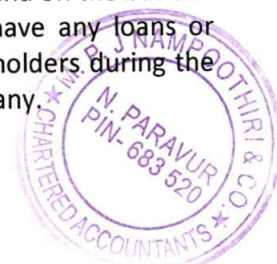




## ANNEXURE I TO THE AUDITORS' REPORT

The **Annexure I** referred to in our report to the members of **SUBHKIRAN CAPITAL LIMITED**(the Company') for the year ended on March 31, 2019. We report that:

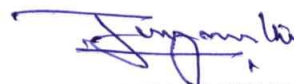
- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, a portion of fixed asset has been physically verified by the management during the year and no material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanations given to us, the Company does not hold any immovable property and thus paragraph 3 (i) (c) of the Order is not applicable.
- (ii) The Company is a Non-Banking Financial Company, primarily rendering Financial Services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, made any investments, provided any guarantees, and given any security to which the provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) Being a financial company, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no dues of income-tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.



- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (Including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has paid/provided managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements of the Company as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly paragraph (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations 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.

Place: North Paravur  
Date: 23/05/2019

For MPJ NAMPOOTHIRI & CO.  
Chartered Accountants  
Firm Registration No : 002320S



M.P JAYANTHAN NAMPOOTHIRI  
PARTNER  
M.NO:022858





## **ANNEXURE II TO THE INDEPENDENT AUDITORS' REPORT**

The **Annexure II** referred to in our report to the members of **SUBHKIRAN CAPITAL LIMITED**(the Company') for the year ended on March 31, 2019.

### **Report on the Internal Financial Controls 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 **Subhkiran Capital Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management 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 ('ICAI'). 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 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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') and the standards on auditing (the 'Standards') issued by ICAI and deemed to be 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 judgment, 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 Company's internal financial controls over financial reporting.



### **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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

### **Inherent 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, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 issued by the ICAI.

**Place: North Paravur**

**Date: 23/05/2019**

**For MPJ NAMPOOTHIRI & CO.  
Chartered Accountants**

**Firm Registration No : 002320S**



**M.P JAYANTHAN NAMPOOTHIRI**

**PARTNER**

**M.NO:022858**





**ANNEXURE III TO THE AUDITORS' REPORT**

To  
The Members  
**SUBHKIRAN CAPITAL LIMITED**

We have audited the Balance Sheet of **Subhkiran Capital Limited** as on March 31, 2019 and also the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions 2016, and according to the information and explanations given to us, we give below, a statement on matters specified in paragraphs 3 and 4 of the said directions:

- (i) The Company is engaged in the business of Non-Banking Financial institution and it has obtained the certificate of registration as provided in section 45 IA of the RBI Act, 1934.
- (ii) The Company is entitled to hold Certificate of Registration in terms of Asset/Income Pattern as on March 31, 2019.
- (iii) The Company has complied with the Net Owned Fund requirement as laid down in "Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016".
- (iv) The Board of Directors of the Company has passed a resolution for non-acceptance of Public Deposits.
- (v) The Company has not accepted any public deposits during the year under review.
- (vi) According to the information and explanation given to us, the Company has complied with the prudential norms on Income Recognition, Accounting Standards, Asset Classification, Provisioning for bad and doubtful debts as specified in the directions issued by the Reserve Bank of India in terms of the Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
- (vii) The Company has not been classified as NBFC-MFIs during the year ended March 31, 2019.

The report has been issued pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 and is issued to the Board of Directors of the Company as required by Paragraph 2 of such directions and should not be used for any other purposes.

Place: North Paravur  
Date: 23/05/2019

**For MPJ NAMPOOTHIRI & CO.**  
**Chartered Accountants**  
**Firm Registration No : 002320S**



**M.P JAYANTHAN NAMPOOTHIRI**  
**PARTNER**  
**M.NO:022858**



**SUBHKIRAN CAPITAL LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2019**

Amount in Rs.

PARTICULARS	Note No	March 31, 2019	March 31, 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	3	3,75,00,000.00	3,75,00,000.00
Reserves and Surplus	4	14,38,774.40	(77,53,228.64)
Money Received against Share Warrants		-	-
<b>Share Application Money Pending Allotment</b>		-	-
<b>Non-Current Liabilities</b>			
Long-term Borrowings	5	24,17,69,085.00	16,48,80,401.00
Deferred Tax Liabilities(Net)	6	-	-
Other Long Term Liabilities		-	-
Long Term Provisions		-	-
<b>Current Liabilities</b>			
Short-term Borrowings		-	-
Trade Payables		-	-
Other Current Liabilities	7	2,94,14,844.45	1,82,48,287.00
Short-term Provisions	8	28,11,105.00	8,28,316.00
<b>Grand Total</b>		<b>31,29,33,808.85</b>	<b>21,37,03,775.36</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Plant, Property & Equipment	9		
Tangible Assets		1,41,09,000.82	1,36,27,798.20
Intangible Assets		-	-
Capital Work-in-progress		76,00,000.00	-
Intangible Assets under Development	10	-	2,50,000.00
Non-current Investments		-	-
Deferred Tax Assets	6	3,63,980.00	69,460.00
Long Term Loans and Advances	11	18,96,480.00	11,13,930.00
Other Non-current Assets		-	-
<b>Current Assets</b>			
Current Investments		-	-
Inventories		-	-
Trade Receivables		-	-
Cash and Bank Balances	12	19,39,862.01	83,16,783.19
Short-term Loans and Advances	13	28,13,49,553.05	18,70,97,117.00
Other Current Assets	14	56,74,932.97	32,28,686.97
<b>Grand Total</b>		<b>31,29,33,808.85</b>	<b>21,37,03,775.36</b>

C.K Renjan  
Chairman & Managing Director  
DIN: 03410956

Prakasan P  
Director of Finance and Accounts  
DIN: 03410961

For MPJ NAMPOOTHIRI & CO.  
Chartered Accountants  
Firm Registration No : 002320S

M.P JAYANTHAN NAMPOOTHIRI  
PARTNER  
M.NO:022858

Place: North Paravur  
Date: 23/05/2019





**SUBHKIRAN CAPITAL LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2019**

PARTICULARS	Note No	Amount in Rs.	
		March 31, 2019	March 31, 2018
Revenue from Operations	15	6,31,20,971.50	3,72,48,215.13
Other Income	16	6,19,061.75	5,84,158.00
<b>Total Revenue</b>		<b>6,37,40,033.25</b>	<b>3,78,32,373.13</b>
<b>Expenses:</b>			
Employee Benefit Expense	17	1,72,53,672.00	1,09,11,316.00
Finance Costs	18	2,29,10,830.26	1,72,67,867.85
Depreciation and Amortization Expense	19	24,40,809.54	19,31,492.98
Other Expenses	20	1,11,27,137.41	66,28,748.02
<b>Total Expenses</b>		<b>5,37,32,449.21</b>	<b>3,67,39,424.85</b>
<b>Profit/(Loss) before Exceptional, Extraordinary and Prior Exceptional Items</b>		<b>1,00,07,584.04</b>	<b>10,92,948.28</b>
<b>Profit/(Loss) before extraordinary items, Prior Period Extraordinary Items</b>		<b>1,00,07,584.04</b>	<b>10,92,948.28</b>
<b>Profit/(Loss) Before Prior Period Items and Tax</b>		<b>1,00,07,584.04</b>	<b>10,92,948.28</b>
Prior Period Items	21	-	-
<b>Profit/(Loss) Before Tax</b>		<b>1,00,07,584.04</b>	<b>10,92,948.28</b>
<b>Tax Expense:</b>			
Current Tax		23,85,486.00	2,33,913.00
MAT credit Entitlement		12,75,385.00	2,33,913.00
Tax paid for earlier years		-	-
Deferred Tax		(2,94,520.00)	(1,37,970.00)
<b>Profit/(Loss) for the period</b>		<b>91,92,003.04</b>	<b>12,30,918.28</b>
<b>Earning per Equity Share</b>	22		
(1) Basic		2.45	0.41
(2) Diluted		-	-
(3) Nominal Value per Share		10.00	10.00

C.K Renjan

Chairman & Managing Director  
DIN: 03410956

Prakasan P

Director of Finance and Accounts  
DIN: 03410961

For MPJ NAMPOOTHIRI & CO.  
Chartered Accountants  
Firm Registration No : 0023205

M.P JAYANTHAN NAMPOOTHIRI  
PARTNER  
M.NO:022858

Place: North Paravur

Date: 23/05/2019



**SUBHKIRAN CAPITAL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	As At	As At
	March 31, 2019	March 31, 2018
<b>A. Cash flows from operating activities</b>		
Net Profit	91,92,003.04	12,30,918.28
Adjustment for :-		
<b>Add:</b> Depreciation	24,14,482.73	19,31,492.98
Provision for Taxation/ Deferred Tax	8,15,581.00	-1,37,970.00
Provision for Bad & Doubtful Debts	17,50,742.00	1,94,346.00
Contingent Provision for Standard Assets	2,32,047.00	2,54,024.00
Interest paid on Unsecured Loan	2,28,77,726.00	1,72,38,722.00
Interest paid on Bank Overdraft	-	-
Loss on Sale of Depreciable Asset	-	-
<b>Less:</b> Interest Received from Bank	43,553.00	921.00
<b>Operating Profit before Changes in Working Capital</b>	<b>3,72,39,028.77</b>	<b>2,07,10,612.26</b>
<b>Changes in Working Capital:</b>		
(Increase)/Decrease in Short Term Loans and Advances	(9,42,52,436.05)	(10,34,04,483.00)
(Increase)/Decrease in Long Term loans and Advances	(7,82,550.00)	(1,83,930.00)
(Increase)/Decrease in Other Current Assets	(35,59,811.37)	(4,78,235.36)
Increase / (Decrease) in Other Current liabilities	1,11,66,557.45	1,13,39,576.26
<b>Cash Generated From Operations</b>	<b>(5,01,89,211.20)</b>	<b>(7,20,16,459.84)</b>
Income Tax/TDS Refund/(Paid)	3,464.37	-
<b>Net Cash From Operating Activities</b>	<b>(5,01,85,746.83)</b>	<b>(7,20,16,459.84)</b>
<b>B. Cash Flows From Investing Activities</b>		
Interest Received on Bank Deposit	43,553.00	921.00
Purchase of Fixed Assets	-1,02,45,685.35	-39,94,074.67
Proceeds from sale of Fixed Assets	-	-
<b>Net Cash From Investing Activities</b>	<b>(1,02,02,132.35)</b>	<b>(39,93,153.67)</b>
<b>C. Cash Flows From Financing Activities</b>		
Proceeds of Issue of shares	-	75,00,000.00
Proceeds from Unsecured Loan ( Subhkiran Assets LLP)	7,68,88,684.00	8,63,40,000.00
Proceeds from Unsecured Loan from Directors	-	2,00,000.00
Interest on Unsecured Loans	-2,28,77,726.00	-1,72,38,722.00
Interest paid on Bank Overdraft	-	-
<b>Net Cash From Financing Activities</b>	<b>5,40,10,958.00</b>	<b>7,68,01,278.00</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(63,76,921.18)</b>	<b>7,91,664.49</b>
<b>Cash and Bank Balance at Beginning of Period</b>	<b>83,16,783.19</b>	<b>75,25,118.70</b>
<b>Cash and Bank Balance at end of Period</b>	<b>19,39,862.01</b>	<b>83,16,783.19</b>
<b>Components of Cash and Cash Equivalent at the end of the Period</b>		
Current Account with Banks	7,96,377.01	65,30,255.19
Cash in Hand	11,43,485.00	17,86,528.00
<b>Total</b>	<b>19,39,862.01</b>	<b>83,16,783.19</b>

C.K Renjan  
Chairman & Managing Director  
DIN: 03410956

Prakasan P  
Director of Finance and Accounts  
DIN: 03410961

For MPJ NAMPOOTHIRI & CO.  
Chartered Accountants  
Firm Registration No : 002320S

Place: North Paravur  
Date: 23/05/2019



M.P JAYANTHAN NAMPOOTHIRI  
PARTNER  
M.NO:022858





**NOTES TO THE FINANCIAL STATEMENTS****1. Corporate Information**

**SUBHKIRAN CAPITAL LIMITED** is a Public Company incorporated under the provisions of Companies Act, 2013. The Company is a Non-Systemically Important Non-Deposit Taking Non-Banking Financial Company Registered under 45IA of RBI Act. The Company currently operates through 10 branches spread across the state of Kerala.

The Company classified as a Loan Company and primarily engaged in Gold loans. As a process of diversification, Company has started offering loans other than gold loans such as Property loans, Personal loans, Business loans etc.

**2. Summary of Significant accounting Policies****2.1 Basis of Preparation & Presentation of Financial statements.**

The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects with Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve bank of India as applicable to a Non-Systemically Important Non-Deposit taking NBFC. The Financial Statements have been prepared on an accrual basis and under the historical cost convention except for interest on non-performing assets which are recognized on realization basis. The Accounting Policies adopted in the preparation of Financial Statements are consistent with those of previous year.

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

During the year ended March 31, 2019, the Company has complied with the requirements of Schedule III of Companies Act 2013 for the preparation and presentation of its financial statement. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

**2.2 Tangible Property, Plant and Equipment.**

Fixed Assets are stated at cost less accumulated depreciation. The cost includes purchase consideration, financing costs till commencement of commercial production and other directly attributable costs incurred to bring an Asset to its working condition for its intended use. Subsidy towards specific assets is reduced from the cost of fixed assets. Fixed assets taken on Finance Lease are capitalized. The costs of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

**2.3 Depreciation on Tangible Property, Plant and Equipment.**

Depreciation on Fixed Assets is provided based on the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013. The Company has used the following useful life to provide depreciation on its tangible assets.



Asset	Useful Life
Furniture & Fixtures	10 Years
Electrical Fittings	10 Years
Computer and Accessories	3 Years
Computer (Server )	6 Years
Vehicles	10 Years
Office Equipments	5 Years

Pursuant to the enactment of Companies Act, 2013, the Company has applied the estimated useful lives as specified in schedule II. Accordingly the unamortized carrying value is being depreciated, amortized over the revised/remaining useful lives.

#### 2.4 Intangible Asset

Intangible Assets are recorded at the consideration paid for acquisition less accumulated amortization and accumulated impairment, if any. Intangible assets are amortized over their estimated useful life subject to a maximum period of 10 years on straight line basis, commencing from the date the asset is available to the Company for its use.

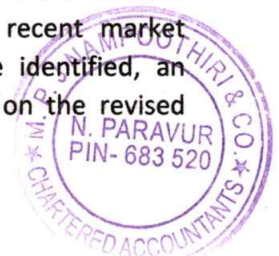
Expenditure for acquisition and implementation of software system is recognized as part of the intangible asset and amortized on straight line basis over a period of 10 years being the maximum period available for writing off of intangible asset.

#### 2.5 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

#### 2.6 Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken in to account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.





## 2.7 Leases

Leases where the lessor effectively retains substantially all risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments in respect of non-cancellable leases are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

## 2.8 Investments

Investments that are readily realizable 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 investment. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize decline other than temporary in the value of the investments.

## 2.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In a situation where management believes that the recovery of interest is uncertain due to change in the price of the gold or otherwise, the Company recognizes income on such loans only to the extent it is confident of recovering interest from its customers through sale of underlying security or otherwise.

Interest income on loans given is recognized under the internal rate of return method. Such interests, where installments are overdue in respect of non-performing asset are recognized on realization basis. Any such income recognized and remaining unrealized after the installments become overdue with respect to non-performing asset is reversed.

Revenue from fee-based activities is recognized as and when services are rendered.

Interest on deposit is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

## 2.10 Employee Benefits

### Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as Short term employee benefits. These benefits include benefits like salaries, wages, short term compensated absence such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period.

### Long term Employee Benefits

#### Defined contribution plans: [Note No.26]

Defined contribution plan is Provident Fund scheme administered by Government for all eligible employees. The Company's contribution to defined contribution plan is recognized in the Statement of Profit & Loss in the financial year when the employee renders the related services.



**Defined benefit plans:**

**Gratuity:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. 15 days salary for every completed year of service and vesting period is 5 years. No provision has been made since none of the employees have completed 5 years of service.

**2.11 Foreign currency transaction**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement/settlement of all other monetary items are recognised in the Statement of Profit and Loss.

**2.12 Taxes on Income**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the income-tax Act, 1961 enacted in India.

Deferred tax charge or credit reflects the tax effects of timing difference between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized 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 losses, deferred tax assets are recognized, only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

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 the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

**2.13 Provisions and Contingent Liabilities**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at





the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Provision policy for gold loan and other loan portfolios:** Company provides for non-performing loans and advances as mentioned in Para 13 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016. Provision for standard assets (including interest receivable) is made at 0.25% as mentioned in Para 14 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and shown in the balance sheet as 'Contingent Provisions for standard assets'.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

#### 2.14 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.

#### 2.15 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. It also includes Other Bank balances with maturity more than 3 months but less than 12 months.

#### 2.16 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for 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 resource.

#### 2.17 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.



**3. SHARE CAPITAL**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Authorised</b>		
47,50,000 (March 31, 2018: 47,50,000) Equity Shares of `10/- each	4,75,00,000.00	4,75,00,000.00
<b>Issued</b>		
37,50,000 (March 31, 2018: 37,50,000) Equity Shares of `10/- each	3,75,00,000.00	3,75,00,000.00
<b>Subscribed and Paidup</b>		
37,50,000 (March 31, 2018: 37,50,000) Equity Shares of `10/- each (Fully Paid Up)	3,75,00,000.00	3,75,00,000.00
<b>TOTAL</b>	<b>3,75,00,000.00</b>	<b>3,75,00,000.00</b>

**(a) Reconciliation of number of shares**

**(i) Equity Shares**

Particulars	March 31, 2019		March 31, 2018	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	37,50,000.00	3,75,00,000.00	30,00,000.00	3,00,00,000.00
Add : Shares issued during the year	-	-	7,50,000.00	75,00,000.00
<b>Balance as at the end of the year</b>	<b>37,50,000.00</b>	<b>3,75,00,000.00</b>	<b>37,50,000.00</b>	<b>3,75,00,000.00</b>

**(b) Rights/Preferences and Restrictions attached to Shares**

**(i) Equity Shares**

The Company has only one class of Equity Shares having a par value of `10 per share. Upon show of hands, every member present in person shall have one vote, and upon a poll, the voting rights of members shall be in proportion to their share in the paid up equity share capital of the company. In the event of liquidation, the equity shareholders are eligible to the remaining assets of the company after all preferential

**(c) Shareholders are holding more than 5 % of the total shares in the company.**

**(i) Equity Shares**

Name of Shareholder	March 31, 2019		March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Subhakiran Assets LLP	3712500	99.00%	3712500	99.00%

(d) No shares are reserved for issue under options and contracts/ commitments for sale of shares /disinvestment.

(e) None of the shares are held by holding company or subsidiary of holding company

**4. RESERVES AND SURPLUS**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Statutory Reserve:</b>		
Balance at the Beginning of the Year	5,58,558.66	3,12,375.00
Add: Amount transferred from Surplus in Statement of Profit and Loss during the year	18,38,400.61	2,46,183.66
<b>Balance at the end of the year</b>	<b>23,96,959.27</b>	<b>5,58,558.66</b>
<b>Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the Year	(83,11,787.30)	-92,96,521.92
Profit for the year	91,92,003.04	12,30,918.28
<b>Less : Appropriations</b>		
Transfer to Statutory Reserve	18,38,400.61	2,46,183.66
<b>Balance at the end of the Year</b>	<b>(9,58,184.87)</b>	<b>(83,11,787.30)</b>
<b>TOTAL</b>	<b>14,38,774.40</b>	<b>(77,53,228.64)</b>

**5. LONG TERM BORROWINGS**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Unsecured</b>		
Unsecured Loan ( Subhakiran Assets LLP) (Note No. 5.1)	23,59,89,085.00	15,91,00,401.00
Unsecured Loan from Directors (Note No. 5.2)	57,80,000.00	57,80,000.00
<b>TOTAL</b>	<b>24,17,69,085.00</b>	<b>16,48,80,401.00</b>

(a) Aggregate amount of loans guaranteed by directors

(b) Aggregate amount of loans guaranteed by others





**5.1 Unsecured Loan from Subhakaran Assets LLP - Terms and Conditions**

- (a) Loan carries interest at the rate of 11.00% per annum.
- (b) Loan is repayable on demand along with interest.

**5.2 Unsecured Loan from Directors - Terms and Conditions**

- (a) Loan carries interest at the rate of 10.75% per annum.
- (b) Loan is repayable on demand along with interest.
- (c) Interest is due for payment on every month on or before 5th day of the following month.
- (d) In the event of default of payment of interest, Penal interest at the rate of 2% per month on the default interest amount till the date of such default amount is paid.

**6. DEFERRED TAX ASSETS (NET)**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Deferred Tax Liabilities</b>		
Opening Balance as on 01.04.2018	69,460.00	(68,510.00)
<b>Deferred Tax Assets</b>		
Current Year Depreciation	1,23,910.00	34,660.00
Interest Not Collected on NPA	1,70,610.00	1,03,310.00
<b>TOTAL</b>	<b>3,63,980.00</b>	<b>69,460.00</b>

**7. OTHER CURRENT LIABILITIES**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Interest Payables</b>		
Interest Payable on Unsecured Loans	2,00,78,233.00	1,50,06,176.00
<b>Other payables:</b>		
Retention Money	4,11,633.00	1,27,387.00
Customer Hospital Policy	29,159.00	43,510.00
Cheque Issued	21,32,681.00	-
SBL Group Policy	2,28,323.00	3,13,205.00
Aditya Birla Group Health	1,46,073.00	-
Suryakiran Social Circle Employees Contribution	55,103.00	13,650.00
Audit Fee Payable	41,300.00	60,900.00
Statutory Dues Payable	28,01,325.51	18,34,882.00
Provision for Income Tax-MAT Payable	23,85,486.00	2,33,913.00
Expenses Payable	2,60,704.94	2,13,447.00
Crif High Mark Credit Info. Services Pvt. Ltd.	38,154.00	-
Equifax Credit Information Services Ltd.	5,900.00	-
Future Generali Group Health	1,43,106.00	-
New India Assurance	1,486.00	-
Interest Not Collected on NPA	6,56,177.00	4,01,217.00
<b>TOTAL</b>	<b>2,94,14,844.45</b>	<b>1,82,48,287.00</b>

**8. SHORT TERM PROVISIONS**

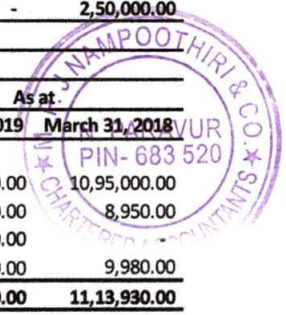
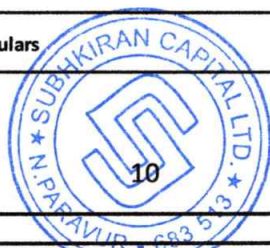
Particulars	As at	
	March 31, 2019	March 31, 2018
Contingent Provision for Standard Assets	6,95,924.00	4,63,877.00
Provision for Bad & Doubtful Debts	21,15,181.00	3,64,439.00
<b>TOTAL</b>	<b>28,11,105.00</b>	<b>8,28,316.00</b>

**10. INTANGIBLE ASSETS UNDER DEVELOPMENT**

Particulars	As at	
	March 31, 2019	March 31, 2018
Intangible Asset Under Development	-	2,50,000.00
<b>TOTAL</b>	<b>-</b>	<b>2,50,000.00</b>

**11. LONG TERM LOANS AND ADVANCES**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Security Deposits</b>		
Rent Deposit	18,56,000.00	10,95,000.00
Internet Security Deposit	10,500.00	8,950.00
NSDL Security Deposits	18,000.00	-
Electricity Security Deposit	11,980.00	9,980.00
<b>TOTAL</b>	<b>18,96,480.00</b>	<b>11,13,930.00</b>



(a) Secured considered good	18,56,000.00	10,95,000.00
(b) Unsecured Considered Good	40,480.00	18,930.00
(c) Doubtful	-	-
(d) Loans and Advances due by Directors or the officers of the Company or any of them either severally of Jointly with any other person	-	-
(e) Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	-	-

**12. CASH AND BANK BALANCES**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Cash and Cash Equivalents</b>		
Balance with Banks		
In Current Accounts	7,96,377.01	65,30,255.19
Cash in Hand	11,43,485.00	17,86,528.00
<b>TOTAL</b>	<b>19,39,862.01</b>	<b>83,16,783.19</b>

**13. SHORT-TERM LOANS AND ADVANCES**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Loan Portfolio</b>		
Gold Loans	6,57,18,138.00	5,07,30,478.00
Business Loans	42,23,067.00	55,65,341.00
Small Business Loans	21,08,30,475.00	13,05,68,296.00
Advance Account and Other Deposits		
(i) X-Pay UAE Exchange	65,089.00	68,433.00
(ii) Kotak Mahindra Insurance	63,000.00	63,000.00
(iii) Bajaj Allianz Gen. Insurance	-	26,606.00
(iv) Consulting Fee-Bajaj Allianz Gen. Insurance	-	55,663.00
(v) Insurance- SBI Life	2,100.00	-
(vi) IRDA	6,660.00	-
(vii) Advance to FINWIN TECHNOLOGIES	3,00,000.00	-
(viii) Others	1,41,024.05	19,300.00
<b>TOTAL</b>	<b>28,13,49,553.05</b>	<b>18,70,97,117.00</b>

(a) Secured Considered Good	6,57,18,138.00	5,07,30,478.00
(b) Unsecured Considered Good	21,56,31,415.05	13,61,33,637.00
(c) Doubtful	-	-
(d) Loans and Advances due by Directors or the officers of the Company or any of them either severally of	-	-
(e) Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	-	-

**14. OTHER CURRENT ASSETS**

Particulars	As at	
	March 31, 2019	March 31, 2018
Commission & Brokerage Receivable	1,28,628.12	916.91
Interest Receivable on Short Term Loans and Advances	35,96,337.17	27,31,669.00
Prepaid Expenses	63,951.00	31,345.00
<b>MAT Credit Entitlement</b>		
Opening Bal:	19,228.69	
Add: Current Year MAT U/S 115JB	23,85,486.00	
Less :Current Year Tax	11,10,101.00	
GST Input Credit	60,602.00	62,397.00
Income Tax Refundable (Note No. 24)	60,495.00	63,959.37
TDS-2018-19	32,514.99	-
Advance Tax	4,00,000.00	-
Stock of Gold Pouch & Stationery	37,791.00	85,258.00
<b>TOTAL</b>	<b>56,74,932.97</b>	<b>32,28,686.97</b>







9. PLANT, PROPERTY AND EQUIPMENT

(A) TANGIBLE PLANT, PROPERTY AND EQUIPMENT

Particulars	Gross block				Depreciation/Amortisation			Net block		
	Balance as at April 1, 2018	Additions	Disposals	Balance as at March 31, 2019	Balance as at April 1, 2018	Depreciation for the year	Disposal	Balance as at March 31, 2019	Balance as at March 31, 2018	
Computer and Accessories	22,89,631.98	3,02,940.53	28,850.00	25,63,722.51	9,73,975.81	7,23,449.74	22,096.00	16,75,329.55	8,88,392.96	13,15,656.17
Plant & Machinery	4,21,640.00	5,00,900.94	-	9,22,540.94	58,058.40	58,867.37	-	1,16,925.77	8,05,615.17	3,63,581.60
Counting Machine	1,28,305.00	7,979.00	-	1,36,284.00	40,272.76	24,917.90	-	65,190.66	71,093.34	88,032.24
Weighing Machine	1,04,412.00	25,938.00	-	1,30,350.00	28,095.82	21,593.54	-	49,689.36	80,660.64	76,316.18
Matrix EPABX System	39,428.00	80,745.75	-	1,20,173.75	14,982.64	10,391.53	-	25,374.17	94,799.58	24,445.36
Mobile Phone	55,400.00	1,51,593.19	-	55,400.00	7,786.36	21,369.65	-	21,369.65	1,30,223.54	-
Vehicles	13,15,147.10	1,61,016.00	-	14,76,163.10	1,90,722.01	1,28,501.17	-	13,049.36	42,350.64	47,613.64
Steel Safe	6,23,861.00	2,55,875.11	-	8,79,736.11	1,77,952.82	1,26,188.23	-	3,19,223.18	11,56,939.92	11,24,425.09
Sign Board	4,58,901.87	17,382.20	13,321.43	4,62,962.64	1,31,136.68	89,028.10	4,230.81	2,15,933.97	2,47,028.67	3,27,765.19
Office Equipments	4,15,000.00	3,93,831.42	-	8,08,831.42	78,850.00	49,470.40	-	1,28,320.40	6,80,511.02	3,36,150.00
Generator	25,781.25	6,46,214.87	-	1,17,97,801.59	16,73,682.17	10,77,667.26	-	27,51,349.43	90,46,452.16	94,77,904.55
Refrigeration	1,11,51,586.72	3,67,658.52	-	3,67,658.52	1,01,813.48	1,01,813.48	-	1,01,813.48	2,65,845.04	-
Furniture & Fixtures	1,70,03,313.67	29,37,856.78	42,171.43	1,98,98,999.02	33,75,515.47	24,40,809.54	26,376.81	57,89,998.20	1,41,09,000.82	1,36,27,798.20
Softwares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,70,03,313.67</b>	<b>76,00,000.00</b>	<b>-</b>	<b>76,00,000.00</b>	<b>33,75,515.47</b>	<b>24,40,809.54</b>	<b>26,376.81</b>	<b>57,89,998.20</b>	<b>1,41,09,000.82</b>	<b>1,36,27,798.20</b>

(B) CAPITAL WORK-IN-PROGRESS

Particulars	Gross block			Depreciation/Amortisation			Net block		
	Balance as at April 1, 2018	Additions	Disposals	Balance as at March 31, 2019	Balance as at April 1, 2018	Depreciation for the year	Disposal	Balance as at March 31, 2019	Balance as at March 31, 2018
CWP	-	76,00,000.00	-	76,00,000.00	-	-	-	76,00,000.00	-
<b>Total</b>	<b>-</b>	<b>76,00,000.00</b>	<b>-</b>	<b>76,00,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,00,000.00</b>	<b>-</b>
<b>Grand Total</b>	<b>1,70,03,313.67</b>	<b>1,05,37,856.78</b>	<b>42,171.43</b>	<b>2,74,98,999.02</b>	<b>33,75,515.47</b>	<b>24,40,809.54</b>	<b>26,376.81</b>	<b>57,89,998.20</b>	<b>1,36,27,798.20</b>
Previous	1,30,09,239.00	39,94,074.67	-	1,70,03,313.67	14,44,022.49	19,31,492.98	-	33,75,515.47	1,36,27,798.20

**15. REVENUE FROM OPERATIONS**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Interest</b>		
Interest Received on Gold Loan	1,09,88,314.00	85,64,951.00
Interest Received on Business Loans	11,55,166.68	22,71,713.00
Interest Received on Small Business Loans	4,71,51,776.53	2,33,14,362.74
<b>Other Financial Services</b>		
Money Transfer Services	20,175.79	25,473.83
Processing Charges Received	36,11,398.32	30,71,714.56
Insurance Commission & Brokerage	1,94,140.18	-
<b>TOTAL</b>	<b>6,31,20,971.50</b>	<b>3,72,48,215.13</b>

**16. OTHER INCOME**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Other Non- Operative Income</b>		
Interest Received on Bank Deposit	43,553.00	921.00
Consulting Fee Received	5,31,439.00	5,72,166.00
Discount Received	41,096.71	11,071.00
Profit on Sale of Fixed Assets	2,735.04	-
Interest on Income Tax Refund	238.00	-
<b>TOTAL</b>	<b>6,19,061.75</b>	<b>5,84,158.00</b>

**17. EMPLOYEE BENEFITS EXPENSE**

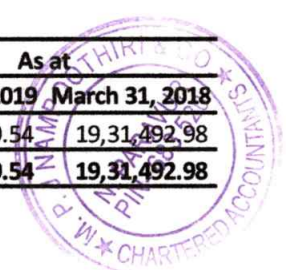
Particulars	As at	
	March 31, 2019	March 31, 2018
Contribution to Provident and Other Funds	8,22,562.00	5,90,682.00
Festival Allowances	2,65,250.00	1,16,500.00
Remuneration to Directors	34,12,000.00	15,18,000.00
Salaries and Wages	1,27,53,860.00	86,86,134.00
<b>TOTAL</b>	<b>1,72,53,672.00</b>	<b>1,09,11,316.00</b>

**18. FINANCE COSTS**

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Interest Expense</b>		
Interest on Unsecured Loans	2,28,77,726.00	1,72,38,722.00
Interest on Bank Overdraft	-	-
Interest on TDS	220.00	87.00
<b>Other borrowing costs</b>		
Bank Charges	32,884.26	29,058.85
<b>TOTAL</b>	<b>2,29,10,830.26</b>	<b>1,72,67,867.85</b>

**19. DEPRECIATION AND AMORTIZATION EXPENSE**

Particulars	As at	
	March 31, 2019	March 31, 2018
Depreciation on Tangible assets	24,40,809.54	19,31,492.98
<b>TOTAL</b>	<b>24,40,809.54</b>	<b>19,31,492.98</b>





**20. OTHER EXPENSES**

Particulars	As at	
	March 31, 2019	March 31, 2018
Advertisement Expenses	6,12,161.00	60,355.00
Annual Maintenance Charges	45,244.00	22,455.00
Audit Fee Paid	35,000.00	35,400.00
Business Promotion Expenses	41,175.00	2,16,801.00
Cable (Television ) Charges	3,455.00	1,800.00
Commission Paid	14,91,298.00	-
Consultancy Charges	1,15,000.00	-
Contingent Provision for Standard Assets	2,32,047.00	2,54,024.00
Donation	10,000.00	-
Electrical Maintenance	-	7,535.00
Electricity Charges	4,05,643.00	3,46,272.00
Filing Fee	9,400.00	1,22,280.00
Generator Maintenance	38,588.00	16,852.00
GST	2,75,408.53	1,42,751.76
Inauguration Expenses	1,54,345.00	51,063.00
Insurance Charges	1,02,710.00	1,24,094.00
Internet Charges	2,46,790.48	1,94,352.03
Legal and Notice Charges	5,925.00	33,550.00
Licence Fees	37,000.00	-
Marketing Expenses	-	9,54,963.00
Membership & Subscription Fee	3,15,527.36	2,70,957.00
News Paper and Periodicals	3,885.00	4,100.00
Office Expenses	6,20,958.43	4,73,382.31
Postage and Courier Charges	15,166.00	19,020.00
Printing and Stationery	2,67,052.18	3,90,072.76
Professional Charges	81,100.00	86,770.00
Professional Tax	24,625.00	12,538.00
Provision for Bad & Doubtful Debts	17,50,742.00	1,94,346.00
Rates and Taxes	31,468.00	71,967.00
Rent	20,96,559.00	14,24,447.00
Repaires & Maintenance	1,63,648.75	1,33,876.03
Security Charges	2,12,500.00	1,75,295.00
Stamp Charges	26,959.00	21,030.00
Telephone Expenses	4,05,462.68	2,67,508.13
Travelling Expenses	12,15,593.00	4,77,573.00
Vehicle Running Expenses	9,026.00	7,830.00
Water Charges	25,675.00	13,488.00
<b>TOTAL</b>	<b>1,11,27,137.41</b>	<b>66,28,748.02</b>

**21. PRIOR PERIOD EXPENSES/INCOMES**

Particulars	As at	
	March 31, 2019	March 31, 2018
Directors Remuneration paid for previous years	-	-
Rent	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

C.K Renjan

Chairman & Managing Director  
DIN: 03410956

Prakasan P

Director of Finance and Accounts  
DIN: 03410961

For MPJ NAMPOOTHIRI & CO.  
Chartered Accountants  
Firm Registration No : 0023205

M.P JAYANTHAN NAMPOOTHIRI  
PARTNER  
M.NO:022858

Place: North Paravur

Date: 23/05/2019



**22. EARNINGS PER SHARE**

As per Accounting Standard 20, Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The details of calculation of the basic and diluted earnings per share are stated below:-

Amount in Rs.

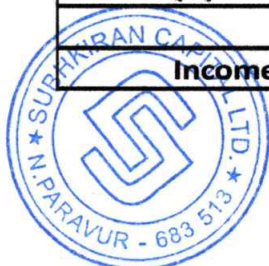
Particulars	As at March 31 2019	As at March 31 2018
Face Value per share	10.00	10.00
Profit available to Equity Shareholders for basic EPS	91,92,003.04	12,30,918.28
Profit available to Equity Shareholders for diluted EPS	91,92,003.04	12,30,918.28
Weighted average number of equity shares - Basic EPS	37,50,000.00	30,08,219
Weighted average number of equity shares –Diluted EPS	37,50,000.00	30,08,219
<b>Earnings Per Share (Basic)</b>	2.45	0.41
<b>Earnings Per Share (Diluted)</b>	0.00	0.00

23. In our opinion the Company has no dues payable to suppliers registered under the Micro Small and Medium Enterprises Development Act 2006(MSMED Act).

**24. Income Tax Refundable**

Amount in Rs.

Particulars	As at	
	March 31, 2019	March 31, 2018
Provision For Income Tax		
FY: 2016-17	0	0
FY: 2017-18	0	0
<b>(A)</b>	<b>0</b>	<b>0</b>
Less : Advance Tax		
FY: 2016-17	0	0
FY: 2017-18	0	0
<b>(B)</b>	<b>0</b>	<b>0</b>
Tax Deducted at Source		
FY: 2016-17	3,465.00	3,465.00
FY: 2017-18	60,495.00	60,495.00
<b>(C)</b>	<b>63,960.00</b>	<b>63,960.00</b>
Income Tax Refund Received		
FY: 2016-17	3,465.00	0.00
FY: 2017-18	0	0
<b>(D)</b>	<b>3,465.00</b>	<b>0.00</b>
<b>Income Tax Refundable ((B)+(C))-(A)-(D)</b>	<b>60,495.00</b>	<b>63,960.00</b>





**25. Contingent Liability not Provided for****i) Applicability of Kerala Money Lending Act 1958**

The Applicability of Kerala Money Lending Act 1958 to Non-Banking Financial Company's is pending before Honorable Supreme Court of India. The Honorable Supreme Court of India has directed that a status quo on the matter shall be maintained and the matter is currently pending with Honorable Supreme Court.

**26. Disclosure as per AS-15 Employee Benefits****i. Defined Contribution Plan**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Contribution to Employee's Provident Fund	4,75,251.00	3,36,557.00
Contribution to Employee's State Insurance	3,31,431.00	2,43,265.00

**27. Provision for Standard and Non-Performing Assets as per Prudential Norms.**

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

Amount in Rs.

Particulars	As on March 31, 2019		As on March 31, 2018	
	Amount	Provision	Amount	Provision
<b>Secured Loan</b>				
<b>Gold Loan (Including Interest Receivable)</b>				
Standard Assets (Including Interest Receivable)	6,73,35,772.00	1,68,340.00	5,20,67,214.00	1,30,168.00
Substandard Assets	-	-	85,645.00	6,130.00
Doubtful Assets	-	-	-	-
Loss Assets	-	-	-	-
<b>Total -A</b>	<b>6,73,35,772.00</b>	<b>1,68,340.00</b>	<b>5,21,52,859.00</b>	<b>1,36,298.00</b>
<b>Unsecured Loan</b>				
<b>Business Loan and Small Business Loans (Including Interest Receivable)</b>				
Standard Assets (Including Interest Receivable)	21,10,33,212.17	5,27,584.00	13,34,82,966.00	3,33,708.00
Substandard Assets (Including Interest Receivable)	39,87,028.00	3,58,632.00	39,59,959.00	3,58,309.00
Doubtful Assets (Including Interest Receivable)	20,12,005.00	17,56,549.00	-	-
Loss Assets	-	-	-	-
<b>Total -B</b>	<b>21,70,32,245.17</b>	<b>26,42,765.00</b>	<b>13,74,42,925.00</b>	<b>6,92,017.00</b>
<b>Total (A+B)</b>	<b>28,43,68,017.17</b>	<b>28,11,105.00</b>	<b>18,95,95,784.00</b>	<b>8,28,315.00</b>



28. Leverage Ratio

Amount in Rs.

Particulars	2018-19	2017-18
<b>Total Liabilities</b>	31,29,33,808.85	21,37,03,775.36
<b>Less: Share Capital</b>	3,75,00,000.00	3,75,00,000.00
Reserves and Surplus	14,38,774.40	(77,53,228.64)
Provisions and Contingencies	28,11,105.00	8,28,316.00
Cheque issued	21,32,681.00	-
<b>Total Outside Liabilities (A)</b>	<b>26,90,51,248.45</b>	<b>18,31,28,688.00</b>
Share Capital	3,75,00,000.00	3,75,00,000.00
Reserves and Surplus	14,38,774.40	(77,53,228.64)
<b>Less: Intangible Assets</b>	-	-
Intangible Asset Under Development	-	2,50,000.00
Deferred Tax Assets	3,63,980.00	69,460.00
<b>Total Owned Funds (B)</b>	<b>3,85,74,794.40</b>	<b>2,94,27,311.36</b>
<b>Leverage Ratio (A) / (B)</b>	<b>6.97</b>	<b>6.22</b>

29. Gold Loan to Total Asset Value

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Gold Loan	6,57,18,138.00	5,07,30,478.00
<b>Total Assets</b>	<b>31,29,33,808.85</b>	<b>21,37,03,775.36</b>
<b>% of Gold Loan to Total Assets</b>	<b>21.00%</b>	<b>23.73%</b>

30. Disclosure of related party's transaction in accordance with Accounting Standard (AS-18) "Related Party Disclosures" issued by The Institute of Chartered Accountants of India.





**(a) Name of Related Parties**

Relationship	As on March 31, 2019	As on March 31, 2018
Associates	1) Subhakaran Assets LLP	1) Subhakaran Assets LLP
Key Management Personnel	1) Renjan C.K	1) Renjan C.K
	2) Prakasan P	2) Prakasan P
	3) Ashok Kumar P.C	3) Ashok Kumar P.C
	4) Bhaskaran P.C	4) Bhaskaran P.C
	5) Pradeep Therampath	5) Pradeep Therampath

**(b) Related Party Transactions**

Particulars	Associates		Key Management Personnel		Relatives of Key Management Personnel	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
<b>Unsecured Loan Taken</b>						
Subhakaran Assets LLP	8,92,58,684	9,69,75,000	-	-	-	-
Renjan C.K	-	-	-	-	-	-
Prakasan P	-	-	-	-	-	-
Ashok Kumar P.C	-	-	-	-	-	-
Bhaskaran P.C	-	-	-	3,00,000	-	-
Pradeep Therampath	-	-	-	-	-	-
<b>Interest on Unsecured Loan Taken</b>						
Subhakaran Assets LLP	2,22,56,373	1,66,20,760	-	-	-	-
Renjan C.K	-	-	3,07,449	3,07,449	-	-
Prakasan P	-	-	33,322	34,530	-	-
Ashok Kumar P.C	-	-	16,127	16,127	-	-
Bhaskaran P.C	-	-	1,56,954	1,52,355	-	-
Pradeep Therampath	-	-	1,07,501	1,07,501	-	-
<b>Unsecured Loan Repayment Made</b>						
Subhakaran Assets LLP	1,23,70,000	1,06,35,000	-	-	-	-
Renjan C.K	-	-	-	-	-	-
Prakasan P	-	-	-	1,00,000	-	-
Ashok Kumar P.C	-	-	-	-	-	-
Bhaskaran P.C	-	-	-	-	-	-
<b>Amount Receivable from Related Parties</b>						
<b>Unsecured Loan Outstanding</b>						
Subhakaran Assets LLP	23,59,89,085	15,91,00,401	-	-	-	-
Renjan C.K	-	-	28,60,000	28,60,000	-	-
Prakasan P	-	-	3,10,000	3,10,000	-	-
Ashok Kumar P.C	-	-	1,50,000	1,50,000	-	-
Bhaskaran P.C	-	-	14,60,000	14,60,000	-	-
Pradeep Therampath	-	-	10,00,000	10,00,000	-	-



## 31. Additional Information to the Statement of Profit and Loss

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
<b>(a) Value of Imports calculated on C.I.F basis by the Company during the Financial Year in respect of -</b>		
I. Raw Materials	0.00	0.00
II. Components and Spare Parts;	0.00	0.00
III. Capital Goods	0.00	0.00
<b>(b) Expenditure in Foreign currency during the financial year on account of Royalty Know how professional and consultation fees interest and other matters</b>	<b>0.00</b>	<b>0.00</b>
<b>(c) Total value if all imported raw materials spare parts and components consumed during the financial year and the total value of all indigenous raw materials spare parts and components similarly consumed and the percentage of each to the total components</b>	<b>0.00</b>	<b>0.00</b>
<b>(d) The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders the total number of shares held by them on which the dividends were due and the year to which the dividends related</b>	<b>0.00</b>	<b>0.00</b>
<b>(e) Earnings in foreign exchange classified under the following heads namely :-</b>		
I. Export of goods calculated on F.O.B basis	0.00	0.00
II. Know-how professional and consultation fees;	0.00	0.00
III. Interest and Dividend ;	0.00	0.00
IV. Other Income indicating the nature thereof (Exchange Gain on Foreign Currency Trading)	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

## 32. Lease Disclosures

**Operating Lease:**

Office premises are obtained on operating lease which is cancellable in nature. Operating lease payments are recognized as an expense in the Statement of profit and loss.

**Finance Leases:**

The Company has no finance leases during the year under review.





**Schedule to the Balance Sheet of a Non-Banking Financial Company**

**(i) (As required in terms of Paragraph 18 of Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016).**

		(Rs. In Lakhs)	
Particulars		Amount Outstanding	Amount Overdue
<b>Liability Side :</b>			
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(other than falling within the meaning of public deposit)		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter – corporate loans and borrowings	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits	Nil	Nil
	(f) Other Loans (Specify nature)		
	i. Unsecured Loan from Subhakiran Assets LLP	2,359.89	Nil
	ii. Unsecured Loan from Directors	57.80	Nil
2	Breakup of (i)(f) above (outstanding public deposit inclusive		
	(a) in the form of unsecured debentures	Nil	Nil
	(b) in the form of partly secured debentures i.e., debentures	Nil	Nil
	(c) other public securities	Nil	Nil
	*See note 1 below		
<b>Asset Side:</b>		<b>Amount Outstanding</b>	
3	Break-up of Loans and Advances including bills receivables[ other than those included in (4) below]:		
	(a) Secured		657.18
	(b) Unsecured		2,156.31
4	Break-up of Leased Assets and stock on hire and other assets counting toward AFC activities		
	(i) Lease assets including lease rentals under sundry		
	(a) Financial Lease		Nil
	(b) Operating Lease		Nil
	(ii) Stock on hire including hire charges under sundry		
	(a) Asset on Hire		Nil
	(b) Repossessed Assets		Nil
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		Nil
	(b) Loans other than (a) above		Nil
5	Break up of Investments :		
	<i>Current Investments:</i>		
	1. Quoted:		
	(i) Shares		
	(a) Equity		Nil
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil



	(v) Others (specify)		Nil	
2.	Unquoted:			
	(i) Shares			
	(a) Equity		Nil	
	(b) Preference		Nil	
	(ii) Debentures and Bonds		Nil	
	(iii) Units of mutual funds		Nil	
	(iv) Government Securities		Nil	
	(v) Others (specify)		Nil	
	<i>Long Term Investments</i>			
1.	Quoted:			
	(i) Shares			
	(a) Equity		Nil	
	(b) Preference		Nil	
	(ii) Debentures and Bonds		Nil	
	(iii) Units of mutual funds		Nil	
	(iv) Government Securities		Nil	
	(v) Others (specify)		Nil	
2.	Unquoted:			
	(i) Shares			
	(a) Equity		Nil	
	(b) Preference		Nil	
	(ii) Debentures and Bonds		Nil	
	(iii) Units of mutual funds		Nil	
	(iv) Government Securities		Nil	
	(v) Others (specify)		Nil	
6	Borrower group-wise classification of assets financed as in (3) and (4) above :			
	(see note 2 below)			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1.	Related Parties			
	(a) subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	Nil	Nil	Nil
	(c) Other related parties	Nil	Nil	Nil
2.	Other than related parties	657.18	2,156.31	2,813.50
	<b>Total</b>	<b>657.18</b>	<b>2,156.31</b>	<b>2,813.50</b>
7	Investor group-wise classification of all investments(current and long term) in shares and securities (both Please see note 3 below			
	Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	
1.	Relate Parties			
	(a) Subsidiaries	Nil	Nil	
	(b) Companies in the same group	Nil	Nil	
	(c) Other related parties	Nil	Nil	
2.	Other than related parties	Nil	Nil	
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	
	** As per Accounting Standard of ICAI (Please see Note 3)			
8	Other Information			
	Particulars		Amount	
	(i) Gross Non – Performing Assets			
	(a) Related Parties		0	
	(b) Other than related parties		59.99	
	(ii) Net Non-Performing Assets			





(a) Related Parties	0
(b) Other than related parties	53.43
(iii) Assets acquired in satisfaction of debt	Nil

**Notes:**

1. As defined in point xix of paragraph 3 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016).
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016).
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

**C.K Renjan**

**Chairman & Managing Director**  
 DIN: 03410956

**Prakasan P**

**Director of Finance and Accounts**  
 DIN: 03410961

**For MPJ NAMPOOTHIRI & CO.**  
**Chartered Accountants**  
 Firm Registration No : 002320S

**M.P JAYANTHAN NAMPOOTHIRI**  
**PARTNER**  
 M.NO:022858

Place: North Paravur

Date: 23/05/2019

