

**NOTICE**

To,  
The Shareholders,

Notice is hereby given that the 25<sup>th</sup> Annual General meeting of the members of the M/S MUTHALAGU FINANCE PRIVATE LIMITED will be held on Friday the 30<sup>th</sup> day of September 2022 at 10.30 A.M at No. 117/4, Meenakshipuram, Theni Main Road, Madurai - 625018 to transact the following business:

**ORDINARY BUSINESS:**

**1. ADOPTION OF ACCOUNTS**

To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution.

**“RESOLVED THAT** the audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2022 and the Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2022 together with the Directors’ Report and Auditors Report be and are hereby approved and adopted.”

**2. TO TAKE NOTE OF THE APPOINTMENT OF AUDITORS.**

To take note of the appointment of M/S. A. JOHN MORIS & CO., Chartered Accountant, (Firm Registration No. 007220S) who were appointed as the Statutory Auditor of the Company for a period of Five Years in the Annual General Meeting held on 30.09.2018 to hold their office till the conclusion of the Annual General Meeting to be held on for the Financial year 2022-2023.

**By and Behalf of the Board**  
**For Muthalagu Finance Private Limited**

**Place: Chennai**  
**Date: 02/09/2022**

  
**Thirupathi Dhanaraja**  
**Director**  
**(DIN 02566702)**

  
**Alagarsamy Jeganath**  
**Managing Director**  
**(DIN 02566708)**

**Muthalagu Finance Private Limited**

CIN No: U65921TN1997PTC087650      RBI No: B-07-00610

Corporate Office: 54/1, Rajalakshmi Complex 2<sup>nd</sup> Floor, Keelavaithyanathapuram, Thathaneri main Road, Madurai-625018, Tamilnadu  
Web: www.muthalagufinance.in      E-Mail: contact@muthalagufinance.com      Contact No. 95857 11101


**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A blank proxy form is enclosed to this notice as Annexure-A
2. Corporate members intending to send their authorized representatives to attend the annual general meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the annual general meeting.
3. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the annual general meeting is annexed hereto.
4. In case of joint holders attending the annual general meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including annual report, notices, circulars, etc. from the Company electronically.
6. Quorum of the annual general meeting shall be in accordance with Section 103 of the Companies Act, 2013.
7. The Member/Proxies should bring their proxy form and attendance slip, sent herewith, duly filled in, for attending the meeting as mentioned in Annexure A and Annexure B of this notice.
8. In terms of the requirements of the Secretarial Standards -2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, Route Map for the location of the aforesaid meeting is enclosed as Annexure C

**By and Behalf of the Board  
For Muthalagu Finance Private Limited**

**Place: Chennai  
Date: 02/09/2022**

  
**Thiruppathi Dhanaraja  
Director  
(DIN 02566702)**

  
**Alagarsamy Jeganath  
Managing Director  
(DIN 02566708)**

**FORM No. MGT - 11****Proxy Form**

**(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)**

**CIN** : U65921TN1997PTC087650

**Name of the Company** : **MUTHALAGU FINANCE PRIVATE LIMITED**

**Registered Office** : No. 117/4, Meenakshipuram, Theni Main Road,  
Madurai - 625018

Name of the Member (s) :

Registered address :

E-mail id :

Folio No. / Client Id :

DP ID :

I / We, being the member(s) \_\_\_\_\_ of Muthalagu Finance Private Limited, hereby appoint:

1. Name : \_\_\_\_\_: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him / her

2. Name : \_\_\_\_\_: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him/her as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 25<sup>th</sup> Annual General Meeting of the Company Muthalagu Finance Private Limited to be held on 30<sup>th</sup> September, 2022 at 10.30 AM at No. 117/4, Meenakshipuram, Theni Main Road, Madurai - 625018 and at any adjournment thereof.

Signed this ... day of .... 2022.

**Signature of Shareholder**

Affix Revenue Stamp  
here

**Signature of Proxy Holder (s)**

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at the 25<sup>th</sup> Annual general meeting of the Company **Muthalagu Finance Private Limited** on 30<sup>th</sup> September, 2022 at 10.30 A.M. at No. 117/4, Meenakshipuram, Theni Main Road, Madurai - 625018

Folio No.....

Full Name of the Shareholder in Block Letters.....

No. of Share held .....

Name of the representative or proxy (if any) in Block Letters .....

\_\_\_\_\_  
Signature of the Shareholder/Proxy/Representative\*

Note:

- Please fill this attendance slip and hand it over at the registration counter.
- Shareholder/Proxy Holder/Auth. Representatives are requested to show their Photo ID proof for attending the meeting.
- This attendance slip is valid only in case shares are held as on the date of the Annual general meeting.

ANNEXURE C

Route Map to the Venue



To,

The Members,

Your Directors have pleasure in presenting their 25<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022

**1. Financial summary or highlights/Performance of the Company**

The company's financial performance for the year ended as on 31.3.2022

Summary of Operating Results		
PARTICULARS	For the year ended (in Rupees')	
	31.03.2022	31.03.2021
Income	9,76,29,000	7,59,55,000
Less: Expenditure	8,65,07,000	6,83,00,000
<b>Profit Before Tax</b>	<b>1,11,22,000</b>	<b>76,55,000</b>
<b>Less: Current tax</b>	32,88,000	22,00,000
Deferred tax	(73,000)	(94,000)
<b>Profit After Tax</b>	<b>79,07,000</b>	<b>55,49,000</b>
Add: Profit/ Loss from discontinuing operations	-	-
<b>Net Profit/Loss</b>	<b>79,07,000</b>	<b>55,49,000</b>

**2. Review of the Company**

The Company has reported Profit Before tax of Rs. 1,11,22,000 for the current year. The Profit After Tax for the year under review amounted to Rs 79,07,000 in the current year as compared to Rs. 55,49,000 in the previous year.

**Muthalagu Finance Private Limited**

CIN No: U65921TN1997PTC087650      RBI No: B-07-00610

Corporate Office: 54/1, Rajalakshmi Complex 2<sup>nd</sup> Floor, Keelavaithyanathapuram, Thathaneri main Road, Madurai-625018, Tamilnadu  
Web: www.muthalagufinance.in      E-Mail: contact@muthalagufinance.com      Contact No. 95857 11101

### **3. Dividend**

Your Directors have not recommended Dividend for the financial year ended 2022.

### **4. Transfer to Reserves**

The Company has not transferred any amount to reserves.

### **5. Brief description of the Company's working during the year/State of Company's affair**

The company's commercial activities during the financial year other financial intermediation. However, the Board is hope full that the company will make profit in the forthcoming Year.

### **6. Change in the nature of business, if any**

There is no change in the nature of the business of the company.

### **7. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### **8. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **9. Details in respect of adequacy of internal financial controls with reference to the Financial Statements (Applicable to Listed Company)**

Exempted to private companies having turnover less than Rs.50 crores as per latest audited financial statement or which as aggregate borrowings from banks, or financial institutions or body corporate during the financial year less than Rs.25 crores.

Not Applicable

### **10. Details of Subsidiary/Joint Ventures/Associate Companies**

As on March 31, 2022 the Company does not have any subsidiary.

**11. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.**

The Company does not have any subsidiaries, joint ventures and associate Companies as on 31th March 2022.

**12. Deposits**

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2022. There were no unclaimed or unpaid deposits as on March 31, 2022.

**13. Statutory Auditors**

M/S. A. JOHN MORIS & CO, Chartered Accountants, (Firm Registration No. 007220S) Chennai, has been appointed as statutory auditor of the company in the Annual General Meeting held in the financial year 2017-18 for a period of five years until the conclusion of Annual General Meeting to be held in the financial Year 2022-2023.

**14. Auditors' Report**

Explanations or comments by the board on every qualification, reservation or adverse remark or disclaimer made by auditors in their report.

**15. Share Capital**

**A) Issue of equity shares with differential rights**

The Board of Directors shall, *inter alia*, disclose in the Board's Report for the financial year in which the issue of equity shares with differential rights was completed, the details as provided in rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014.

The Company has not issued sweat equity shares during the year under review.

**B) Issue of sweat equity shares**

The Board of Directors shall, *inter alia*, disclose in the Directors' Report for the year in which such shares are issued, the details as provided in rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.

The Company has not issued sweat equity shares during the year under review.

**C) Issue of employee stock options**

The Board of directors, shall, *inter alia*, disclose in the Directors' Report for the year, the details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

The Company has not issued any shares stock options



**D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees**

Where the voting rights are not exercised directly by the employees in respect of shares to which the scheme relates, the Board of Directors shall, *inter alia*, disclose in the Board's report for the relevant financial year the details as provided in rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014

The company has not advanced any money/loan to any person to purchase its own shares.

**16. Extract of the annual return**

The extract of the annual return in Form No. MGT - 9 shall form part of the Board's report.

**17. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Applicable to all Companies

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

**(A) Conservation of energy:**

(i) The steps taken or impact on conservation of energy: NIL

(ii) The steps taken by the company for utilizing alternate sources of energy: NIL

(iii) The capital investment on energy conservation equipments: NIL

**(B) Technology absorption:**

(i) The efforts made towards technology absorption: NIL

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - : NIL

(iv) The expenditure incurred on Research and Development: NIL

**(C) Foreign exchange earnings and Outgo:**

Total Foreign Exchange used : NIL

Total Foreign Exchange earned : NIL

## **18. Corporate Social Responsibility (CSR)**

Corporate social responsibility (CSR) is applicable to the companies having a Net worth of Rs.500 crores or more, or turnover of Rs.1000 crores or more, or Net profit of Rs.5 crore or more.

**However our company does not fall under the prescribed criteria during the year under review.**

## **19. Directors:**

The Board of the Directors is duly constituted. The Director in the board during the year Mr. Thiruppathi Dhanaraja Mr. Alagarsamy Jeganath, Mr. Muthusamy Sundaramanickam and Mr. Bose Prithviraj.

### **A) Changes in Directors and Key Managerial Personnel**

There has been no change in Directors and Key managerial personnel.

### **B) Declaration by an Independent Director(s) and re- appointment, if any**

Applicable to every Listed Companies

Every public company having paid-up capital more than Rs.10 crores., or turnover of more than Rs.100 Crores or Borrowings in excess of Rs.50 crores.

### **C) Formal Annual Evaluation**

The Board shall include a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors.

Applicable to Listed Companies and every other Public Companies having Paid-up Capital of Rs.25 Crores or more Calculated at the end of preceding financial year.

## **20. Number of meetings of the Board of Directors**

During the financial year 2021-2022, the following Board Meetings were held, details of which are as follows:

S. No.	Date of the Meeting	Strength of the Board Meeting.	Attendance at the Board Meeting
1.	31/05/2021	4	4
2.	27/08/2021	4	4
3.	30/11/2021	4	4
4.	28/01/2022	4	4
5.	30/01/2022	4	4
6.	16/03/2022	4	4

S. No.	Name of the Director	Position /Category	No. of other Directorship
1.	Thiruppathi Dhanaraja	Director	3
2.	Alagarsamy Jeganath	Managing Director	6
3.	Muthusamy Sundaramanickam	Director	0
4.	Bose Prithviraj	Director	1

#### **21. Audit Committee**

The composition of an Audit Committee to be disclosed and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed along with the reasons therefor. ( All Public Companies with paid-up capital of Rs.10 Crores or more,, turnover of Rs.100 Crores or more,, outstanding loans or borrowings or debentures or deposits exceeding Rs.50 Crores or more.)

Applicable to every Listed Company and such other class or classes of Companies as prescribed under Rule 6 of Companies (meetings of board and its powers)2014.

#### **22. Details of establishment of vigil mechanism for directors and employees**

Every Listed Company

The Companies which accepts deposits from public

The Companies which have borrowed money from banks and public financial institutions in excess of Rs. 50 Crores.

The company is a Private Limited Company hence not applicable

#### **23. Nomination and Remuneration Committee**

Every Listed Company

Every other Public Company having paid-up capital of Rs. 100 cores or more,, which have in aggregate outstanding loans or borrowings or debentures or deposits exceeding Rs.50 Crores.

The company is a Private Limited Company hence not applicable.

#### **24. Particulars of loans, guarantees or investments under section 186**

There are no loans, guarantees or investments under section 186.

## **25. Particulars of contracts or arrangements with related parties:**

There are no materially significant related party transactions (i.e) transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives that may have potential conflict with interest of the company at large.

There is no related party transaction.

## **26. Managerial Remuneration: N.A**

Applicable to public companies

(A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

C) Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report.

D) The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement:—

i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;

ii) Details of fixed component and performance linked incentives along with the performance criteria;

iii) service contracts, notice period, severance fees;

iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:

## **27. Secretarial Audit Report :**

Every listed Company

Every Public or Private Company having paid-up capital of Rs. 50 Crores or more, or turnover of Rs.250 Crores or more.

The company is a Private Limited Company hence not applicable.

## **28. Corporate Governance Certificate :**

### **Applicable to listed companies**

The company is a Private Limited Company hence not applicable

## **29. Risk management policy**

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company.

The company has no risk management policy.

## **30. Fraud Reporting**

There have been no complaints received by the company.

## **31. Disclosures Under Sexual Harassment Of Women At Work Place (Prevention, Prohibition & Redressal) Act 2013**

There have been no complaints received by the company.

## **32. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) 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;

c) 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;

d) The directors had prepared the annual accounts on a going concern basis; and

e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

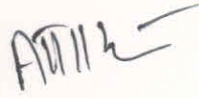
f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**33. Acknowledgements**

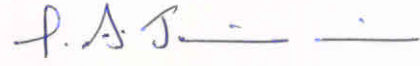
Your Directors place on record their gratitude for the continuing support of its Employees, Shareholders, Bankers and Business Associates at all levels.

**Place: Chennai  
Date: 02.09.2022**

**For and on behalf of the Board of Directors  
For Muthalagu Finance Private Limited**



**Thiruppathi Dhanaraja  
Director  
(Din 02566702)**



**Alagarsamy Jeganath  
Managing Director  
(Din 02566708)**

Assessee's Name	MUTHALAGU FINANCE PRIVATE LIMITED	Status	PRIVATE LIMITED COMPANY
Date of Incorporation	03-01-1997	Asst. Year	2022-23
Nature of Business	FINANCE	P.A.N	AABCA9609F
TAN	CHEM13588B	I.T.Juri	CHE-C-231-01
Address	117/4, MEENAKSHIPURAM, THENI MAIN ROAD, MADURAI 625018	Period Ending	

**STATEMENT OF TOTAL INCOME**

<b>INCOME FROM BUSINESS</b>			
Net Profit as per Profit & Loss A/c.			1,11,21,996
<b>Add: Inadmissible Expenses:</b>			
Advertisement Expenses ( Sec 40(a)(3) )			
Income tax paid	2,89,164		
ROC fee for increase in Authorised Capital	8,94,976		
GST Interest and Late fees	4,26,430		
Depreciation as per Companies Act 2013	17,75,714	33,86,284	
			1,45,08,280
<b>Less: Admissible Expenses :</b>			
Depreciation as per Income Tax Act 1961	14,42,162	14,42,162	
<b>INCOME FROM BUSINESS/PROFESSION</b>			1,30,66,118
<b>Gross Total Income</b>			1,30,66,118
<b>Total Income (as rounded off U/s.288A)</b>			1,30,66,120

**STATEMENT OF BOOK PROFIT**

Net profit as per revised Schedule III		1,11,21,996
<b>Add: Provision for standard assets</b>	1,83,495	1,83,495
		1,13,05,490
<b>Less: Brought forward loss or unabsorbed depreciation whichever is less</b>		
<b>BOOK PROFIT</b>		1,13,05,490
		(or)
<b>BOOK PROFIT (AS ROUNDED OFF)</b>		1,13,05,490

**STATEMENT OF TAXES**

I. Tax due as per Book Profit U/s. 115-JB @ 18.5%		20,91,516
II. Tax due as per Income Tax Act u/s 115 BAA		28,74,546
Tax Payable (higher of above I & II)		28,74,546
<b>Net Tax Payable</b>		28,74,546
<b>Add: Surcharge @ 10% (if applicable)</b>		2,87,455
<b>Total Tax and Surcharge Payable</b>		31,62,001
<b>Add: Education &amp; Higher Education Cess @ 4% on above</b>		1,26,480
<b>Total Tax, Surcharge and Education Cess Payable</b>		32,88,481
<b>Less: Prepaid Taxes:</b>		
(A) MAT Credit Set off	-	
(B) Tax deducted at source	4,49,155	
U/s. 194 - Bank Interest	-	
(C) Advance Tax:	25,00,000	
		29,49,155
<b>Balance tax payable</b>		3,39,326
<b>Add: Interest for :</b>		
U/s. 234 - A		
U/s. 234 - B		
U/s. 234 - C		
		1,42,128
<b>Total Tax and Interest Payable</b>		4,81,450
<b>Less: Tax on Self-Assessment u/s 140-A (to be paid)</b>		-
<b>BALANCE TAX AND INTEREST PAYABLE</b>		4,81,450

For and on behalf of the Board of Directors

A. Jeganath  
Director  
DIN: 02566708

Thiruppathi Dhanaraja  
Director  
DIN: 02566702

Place : Chennai  
Date : 02-09-2022

MUTHALAGU FINANCE PRIVATE LIMITED  
117/4, MEENAKSHIPURAM, THENI MAIN ROAD, MADURAI 625018  
Audited Balance Sheet as at 31st March, 2022  
CIN:U65921TN1997PTC087650

Particulars	Notes	As at 31st March, 2022 Amount in ₹ (in '000)	As at 31st March, 2021 Amount in ₹ (in '000)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) SHAREHOLDER'S FUND</b>			
a) Share Capital	3	1,81,500	1,81,500
b) Reserves and Surplus	4	33,235	25,328
c) Money received against share warrants	-	-	-
<b>2) Share application money pending allotment</b>	-	-	-
<b>3) NON-CURRENT LIABILITIES</b>			
a) Long term borrowings	5	3,208	8,648
b) Deferred tax liabilities (Net)	6	265	339
<b>4) CURRENT LIABILITIES</b>			
a) Short-term borrowings	7	2,10,587	3,09,644
b) Trade payables	8	46,740	12,334
c) Other current liabilities	9	3,237	3,075
d) Short-term provisions	10	1,988	3,216
<b>Total</b>		<b>4,80,759</b>	<b>5,44,084</b>
<b>II. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>1) a) Property, Plant, Equipment &amp; Intangible assets</b>			
i) Property, Plant & Equipment	10	26,583	26,542
ii) Intangible Assets	-	-	-
iii) Capital work-in-progress	11	18,103	10,173
b) Non-current investments	17	-	-
c) Deferred Tax Asset	-	-	-
d) Long Term Loans and Advances	12	2,518	2,518
e) Other Non Current Assets	13	18,310	11,171
<b>2) CURRENT ASSETS</b>			
a) Current Investments	-	-	-
b) Inventories	-	-	-
c) Trade Receivables	14	3,57,081	4,18,189
d) Cash and Cash Equivalents	15	13,707	8,139
e) Short Term Loans and Advances	16	31,645	64,658
f) Other Current Assets	17	12,812	2,694
<b>Total</b>		<b>4,80,759</b>	<b>5,44,084</b>
Significant Accounting Policies and Notes to Financial Statements form an integral part of the Balance Sheet		1 & 2	

As per our report of even date attached

For Ms. A. JOHN MORIS & Co.,

Chartered Accountants

FRN: 007220 S

For and on behalf of the Board of Directors

  
(CA. J. Sebastin)  
Partner

M.No.: 218962

UDIN: 22218962AXZEQ06791

Place : Chennai

Date : 02-09-2022



A. Jeganath  
Director  
DIN: 02566708

Thiruppathi Dhanaraja  
Director  
DIN: 02566702



MUTHALAGU FINANCE PRIVATE LIMITED  
117/4, MEENAKSHIPURAM, THENI MAIN ROAD, MADURAI 625018  
AUDITED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2022  
CIN:U65921TN1997PTC087650

Particulars	Notes	As at 31st March, 2022 Amount in ₹ (in '000)	As at 31st March, 2021 Amount in ₹ (in '000)
<b>INCOME</b>			
I. Revenue from Operations	18	97,496	75,955
ii. Other income	19	132	-
<b>III. TOTAL INCOME</b>		<b>97,629</b>	<b>75,955</b>
<b>IV. EXPENSES</b>			
Cost of materials consumed	-	-	-
Employee benefits expense	20	20,252	16,051
Finance costs	21	31,518	34,220
Depreciation and amortisation expense		1,776	1,812
Other Expenses	22	32,962	16,217
<b>TOTAL EXPENSES</b>		<b>86,507</b>	<b>68,300</b>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>11,122</b>	<b>7,655</b>
<b>VI. Exceptional items</b>		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>11,122</b>	<b>7,655</b>
<b>VIII. Extraordinary items</b>		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>11,122</b>	<b>7,655</b>
<b>X. Tax expense:</b>			
1) Current Tax Expense		3,288	2,200
2) Deferred Tax Expenses		(73)	(94)
<b>Total Tax Expenses</b>		<b>3,215</b>	<b>2,106</b>
<b>XI. Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>7,907</b>	<b>5,549</b>
<b>XII. Profit/(loss) from discontinuing operations</b>		-	-
<b>XIII. Tax expense of discontinuing operations</b>		-	-
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>7,907</b>	<b>5,549</b>
<b>XVI. Earnings per equity share:</b>			
1) Basic	23	0.44	0.31
2) Diluted	-	-	-
Significant Accounting Policies and Notes to Financial Statements form an integral part of the Balance Sheet	1 & 2		

As per our report of even date attached  
For Ms. A. JOHN MORIS & Co.,  
Chartered Accountants  
FRN: 007220 S

(CA. J. Sebastin)  
Partner  
M.No.: 218962  
UDIN: 22218962AXZEQ06791  
Place : Chennai  
Date : 02-09-2022



For and on behalf of the Board of Directors

A. Jeganath  
Director  
DIN: 02566708

Thiruppathi Dhanaraja  
Director  
DIN: 02566702

MUTHALAGU FINANCE PRIVATE LIMITED  
117/4, MEENAKSHIPURAM, THENI MAIN ROAD, MADURAI 625018  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	For the Year Ended 31st March, 2022		For the Year Ended 31st March, 2021	
	Amount in '000	Amount in '000	Amount in '000	Amount in '000
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		11,122		7,655
Adjustments for:				
Depreciation and amortisation	1,776		1,812	
Finance costs	31,518		34,220	
		33,293		36,032
Operating profit / (loss) before working capital changes		44,415		43,687
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	61,108		70,928	
Loans and Advances	33,013		(42,824)	
Other current assets	(10,119)		3,406	
Long term Loans and Advances	-		(400)	
Other Non-Current assets	(7,138)		(10,839)	
	76,865		20,272	
Adjustments for increase / (decrease) in operating liabilities:				
Short Term Borrowings	(99,057)		(40,576)	
Short Term Provisions	(1,228)		29	
Other current liabilities	162		1,998	
Trade Payables	34,406		12,290	
	(65,718)		(26,259)	
		11,147		(5,986)
Cash generated from operations		55,562		37,701
Net income tax (paid) / refunds	788	788	2,200	2,200
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>54,774</b>		<b>35,501</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital	(1,816)		(24,772)	
Capital WIP	(7,930)		17,034	
Sale of Capital Assets	-		-	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(9,747)</b>		<b>(7,738)</b>
<b>C. Cash flow from financing activities</b>				
Increase in long-term borrowings	(5,440)		6,765	
Chit			-	
Rental Advance			-	
Finance cost	(31,518)		(34,220)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(36,958)</b>		<b>(27,455)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>8,069</b>		<b>309</b>
Cash and cash equivalents at the beginning of the year		8,139		3,019
<b>Cash and cash equivalents at the end of the year</b>		<b>13,707</b>		<b>8,139</b>

**Notes:**

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.  
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

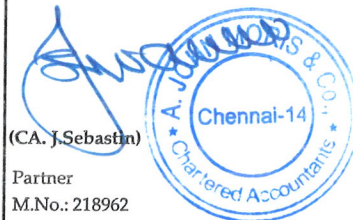
See accompanying notes forming part of the financial statements

In terms of our report attached.

For A. JOHN MORIS & CO.,

Chartered Accountants

FRN. 007220S



(CA. J. Sebastian)

Partner

M.No.: 218962

UDIN: 22218962AXZEQO6791

Place : Chennai

Date : 02-09-2022

For and on behalf of the Board of Directors

A. Jeganath

Director

DIN: 02566708

Thiruppathi Dhanaraja

Director

DIN: 02566702

Note No	Particulars
1	<p><b>Corporate Information</b> M/s. Muthalagu Finance Private Limited is registered with the Colmbatore Registrar of Companies as a Private Limited Company on 3rd January, 1997 vide Registration no. U65921TN1997PTC087650. The Company It is a non-deposit accepting Non-banking financial company or NBFC-ND registered with the Reserve Bank of India (RBI) on 3rd August 2009 vide Registration no. N-07-00778.</p> <p>The registered office of the company is located at No. 213, II nd floor Mahaveer complex, Royapetta high road, Royapetta, Chennai-600 014. The Principal activities of the Company is to engage in providing various loans and advances against security of Gold, Mortgage of properties and other Business assets and also the Company issues Personal Loans and Vehicle Loan. The Operations of the Company is concentrated within the State of Tamilnadu. The Company also provides loans to individuals and JLGs in the form of Micro Credit for a similar period and amounts stated above. The Operations of the Company is mostly concentrated within the State of Tamilnadu</p>
2	<p><b>Significant accounting policies</b> The significant accounting policies wherever applicable have been predominantly presented below in the order of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).</p>
2.1	<p><b>Basis of accounting and preparation of financial statements</b> The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financials statements to</p>
2.2	<p><b>Use of estimates</b> The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure</p>
2.3	<p><b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b> Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments</p>
2.4	<p><b>Cash flow statement</b> Cash flows are prepared in accordance with the indirect method prescribed in Accounting Standard-3.</p>
2.5	<p>Fixed assets are stated at cost net of depreciation. The cost of an asset comprises its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended</p>
2.6	<p><b>Depreciation and amortisation</b></p> <ul style="list-style-type: none"> <li>(i) Depreciation has been provided on the Written Down Value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.</li> <li>(ii) Depreciation on additions is charged proportionately from the date of acquisition/installation.</li> <li>(iii) Depreciation is provided on the pro-rata basis from the date the asset is being put to use.</li> </ul>
2.7	<p><b>Receivables Under Financing Activity</b> Receivables under Financing activity includes Gold Loans, Personal Loans and Vehicle Loans. Loans are classified into 'Performing and Non-Performing' assets in terms of the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 Issued by the Reserve Bank of India as amended from time to time.</p>
2.8	<p><b>Revenue recognition</b> Income from services Revenues from interest on loans financed by the company is recognized on accrual basis, considering the directions issued by the Reserve Bank of India from time to time in terms of the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998. Loans are classified into 'Performing and Non-Performing' assets in terms of the said Directions. Revenues from loan documentation and meeting charges are recognised as income on cash basis. Revenue from interest income on Fixed Deposits with Banks is recognized on time proportion basis taking into account the amount outstanding and the rate applicable. Revenues from loan documentation and meeting charges are recognised as income on cash basis.</p> <p>Interest Income on securitisation is recognized on accrual basis. 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.</p> <ul style="list-style-type: none"> <li>(i) Interest income on loans given is recognized under the internal rate of return method. Income including interest or discount or became non-performing and remaining unrealized shall be reversed.</li> <li>(ii) Interest income on deposits with banks is recognized on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.</li> <li>(iv) All other income is recognized on an accrual basis.</li> </ul>
2.9	<p><b>Other income</b> Bank Deposit interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p>
2.10	<p><b>Employee benefits</b></p> <ul style="list-style-type: none"> <li>a. Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits for current employees are estimated and measured on an undiscounted basis.</li> <li>b. Defined contribution plans Company's contributions paid/payable during the year to Provident Fund and Pension fund are recognised in the Profit and Loss Account.</li> <li>c. Defined benefit plans Liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, are determined by Actuarial Valuation on Projected Unit Credit Method made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the Balance Sheet.</li> <li>d. Liability for compensated absences is provided based on actuarial valuation carried out at the end of each financial year using Projected Unit Credit Method and is not funded. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds. Employee benefits include salaries, wages, provident fund and Staff welfare expenses. Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</li> </ul> <p><b>Defined contribution plans</b> The Company's contribution to provident fund are considered as defined contribution plans and are recognised in Profit &amp; Loss statement.</p> <p><b>Defined benefit plans</b> For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to <u>past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.</u></p>



- 2.11 **Borrowing costs**  
 Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings, if applicable, to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.
- 2.12 **Segment reporting**  
 The Company provides only Financial Services and does not have any other segment of business. So the Segmental reporting regulations are not applicable to the company.
- 2.13 **Earnings per share**  
 Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate. Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.
- 2.14 **Taxes on Income**  
 Current tax is the amount of tax payable on the taxable income for the year after taking into consideration the benefits /disallowances admissible under the provisions of the Income Tax Act, 1961. Accordingly Minimum Alternate Tax which is in excess of Current Year Tax Liability is being carried forward as a Current Asset in the Balance Sheet.  
 Minimum Alternate Tax paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.  
 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.  
 Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.
- 2.15 **Provisions and contingencies**  
 A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. A disclosure of contingent liability is made, when there is a possible obligation or a present obligation that will probably not require outflow of resources or where reliable estimate of the obligation cannot be made.
- Provisioning Norms**
- | Asset Classification | Period of overdues          | Provision Policy of the Company | Provision as per RBI Prudential Norms |
|----------------------|-----------------------------|---------------------------------|---------------------------------------|
| Standard Assets      | Less than 6 months          | 0.25                            | 0.25                                  |
| Sub Standard Assets  | Over 6 - 24 months past due | 10                              | 10                                    |
| Doubtful Assets      | Over 24 months past due     | 100                             | 100                                   |
| Loss Assets          | As estimated                | 100                             | 100                                   |
- Write-Off Policy:**  
 Loans are written off when the management has exhausted all options for recovery of Principal and interest on the loan which are overdue for a period of more than 3 years. There are no loans written off during the year under consideration.
- 2.16 **Preliminary Expenses**  
 Preliminary Expenses are written off in five years from the commencement of commercial operations.



MUTHALAGU FINANCE PRIVATE LIMITED  
Notes forming part of accounts

No. 3 SHARE CAPITAL : (AMOUNT IN THOUSANDS)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Authorised : Equity shares of ₹ 10/- each issued, subscribed and fully Equity Shares of ₹ 10/-, each, fully paid up	3,00,00,000	3,00,000	1,81,50,000	1,81,500
	1,81,50,000	1,81,500	1,81,50,000	1,81,500
<b>Total</b>	<b>1,81,50,000</b>	<b>1,81,500</b>	<b>1,81,50,000</b>	<b>1,81,500</b>

The reconciliation of the number of shares outstanding and the amount of share capital as at 31st March, 2020 is set out below.

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares	Amount in ₹	No. of Shares	Amount in ₹
Balance at the beginning of the year	1,81,50,000	1,81,500	1,81,50,000	1,81,500
Add: Shares issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>1,81,50,000</b>	<b>1,81,500</b>	<b>1,81,50,000</b>	<b>1,81,500</b>

Particulars of Shareholders holding more than 5% share in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	%	No. of Shares	%	No. of Shares
Jaganath Mishra	14.60%	26,49,000	14%	24,84,000
Thirupathy Dhanaraja	6.83%	12,39,500	0%	-
<b>Total</b>	<b>21.42%</b>	<b>38,88,500</b>	<b>14%</b>	<b>24,84,000</b>

**RESERVES & SURPLUS**

Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
<b>4 STATEMENT OF PROFIT &amp; LOSS</b>		
(a) Statutory reserves (Refer Note (i) below)		
Opening balance	5,062	3,953
Add: Additions / transfers during the year	1,581,382	1,109,783
Closing balance (A)	6,644	5,062
(b) Surplus in Statement of Profit and Loss		
Opening balance	20,265	15,826
Add : Profit for the year	7,907	5,549
Less: Transferred to Statutory Reserves	1,581	1,110
Less: Adjusted With Fixed Assets	-	-
Closing balance (B)	26,591	20,265
<b>Total (A+B)</b>	<b>33,235</b>	<b>25,328</b>

Share Payment Pending Allotment

TOTAL

Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
<b>5 LONG TERM BORROWINGS</b>		
I. SECURED		
Car Loan - Sundaram Finance	281	2,048
II. UNSECURED		
Sree Gokulam Chit & Finance Co (P) Ltd	2,927	6,600
<b>TOTAL</b>	<b>3,208</b>	<b>8,648</b>

**6 DEFERRED TAX LIABILITY / (ASSETS) (NET)**

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2020 are as follows:

Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Deferred Tax Liability / (asset) Balance at the Beginning:	339	432
Depreciation as per Company Act	1,776	1,812.34
Depreciation as per Income Act	1,442	1,386.74
<b>Total Timing Difference</b>	<b>334</b>	<b>426</b>
Net deferred tax (income) for the year (P&L)	(73)	(94)
<b>Total Deferred tax assets at the Year End</b>	<b>265</b>	<b>339</b>



## MUTHALAGU FINANCE PRIVATE LIMITED

Notes forming part of accounts

No.			
<b>7 SHORT TERM BORROWINGS</b>			
	Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
	(a) Catholic syrian Bank OD	77,734	1,13,995
	(b) Federal Bank Loan	44,700	91,571
	(c) South Indian Bank Gold power OD	88,153	1,04,078
	<b>Total</b>	<b>2,10,587</b>	<b>3,09,644</b>
<b>8 TRADE PAYABLES</b>			
	Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
	Sundry creditors	46,740	12,334
	<b>Total</b>	<b>46,740</b>	<b>12,334</b>
<b>9 OTHER CURRENT LIABILITIES</b>			
	Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
	<b>Statutory Payables -</b>		
	TDS Payable	131	296
	EPF Payable	62	31
	ESI Payable	14	8
	Goods and Service Tax Payable	-	-
	<b>Other Payables:</b>		
	Rent Payable	514	514
	Salary Payable	1,956	1,269
	Expense Payable	346	211
	JM Corporate Services	-	11
	Audit Fees Payable	213	737
	<b>Total</b>	<b>3,237</b>	<b>3,075</b>
<b>10 SHORT TERM PROVISIONS</b>			
	Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
	Provision for taxation (Net of Advance tax)	788	2,200
	Contingent Provision against standard Assets	1,200	1,016
	<b>Total</b>	<b>1,988</b>	<b>3,216</b>
<b>11 CAPITAL WORK IN PROGRESS</b>			
	Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
	Land	4,437	4,437
	Building work in progress (Muthalgu Towers)	13,666	5,736
	<b>Total</b>	<b>18,103</b>	<b>10,173</b>
<b>12 LONG TERM LOANS AND ADVANCES</b>			
	Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
	Rental Advance	2,518	2,518
	<b>Total</b>	<b>2,518</b>	<b>2,518</b>
<b>13 OTHER NON CURRENT ASSETS</b>			
	Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
	Chit	18,310	11,171
	<b>Total</b>	<b>18,310</b>	<b>11,171</b>



## MUTHALAGU FINANCE PRIVATE LIMITED

Notes forming part of accounts

No.

14 TRADE RECEIVABLES			
Particulars		As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Trade receivables Outstanding more than six months from the date		-	-
Trade receivables Outstanding less than six months from the date:		16,238	9,434
Dharshini Traders		180	2,222
Gold Loan form Customer Outstanding		3,40,664	4,06,534
Total		3,57,081	4,18,189
15 CASH AND CASH EQUIVALENTS			
Particulars		As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
(a) Cash on hand		12,940	6,525
(b) Balances with banks			
CSB Current Account		3	7
FED Current Account		462	330
SIB Current Account		137	1,277
Axis bank		55	-
Fixed deposit with SIB		110	-
Total		13,707	8,139
16 SHORT-TERM LOANS AND ADVANCES			
Particulars		As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Unsecured, considered good		8,152	1,919
Best Money Gold Jewellery Ltd		7,041	46,995
BMG Jewellers Pvt Ltd		16,452	15,744
Total		31,645	64,658
17 OTHER CURRENT ASSETS			
Particulars		As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Accrued Interest		12,363	2,673
TDS Receivable		449	21
Total		12,812	2,694
18 REVENUE FROM OPERATIONS			
Particulars		As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Revenue from operations		97,496	75,955
Total		97,496	75,955
19 OTHER INCOME			
Dividend Received		120	-
Interest from Bank		12	-
Total		132	-
20 EMPLOYEE BENEFITS EXPENSE			
Particulars		As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Salaries, wages and Incentives		19,553	15,681
EPF/ESI Contribution		267	157
Staff welfare expenses		432	212
Total		20,252	16,051



## MUTHALAGU FINANCE PRIVATE LIMITED

Notes forming part of accounts

No.

## 21 FINANCE COST

Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Interest on borrowings	31,518	34,220
<b>Total</b>	<b>31,518</b>	<b>34,220</b>

## 22 OTHER EXPENSES

Particulars	As at 31st March, 2022 Amount in ₹	As at 31st March, 2021 Amount in ₹
Rent Expenses	6,197	5,887
Repairs and Maintenance	4,443	-
Power and Fuel	1,038	584
Travelling and Conveyance	2,779	189
Communication Charges	1,832	796
Printing and Stationary	1,043	479
Advertisement Charges	2,116	1,116
Electricity Charges	1,240	1,017
Office Maintenance	1,257	326
Electrical Expenses	301	184
Postage Expenses	698	121
Bank Charges	965	1,222
Audit Fee	413	413
Professional Fees	250	146
Food and Tea Expenses	1,299	408
Appraising Charges	5	80
Marketing Expenses	500	409
Processing Charges	6	10
Renovation Expenses	-	44
Interest and Late Fee	721	21
Administration Charges	8	6
Auctioners Charges	-	90
Commission paid	588	700
Licence Renewal charges	-	-
Vehicle Maintenance charges	630	70
Meeting expenses	407	-
News paper expenses	689	150
Consulting charges	-	-
Pooja expenses	216	192
Insurance expenses	-	-
Income tax	289	1,310
Miscellaneous expenses	847	162
Water charges	281	214
Insurance Paid	56	29
Credit rating expenses	396	-
Rates & Taxes	1,143	-
Freight cost	123	-
Contingent provisions against standard assets	183	(159)
<b>Total</b>	<b>32,962</b>	<b>16,217</b>

## 23 EARNINGS PER SHARE:

Particulars	As at 31st March, 2022 Amount in ₹ (in '000)	As at 31st March, 2021 Amount in ₹ (in '000)
Net Profit After Tax	7,907	5,549
Weighted average No. of Equity Shares for Basic / Diluted EPS (Nos)	1,81,50,000	1,81,50,000
Nominal Value of Equity Per Share (in ₹)	10	10
Basic / Diluted Earning Per Share (in ₹)	0.44	0.31





MUTHALAGU FINANCE PRIVATE LIMITED

Note - 10

Statement of Depreciation as per the Companies Act, 2013

PARTICULARS	GROSS BLOCK						DEPRECIATION BLOCK			NET BLOCK	
	As at 31st March, 2021	Additions	Deletions	As at 31st March, 2022	As at 31st March, 2021	for the year	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021		
(I) TANGIBLE FIXED ASSETS											
ELECTRICAL FITTINGS	892	-	-	892	456	136	593	300	436		
VEHICLES - MOTOR CAR	8,692	-	-	8,692	5,815	898	6,713	1,979	2,877		
COMPUTER AND COMPUTER ACCESSORIES	2,345	640	-	2,986	2,250	165	2,415	571	95		
FURNITURE AND FITTINGS	4,376	16	-	4,391	2,831	482	3,314	1,078	1,544		
OFFICE EQUIPMENT	695	90	-	785	639	31	670	115	56		
COMPUTER SOFTWARE		304		304		47	47	257			
AIR-CONDITIONERS		766		766		16	16	750			
LAND	21,534	-	-	21,534	-	-	-	21,534	21,534		
<b>Total (A)</b>	<b>38,533</b>	<b>1,816</b>	<b>-</b>	<b>40,350</b>	<b>11,991</b>	<b>1,776</b>	<b>13,767</b>	<b>26,583</b>	<b>26,542</b>		
<b>PREVIOUS YEAR</b>	<b>13,762</b>	<b>24,772</b>		<b>38,533</b>	<b>10,179</b>	<b>1,812</b>	<b>11,991</b>		<b>26,542</b>		



MUTHALAGU FINANCE PRIVATE LIMITED

Note - 10.  
Statement of Depreciation as per the Income Tax Act, 1961

PARTICULARS	BLOCK					Depreciation		NET BLOCK		Amount in '000
	As at 31st March, 2021	180 Days and more	Less than 180 Days	Deletion	As at 31st March, 2022	for the year	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021	
FURNITURE AND FITTINGS	1,715	-	16	-	1,731	172	172	1,558	1,715	
PLANT AND MACHINERY	6,359	31	825	-	7,215	1,020	1,020	6,196	6,359	
COMPUTER AND ITS ACCESSORIES	141	73	567	-	781	199	199	582	141	
SOFTWARE		100	204		304	51	51	254		
Total	8,215	204	1,612	-	10,031	1,442	1,442	8,589	8,215	
Previous Year	6,364	3,179	59	-	9,602	1,387	1,387	8,215	-	



NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

1.0 Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CCM (PK)-2008 dated 1st August 2008

(i) Capital to Risk asset ratio		As at March 31, 2022	As at March 31, 2021
Particulars			
Tier I Capital		2,12,715	2,06,828
Tier II Capital		-	-
Total		2,12,715	2,06,828
Total Risk Weighted Assets		4,64,103	5,44,084
<b>Capital Ratios</b>			
Tier I Capital as percentage of Total Risk Weighted Assets (%)		45.83%	38.01%
Tier II Capital as percentage of Total Risk Weighted Assets (%)		0.00%	0.00%
Capital to Risk Asset Ratio (CRAR)		45.83%	38.01%

2.0 Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the Net profit after tax of the Company every year. Currently the Company has profits during the year and the amount has transferred is Rs. 15,81,382/- (Year ended 31 March, 2021 Rs. 11,09,783 /-), out of the Net Profit after tax for the year ended 31st March 2022 to Statutory Reserve.

2.1 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.



Calculation of Capital Adequacy Ratio as at March 31, 2022

Particulars	Sub totals `	Totals `	Total `
<b>Tier I Capital</b>			
Add:			
1. Share capital	1,81,500		
2. Compulsorily Convertible preference shares	-		
3. Free reserves	33,235		
4. Share premium (balance in the account)	-		
5. Capital reserve (rep. sur+ of sale proceeds of asset)	-	2,14,735	
Less:			
1. Accumulated loss in balance sheet	-		
2. Book value of intangible assets	-		
3. Deferred revenue expenditure		-	
<b>Net owned fund</b>		<b>2,14,735</b>	
Less:			
1. Shares in other NBFCs			
2. Shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding 10% of owned fund.	2,019	2,019	
Less: 50% of securitisation collateral	-	-	
<b>Tier I Capital</b>		<b>2,12,715</b>	
<b>Tier II Capital</b>			
Add:			
1. Preference shares other than compulsorily convertible s	-		
2. Revaluation reserve at discounted rate of 55%	-		
3. General provisions and loss reserves to the extent of (1&1/4)% of risk weighted assets.	1,200		
4. Hybrid debt and capital instruments	-		
5. Subordinated debt - Discounted Value	-		
To the extent the discounting value does not exceeding 50% of Tier-I Capital	-		
Less: 50% of securitisation collateral	-		
	<b>1,200</b>		
<b>Limited to the extent of Tier I and II for the pupose of capital adequecy</b> (the total tier II capital at any point of time shll not exceed 100% of tier I)		1,200	
<b>Tier II Capital</b>		<b>1,200</b>	
<b>Total of Tier I &amp; Tier II Capital</b>			<b>2,13,915</b>



Asset particulars	Amount ₹	% of weight	Risk adjusted amount ₹
Cash and Bank balances	13,707	0%	-
Bank Balances in earmarked accounts as collateral	-	0%	-
Bank Balances in earmarked accounts as collateral for secu	-	0%	-
Bank Balances in earmarked accounts as collateral for securitisation in excess of requirement*	-	0%	-
Investments	-	100%	-
Loans and advances	31,645	100%	31,645
Tangible assets net of depreciation	44,686	100%	44,686
Intangible assets net of amortisation*	-	0%	-
<b>Other assets</b>			
a) TDS-income tax (net of provision)	449	0%	-
b) Advance tax paid (net of provision)	2,500	0%	-
c) Unamortised Expenses*		0%	-
d) Others to be specified	3,87,772	100%	3,87,772
<b>Total risk weighted assets</b>	<b>4,80,759</b>		<b>4,64,103</b>
<b>CRAR</b>			<b>46.09%</b>





Ref: AJM/MFPL/261/2022-23

UDIN: 22218962AZHAWD5632

**Statutory Auditor's certificate (SAC) for the year ended March 31, 2022**

We have examined the books of accounts and other records of **M/s. MUTHALAGU FINANCE PRIVATE LIMITED (CIN: U65921TN1997PTC087650)** for the Financial Year ending March 31, 2022. On the basis of the information submitted to us, we certify the following:

(Amount in lakhs)

Sl.	Particulars	Details
1	Name of the company	M/s. Muthalagu Finance Private Limited
2	Certificate of Registration No.	B-07-00610
3	Registered office Address	117/4, Meenakshipuram, Theni Main Road, Madurai, Tamil Nadu- 625018.
4	Corporate office Address	117/4, Meenakshipuram, Theni Main Road, Madurai, Tamil Nadu- 625018.
5	The company has been classified by RBI as: (Investment Company / Loan Company / AFC / NBFC-MFI / NBFC- Factor / IFC / IDF- NBFC)	Investment and Credit company-(NBFC-ICC)
6	Net Owned Fund (in Rs. Lakh)	Rs. 2,147.35
7	Total Assets (in Rs. Lakh)	Rs. 4,807.59
8	Asset-Income pattern: (In terms of RBI Press Release 1998-99/1269 dated April 8, 1999)  a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income  (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below)	  83.43% 99.86%
9	Whether the company was holding any Public Deposits, as on March 31, 2022?	No
10.	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (In terms of Sec 45-IC of the RBI Act, 1934).	Yes
11	Has the company received any FDI?	No



12	If the company is classified as an NBFC-Factor; a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	N/A N/A
13	If the company is classified as an NBFC-MFI; % of Qualifying Assets to Net Assets	N/A
14	If the company is classified as an AFC; a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	N/A N/A
15	If the company is classified as an NBFC-IFC % of Infrastructure Loans to Total Assets	N/A
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI?	No

In terms of paragraph 2 of Notification No. DNBS.201/DG(VL)-2008 dated September 18, 2008, a separate report to the Board of Directors of the company has been made.

I have read and understood paragraph 5 of Notification No. DNBS.201/DG(VL)-2008 dated September 18, 2008.

**For A. John Moris & Co.,**  
Chartered Accountants  
FRN: 007220 S

**CA.J. Sebastin**  
Partner  
M.No: 218962

**Place:** Chennai  
**Date:** 02-09-2022



Annex

<b>Capital Funds - Tier I</b>		<b>(Rs. In lakh)</b>
1.	Paid up Equity Capital	1,815
2.	Pref. shares to be compulsorily converted into equity	-
3.	Free Reserves:	
	a. General Reserve	-
	b. Share Premium	-
	c. Capital Reserves	-
	d. Debenture Redemption Reserve	-
	e. Capital Redemption Reserve	-
	f. Credit Balance in P&L Account	265.91
	g. Other free reserves (may be specified)	-
4.	Special Reserves/Statutory Reserves	66.44
	Total of 1 to 4	<b>2,147.35</b>
5.	<b>Less:</b> i. Accumulated balance of loss	-
	ii. Deferred Revenue Expenditure	-
	ii. Deferred Tax Assets (Net)	-
	iii. Other intangible Assets	-
	<b>Owned Fund</b>	<b>2,147.35</b>
6.	Investment in shares of	-
	(i) Companies in the same group	-
	(ii) Subsidiaries	-
	(iii) Wholly Owned Subsidiaries	-
	(iv) Other NBFCs	-
7.	Book value of debentures, bonds outstanding loans and advances, bills purchased and discounted (including H.P. and lease finance) made to, and deposits with	-
	(i) Companies in the same group	-
	(ii) Subsidiaries	-
	(iii) Wholly Owned Subsidiaries/Joint Ventures Abroad	-
8.	Total of 6 and 7	-
9.	Amount in item 8 in excess of 10% of Owned Fund	-
10.	<b>Net Owned Fund</b>	<b>2,147.35</b>





**INDEPENDENT AUDITORS' REPORT**

To:  
The Members of  
**M/s. MUTHALAGU FINANCE PRIVATE LIMITED**

**Report on the audit of the Standalone financial statements**

**Opinion**

We have audited the accompanying financial statements of **M/s. MUTHALAGU FINANCE PRIVATE LIMITED ("the Company")**, which comprise the balance sheet as at March 31, 2022, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

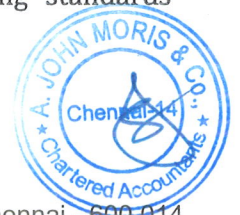
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and cash flows for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the standards on auditing 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**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 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.





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.

In preparing the financial statements, management 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 management 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.

#### **Other Matter Paragraph**

Other Matter Paragraph refers to matter's other than those appropriately presented and disclosed in the Financial Statement that in our opinion is of such importance to the users understanding of the Financial Statement. The Following are the matters to be disclosed:

1. External Confirmation that were requested from the auditee were not received.
2. The necessary form to be filed with the Registrar of Companies for the Transfer of Shares during the period were not appropriate.

The above points in our opinion were of such importance to user's understanding of the financial Statement.

#### **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 financial controls 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.

### **Report on other legal and regulatory requirements**

1.As required by the Companies (Auditor's Report) Order, 2020 ("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, 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, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) Since the company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such control.

(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;

- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no amount which required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(ii) No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and





**A. JOHN MORIS & CO.,**  
CHARTERED ACCOUNTANTS

(iii) Nothing has come to the notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

e. No dividend has been declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

For A JOHN MORIS & Co.,  
Chartered Accountants  
FRN: 007220S



(CA) SEBASTIN)

Partner

M.No:218962

UDIN: 22218962AXZEQ06791

Place: Chennai  
Date: 02/09/2022



**Annexure "A" to the Independent Auditor's Report**

Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **M/s. MUTHALAGU FINANCE PRIVATE LIMITED** of even date.

1. In respect of the Company's fixed assets:
  - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.  
  
(ii) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) The company has verified all the Property, Plant & Equipment at reasonable intervals. According to the information and explanations obtained no material discrepancies have been found.
  - (c) The Company has not revalued any of its Property, Plant, Equipment and Intangible Assets.
  - (d) According to the information and explanation obtained, the title deed of immovable properties are held in the name of the company.
  - (e) According to the information and explanation there are no proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder, as the company does not hold any Benami property.
2. (a) The Company is in the business of providing loans and advances and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.  
  
(b) The company has not been sanctioned with working capital term loans in excess of five Crores rupees with the banks and financial institution at any point of time during the financial year.





3. (a) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable.

(b) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.

(c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(e) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.

(f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.





4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits whether directives issued by RBI and section 73 to 76 or any other relevant provisions of Companies Act and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, goods and service tax, duty of customs, duty of excise and value added tax which has been deposited on account of any dispute except the following:

Name of the statute	Nature of dues	Amount	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	Rs.5,93,580/-	A.Y.2021	CIT (Appeals)
Income Tax Act, 1961	Income Tax Demand	Rs. 2,40,73,530/-	A.Y.2015	CIT (Appeals)
Income Tax Act, 1961	Income Tax Demand	Rs.1,02,060/-	A.Y.2019	CIT (Appeals)
Income Tax Act, 1961	Income Tax Demand	Rs.48,535/-	A.Y.2018	CIT (Appeals)







8. Based on the information and explanation obtained there are no such undisclosed income pertaining to the previous year shown as income in the current year as per the Income Tax Act 1961 (43 of 1961).
9. According to the information and explanations given to us and on the basis of our audit procedures:
  - (a) The company has not made any defaults in repayment of outstanding dues to any financial institutions or banks or any government or any debenture holders during the year.
  - (b) We report that the company is not declared as willful defaulter by any bank or financial institution or any other lender.
  - (c) The term loans obtained were applied for the purpose for which it was obtained.
  - (d) The funds raised for short term basis were not used for long term basis.
  - (e) The company has not taken any amount from any entity or person on account of or to meet obligation of its subsidiary, associate or joint ventures.
  - (f) The company has not raised loans during the year on pledge of securities held in subsidiaries, associate or joint venture companies.
10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However, the utilization of the funds was for the purpose obtained. Accordingly, paragraph 3 (ix) of the order is not applicable.
  - (b) The company has not made any private placement or preferential allotment of shares or convertible debentures.
11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
  - (b) We the auditors of the company have not reported under section 143(12) of the Companies Act, 2013 and therefore have not filed ADT-4.
  - (c) There are no such whistle blower complaints received by the company during the year.





12. (a) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. As per the information and explanation obtained by us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
14. To the best of our knowledge and information obtained,
- a) The company has an internal audit system commensurate with the size and nature of its business;
- b) The Internal Audit is not applicable under section 138 of the Companies Act, 2013 for the period under audit.
15. As per the information and explanation obtained there are no such non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.
16. With respect to the information and explanation obtained by us,
- a) The company is registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- b) The company has conducted Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- c) The company being an investment and credit company, therefore is required for registering with CIC and it fulfils such criteria as mentioned;
17. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. According to the information and explanations given to us, there have been no change in the Statutory Auditors of the Company during the year.





**A. JOHN MORIS & CO.,**  
CHARTERED ACCOUNTANTS

19. Based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, we form the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. As per the information and explanation obtained by us
- (a) Based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act;
- (b) There is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing CSR project;

For A JOHN MORIS & Co.,  
Chartered Accountants  
FRN: 007220S



Place: Chennai  
Date: 02/09/2022

(CA) SEBASTIN  
Partner  
M.No: 218962

UDIN: 22218962AXZEQ06791