

To the Members of **VIKAS MONEY LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Vikas Money Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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.

Emphasis of matter

We draw your attention to Note 2.16 of the Financial Statements which explains the management's assessment of the financial impact due to the lock-down and other restrictions and conditions related to the COVID – 19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Due to the Covid-19 pandemic, we were not able to visit the branches of the Company and hence could not verify the underlying security in respect of gold loans. We are relying on the internal control system in force and management representation with respect to the same.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our auditors' report thereon.

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss 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 *except AS- 15 on Employee Benefits*.

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

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

- i. The Company does not have any pending litigations which would impact its financial position.
- 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 **Balan & Co.,**
Chartered Accountants
(FRN 000340 S)



Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)
UDIN: 20207626AAAAKA9698

Aluva,
08.12.2020

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

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

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

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company;

2) In our opinion and according to the information and explanations given to us, the nature of the Company’s business is such that it is not required to hold any inventories.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

5) The Company has not accepted any public deposit from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under where ever applicable.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable except in the case of Goods and Service Tax as below:

Nature of Dues	Period to which amount relates	Amount	
Goods and Service Tax	F.Y. 2018-19	18,165/-	
Goods and Service Tax	F.Y. 2019-20	27,928/-	

(b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Goods and Service Tax, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions or debenture holders as at the Balance Sheet date. During the year, the Company did not have any loans or borrowing from the government.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans during the year Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) 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.

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

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

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

16) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.

For Balan & Co.,
Chartered Accountants
(FRN 000340 S)



Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)
UDIN: 20207626AAAAKA9698

Aluva,
08.12.2020

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of VIKAS MONEY LIMITED (formerly Vikas Hire Purchase Company Limited)

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 **Vikas Money Limited** (“the Company”) as of March 31, 2020 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. 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, 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Balan & Co.,
Chartered Accountants
(FRN 000340 S)



Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)
UDIN: 20207626AAAAKA9698

Aluva,
08.12.2020

VIKAS MONEY LIMITED
(formerly known as VIKAS HIRE PURCHASE COMPANY LIMITED)
13/1528, 1st Floor, Anjali Complex, Kavuvattom, Cherupulassery, Palakkad Dist. - 679503

BALANCE SHEET AS ON 31.03.2020

Particulars		Note No:	As at 31st March 2020	As at 31st March 2019
I. EQUITY AND LIABILITIES				
1	Share Holders Fund			
(a)	Share Capital	3	9,24,97,500	9,24,97,500
(b)	Reserves and surplus	4	(68,94,992)	(87,15,753)
2	Share application money pending allotment		-	-
3	Non-current liabilities			
(a)	Long-term borrowings	5	6,44,03,252	3,36,40,594
(b)	Deferred tax liabilities (Net)		-	-
(c)	Other Long term liabilities		-	-
(d)	Long-term provisions	6	85,23,865	51,06,329
4	Current liabilities			
(a)	Short-term borrowings	7	25,27,615	95,18,768
(b)	Trade payables		-	-
(c)	Other current liabilities	8	64,40,066	80,80,704
(d)	Short-term provisions	9	5,27,439	1,41,068
TOTAL			16,80,24,745	14,02,69,210
II ASSETS				
1	(a) Property, Plant and Equipment	10		
	(i) Tangible assets		49,66,735	41,27,893
	(ii) Intangible assets		7,77,744	4,19,462
	(iii) Capital work-in-progress		12,73,911	1,02,291
(b)	Non-current investments		-	-
(c)	Deferred tax assets (net)	11	24,85,800	15,92,100
(d)	Long-term loans and advances - financing activity	12	1,67,92,493	2,72,17,967
(e)	Long-term loans and advances - others	13	6,36,519	1,79,519
(f)	Other non-current assets		-	-
2	Current assets			
(a)	Current investments		-	-
(b)	Inventories		-	-
(c)	Trade receivables		-	-
(d)	Cash and cash equivalents	14	34,08,718	1,92,60,255
(e)	Short-term loans and advances - financing activity	12	13,53,46,692	8,42,69,705
(f)	Short-term loans and advances - others	15	10,42,703	1,97,423
(g)	Other current assets	16	12,93,430	29,02,595
TOTAL			16,80,24,745	14,02,69,210
Notes are an integral part of the financial statements				

As per our report of even date attached.

For Balan & Co.,
Chartered Accountants
(FRN 000340S)

Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)

Place: Aluva
Date : 08-12-2020



For and on behalf of the Board

Ayanapara Pradeep Menon
Managing Director (DIN: 01156451)

A. Pradeep Menon

Rajitha Valayangat
Whole-time Director (DIN: 02792436)

Rajitha R

Gopalakrishnan Venkita Ramanan
Company Secretary

Place: Cherupulassery
Date : 08-12-2020

VIKAS MONEY LIMITED
(formerly known as VIKAS HIRE PURCHASE COMPANY LIMITED)
13/1528, 1st Floor, Anjali Complex, Kavuvattom, Cherupulassery, Palakkad Dist. - 679503

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020

Particulars		Notes	As on 31st March 2020	As on 31st March 2019
I.	Revenue from operations	17	2,44,41,391	1,75,28,917
II.	Other income	18	83,82,031	58,62,703
III	Total Revenue (I + II)		3,28,23,422	2,33,91,620
IV.	Expenses:			
	Employee Benefits Expense	19	47,63,093	19,57,131
	Finance Costs	20	56,59,265	39,51,432
	Depreciation and Amortization Expense	10	16,36,396	14,34,689
	Other Expenses	21	1,79,60,069	1,17,10,248
	Total Expenses		3,00,18,823	1,90,53,499
V.	Profit before tax (III-IV)		28,04,599	43,38,120
	Tax expense:			
	(1) Current tax		18,77,538	21,42,081
	(2) Deferred tax		(8,93,700)	(10,05,200)
VI	Total Tax Expense:		9,83,838	11,36,881
VII	Profit/(Loss) from the period from continuing operations		18,20,761	32,01,239
VIII	Earnings per equity share:	22		
	Basic & Diluted		0.21	0.37
<i>Notes are an integral part of the financial statements</i>				

As per our report of even date attached.

For Balan & Co.,
Chartered Accountants
(FRN 000340S)



Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)

Place: Aluva
Date : 08-12-2020

For and on behalf of the Board

Ayanapara Pradeep Menon
Managing Director (DIN: 01156451)

A. Pradeep Menon

Rajitha Valayangat
Whole-time Director (DIN: 02792436)

Rajitha R

Gopalakrishnan Venkita Ramanan
Company Secretary

G Venkita



Place: Cherupulassery
Date : 08-12-2020

VIKAS MONEY LIMITED
(formerly known as VIKAS HIRE PURCHASE COMPANY LIMITED)
13/1528, 1st Floor, Anjali Complex, Kavuvattom, Cherupulassery, Palakkad Dist. - 679503

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2020

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

	2019-20	2018-19
	Rs	Rs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit Before Taxation	28,04,599	43,38,120
<i>Adjustments for:</i>		
Provision for depreciation	16,36,396	14,34,689
Interest on income tax & income tax paid	37,359	29,012
(Profit) / loss on sale of assets	-	(1,47,193)
Provision for standard assets	75,556	(1,42,618)
Provision for NPA	33,41,980	34,33,992
	50,91,291	46,07,882
Operating profit before working capital changes	78,95,889	89,46,002
(Increase)/Decrease in Loans & Advances - financing activity	(4,06,51,513)	(40,87,943)
(Increase)/Decrease in Loans & Advances - others	(13,02,280)	(1,97,423)
(Increase)/Decrease in Current Assets	16,09,165	(2,70,993)
Increase/(Decrease) in Sundry Creditors & Other liabilities	(18,00,237)	34,80,861
	(4,21,44,865)	(10,75,498)
Cash from operations	(3,42,48,976)	78,70,505
Income tax paid	(15,28,526)	(22,68,163)
Net cash flow from / (used in) operating activities (A)	(3,57,77,502)	56,02,342
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(40,05,139)	(25,32,375)
Proceeds from sale of fixed assets	-	7,99,000
Net cash flow from / (used in) investing activities (B)	(40,05,139)	(17,33,375)
C. Cash flow from Financing activities		
Proceeds from issuance of shares	-	-
Increase/(Decrease) in Long Term borrowings	3,09,22,257	26,96,976
Increase/(Decrease) in Short Term borrowings	(69,91,153)	95,18,768
Net cash flow from / (used in) financing activities (C)	2,39,31,104	1,22,15,744
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,58,51,537)	1,60,84,711
Cash & Cash Equivalents at the beginning of the year	1,92,60,255	31,75,544
Cash & Cash Equivalents at the end of the year	34,08,718	1,92,60,255

As per our report of even date attached.

For Balan & Co.,
Chartered Accountants
(FRN 000340S)

Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)

Place: Aluva
Date : 08-12-2020



For and on behalf of the Board

Ayanapara Pradeep Menon
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Rajitha B
Gopalakrishnan Venkita Ramanan
Company Secretary

Place: Cherupulassery
Date : 08-12-2020

Vikas Money Limited (formerly Vikas Hire Purchase Company Limited)

Notes to the Financial Statements for the year ended March 31, 2020

1. Company Overview

Vikas Money Limited ('the company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company is a Non-Systemically Important Non-Deposit accepting NBFC. The company is principally engaged in lending activity.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Further, the Company follows the Reserve Bank of India ("RBI") Directions issued for Non-Banking Financial Companies ("NBFC"). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Revenue recognition

Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses. Revenue is recognized to the extent it is realisable wherever there is uncertainty in the ultimate collection.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable, except that no income is recognised on non-performing assets as per the prudential norms for income recognition issued by the RBI for NBFCs. Interest income on such assets is recognised on receipt basis.

Upfront/processing fees collected from the customer for processing loans are primarily towards documentation charges. These are accounted as income when the amount becomes due provided recovery thereof is reasonably certain.

2.4 Property, Plant and Equipment

Property, Plant and Equipment are carried at the cost of acquisition or construction, less accumulated depreciation/accumulated impairment. The cost comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Vikas Money Limited (formerly Vikas Hire Purchase Company Limited)

Notes to the Financial Statements for the year ended March 31, 2020

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

2.5 Intangible assets

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization.

2.6 Depreciation and amortization

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. In respect of additions or extensions forming an integral part of existing assets, depreciation is provided as aforesaid over the residual life of the respective assets.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

2.7 Impairment

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.8 Employee benefits

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

Defined Contribution Plan

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund.

The Company's contribution to employee state insurance scheme is considered as defined contribution plans and is charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

The Company has no further obligation to the plan beyond its monthly contributions.

2.9 Foreign currency transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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Notes to the Financial Statements for the year ended March 31, 2020

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

Realized gains and losses on settlement of foreign currency transactions are recognised in the Statement of profit and loss.

Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of profit and loss.

2.10 Income taxes

Tax expense for the year comprises current tax and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

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 substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in situation where unabsorbed depreciation and carry forward business loss exists, are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situation of unabsorbed depreciation and carry forward business loss are recognized only if there is reasonable certainty that they will be realized. 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.

2.11 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.

2.12 Earnings per share

The Company reports basic and diluted earnings per share in accordance with AS 20, Earnings per Share, as specified under Section 133 of the Companies Act, 2013. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end.

2.13 Cash & equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

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Notes to the Financial Statements for the year ended March 31, 2020

2.14 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. 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 that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.15 Borrowing Cost

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

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

2.16 Impact Of Covid-19

The COVID-19 outbreak is on-going and the actual extent of its impact on the economy globally in general and in India, in particular remains uncertain. The outbreak has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities.

The Company has, based on current available information and based on the policy approved by the board, determined the prudential estimate of provision for impairment of financial asset as at March 31, 2020. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate

2.17 Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Provision policy for loan portfolios: Company provides for non-performing loans and advances as specified in Para 13 of Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

The Company follows the practice of advancing loans in the nature of vehicle loans at a Loan-To-Value Ratio (LTV) of 90%. The Company at present does not have a practice of recording the underlying value of security in respect of vehicle loans in the current software. The Company at the time of providing for non-performing vehicle loans has considered this LTV for arriving at the underlying value of security. The depreciated value of the asset is computed by taking this underlying value as reduced by depreciation at the rate of twenty per cent per annum on a straight line method.

Provision for standard assets is made at 0.25% as per Para 14 of Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and is shown in the balance sheet as 'Contingent Provisions for standard asset'.

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

Note No. 3 Share Capital

Note 3 A

Share Capital	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of 10 each (Previous year 90,00,000/- shares of Rs. 10/- each)	1,10,00,000	11,00,00,000	90,00,000	9,00,00,000
Preference Shares of 10 each (Previous year 10,00,000/- shares of Rs. 10/- each)	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	1,20,00,000	12,00,00,000	1,00,00,000	10,00,00,000
Issued, Subscribed & Paid up				
Equity Shares of 10 each fully paid (Previous year 87,49,750/- shares of Rs. 10/- each)	87,49,750	8,74,97,500	87,49,750	8,74,97,500
Preference Shares of 10 each fully paid (Previous year 5,00,000/- shares of Rs 10/- each)	5,00,000	50,00,000	5,00,000	50,00,000
Total	92,49,750	9,24,97,500	92,49,750	9,24,97,500

Note 3 B - Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	87,49,750	8,74,97,500	87,49,750	8,74,97,500
Shares Issued during the period	-	-	-	-
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	87,49,750	8,74,97,500	87,49,750	8,74,97,500

10% Cumulative Redeemable Non Convertible Preference Shares	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5,00,000	50,00,000	5,00,000	50,00,000
Shares Issued during the period	-	-	-	-
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	5,00,000	50,00,000	5,00,000	50,00,000

Note 3 C - Rights, preferences and restrictions attached to Equity Shares

The company has one type equity shares having par value of Rs.10/- each. Each holder of Equity shares is entitled to one vote per share. In the event of Liquidation of the company, the holder of equity share will be entitled to receive remaining assets of the company ,after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Note 3 D - Rights, preferences and restrictions attached to Preference Shares

The Company has issued Cumulative Redeemable Non Convertible Preference Shares ("CRNCPS") of face value Rs. 10/- each. The CRNCPS holders have a right to receive dividend, prior to equity shareholders. The dividend proposed by the Board of Directors on the CRNCPS is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the preference shareholders are eligible to receive the remaining assets of the Company before distribution to the equity shareholders, in proportion to their shareholding.

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

Note 3 E - Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
<u>Equity Shares</u>				
A Pradeep Menon	29,61,150	33.84%	29,61,150	33.84%
Rajitha V	12,05,050	13.77%	12,05,050	13.77%
Shanthakumari	23,42,550	26.77%	23,42,550	26.77%
<u>Preference Shares</u>				
A Pradeep Menon	1,93,000	38.60%	1,93,000	38.60%
Rajitha V	56,000	11.20%	56,000	11.20%
Shanthakumari	1,02,000	20.40%	1,02,000	20.40%
Divya Alias Raji	35,000	7.00%	35,000	7.00%
Krishnakumar	35,000	7.00%	35,000	7.00%
Sindhu	35,000	7.00%	35,000	7.00%
Saritha	35,000	7.00%	35,000	7.00%

Note No. 4: Reserves & Surpluses

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Statutory Reserve		
(+) Current Year Transfer @ 20%	20,79,709	14,39,461
Closing Balance	3,64,153	6,40,248
	24,43,862	20,79,709
(b) Surplus		
Opening balance	(1,07,95,462)	(1,33,56,453)
(+) Net Profit/(Net Loss) For the current year	18,20,761	32,01,239
(-) Transfer to Reserves	3,64,153	6,40,248
Closing Balance	(93,38,854)	(1,07,95,462)
Total	(68,94,992)	(87,15,753)

Note No. 5: Long Term Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Debentures		
Secured		
Privately placed Redeemable Non - Convertible debentures	5,21,73,000	1,99,43,000
(b) Term loans		
Secured		
From banks	1,06,80,252	1,20,78,594
(c) Subordinate Bonds		
Unsecured	15,50,000	14,00,000
(d) Loans and advances from related parties		
Unsecured		
Loan from Directors	-	2,19,000
Total	6,44,03,252	3,36,40,594

Nature of security :

Debentures

- First ranking paripassu charge with existing secured creditors on all movable assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company.

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

Term loans from bank

- *Term loan form South Indian Bank is secured on an equitable mortgage created against the immovable properties held in the name of the directors.*

- *Vehicle loans are secured by hypothecation of respective vehicles.*

Series wise classification of secured non-convertible debentures

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of units	Amount	No of units	Amount
VML004				
Non - current portion	20,161	2,01,61,000	-	-
Current portion	-	-	-	-
VML003				
Non - current portion	7,150	71,50,000	-	-
Current portion	-	-	-	-
VML002				
Non - current portion	8,159	81,59,000	-	-
Current portion	-	-	-	-
VML001				
Non - current portion	5,175	51,75,000	-	-
Current portion	-	-	-	-
Debenture Series A 1				
Non - current portion	11,528	1,15,28,000	19,943	1,99,43,000
Current portion	-	-	-	-
Total	52,173	5,21,73,000	19,943	1,99,43,000

Interest rate wise classification of secured non-convertible debentures

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of units	Amount	No of units	Amount
Non-convertible debentures - 14%				
Non - current portion	19,365	1,93,65,000	-	-
Current portion	-	-	-	-
Non-convertible debentures - 13.5%				
Non - current portion	20,151	2,01,51,000	4,046	40,46,000
Current portion	-	-	-	-
Non-convertible debentures - 12.5%				
Non - current portion	212	2,12,000	212	2,12,000
Current portion	-	-	-	-
Non-convertible debentures - 12%				
Non - current portion	12,445	1,24,45,000	15,685	1,56,85,000
Current portion	-	-	-	-
Total	52,173	5,21,73,000	19,943	1,99,43,000

Maturity wise classification of secured non-convertible debentures

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of units	Amount	No of units	Amount
Non Convertible Debentures - 60 months maturity				
Non - current portion	52,173	5,21,73,000	19,943	1,99,43,000
Current portion	-	-	-	-
Total	52,173	5,21,73,000	19,943	1,99,43,000

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

Series wise classification of unsecured subordinate bonds

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of units	Amount	No of units	Amount
Subordinate Bond 2019-20 Series				
Non - current portion	150	1,50,000	-	-
Current portion	-	-	-	-
Subordinate Bond 2018-19 Series				
Non - current portion	1,400	14,00,000	1,400	14,00,000
Current portion	-	-	-	-
Total	1,550	15,50,000	1,400	14,00,000

Interest rate wise classification of unsecured subordinate bonds

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of units	Amount	No of units	Amount
Subordinate Bond - 18.18%				
Non - current portion	150	1,50,000	-	-
Current portion	-	-	-	-
Subordinate Bond - 12.28%				
Non - current portion	1,400	14,00,000	1,400	14,00,000
Current portion	-	-	-	-
Total	1,550	15,50,000	1,400	14,00,000

Maturity wise classification of unsecured subordinate bonds

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of units	Amount	No of units	Amount
Subordinate Bond - 72 months				
Non - current portion	1,400	14,00,000	1,400	14,00,000
Current portion	-	-	-	-
Subordinate Bond - 66 months				
Non - current portion	150	1,50,000	-	-
Current portion	-	-	-	-
Total	1,550	15,50,000	1,400	14,00,000

Note No. 6: Long Term Provisions

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Provision Others		
Contingent Provision for Standard Assets	2,67,145	1,91,589
Provision for Non Performing Assets*	82,56,720	49,14,740
Total	85,23,865	51,06,329

* Provision for Non Performing Assets includes an amount of Rs. 74,06,336/- provided in respect of Vehicle Loans. LTV of 90% is considered for arriving the underlying value of security in respect of vehicle loans. The depreciated value of the asset is computed by taking this underlying value as reduced by depreciation at the rate of twenty per cent per annum on a straight line method. Provision for the secured portion is made as prescribed in the Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and the unsecured portion of vehicle loans is provided for in full.

Note No. 7: Short Term Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Loans repayable on demand		
Secured		
From banks	25,27,615	95,18,768
Total	25,27,615	95,18,768

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

Nature of security :

(a) Loans repayable on demand from banks

Particulars	Primary	Collateral	Guarantors
South Indian Bank Limit - 99.00 Lakhs	1. EM of 18 cents under Sy. No: 325/5, of Shornur Municipality, Village Shornur II, Taluk Ottapalam, District Palakkad in the name of Mrs. Rajitha V Alias Dhanya. 2. EM of 14 cents under Sy. No: 325/5, of Shornur Municipality, Village Shornur II, Taluk Ottapalam, District Palakkad in the name of Mr. Pradeep Menon. 3. EM of 7.75 cents under Sy. No: 325/5, of Shornur Municipality, Village Shornur II, Taluk Ottapalam, District Palakkad in the name of Mr. Pradeep Menon. 4. EM of 19.78 cents under Sy. No: 325/5, of Shornur Municipality, Village Shornur II, Taluk Ottapalam, District Palakkad in the name of Mr. Pradeep Menon & Mrs. Rajitha V Alias Mrs. Dhanya. 5. EM of 14.50 cents under Sy. No: 325/5, of Shornur Municipality, Village Shornur II, Taluk Ottapalam, District Palakkad in the name of Mr. Pradeep Menon.	Nil	1. Pradeep Menon 2. Dhanya Alias Rajitha V 3. Santhakumari P.

Note No. 8: Other Current Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Current maturities of long-term debt		
(i) Debentures		
Secured		
Privately placed Redeemable Non - Convertible debentures	-	-
(ii) Term Loans		
Secured		
From banks	13,92,191	12,32,592
(b) Other payables :		
Statutory remittances (Refer note(i) below)	3,28,519	1,37,320
Expense payable	27,89,542	18,52,718
EMI Advance Received	8,54,813	48,54,808
Other advances received	10,75,000	3,266
Total	64,40,066	80,80,704

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

Nature of security :

Debentures

- First ranking paripassu charge with existing secured creditors on all movable assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company.

Term loans from bank

- Term loan form South Indian Bank is secured by an equitable mortgage created against the immovable properties held in the name of the directors.

- Vehicle loans are secured by hypothecation of respective vehicles.

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

Note No. 9: Short Term Provisions

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Provision Others :		
Provision for tax (net of T.D.S of Rs. 99/- and advance Tax Rs. 13,50,000/-. Previous Year TDS of Rs.1,013/- and advance tax Rs. 20,00,000/-)	5,27,439	1,41,068
Total	5,27,439	1,41,068

Note No. 11: Deferred tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Tax effect of items constituting deferred tax assets :		
On difference between book balance and tax balance of fixed assets	3,33,300	2,23,500
Others	21,52,500	13,68,600
Total	24,85,800	15,92,100

Note No. 12: Long Term Loans and Advances - Financing Activity

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Loans and advances - Secured, considered good		
Non - Current		
Vehicle Loan	54,19,654	2,70,28,385
Current		
Vehicle Loan	6,31,79,292	7,70,14,246
Gold Loan	69,21,600	-
(b) Loans and advances - Unsecured, considered good		
Non - Current		
Personal Loan	44,48,461	-
Business Loan	2,778	1,89,582
Current		
Personal Loan	6,65,15,149	4,45,898
Business Loan	56,52,251	68,09,561
Total	15,21,39,185	11,14,87,672

Note No. 13: Long Term Loans and Advances - Others

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Deposits (Unsecured Considered good)		
Telephone Deposit	500	500
Security Deposit	6,36,019	1,79,019
Total	6,36,519	1,79,519

Note No. 14: Cash and Cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Cash in hand	3,79,311	4,49,555
(b) Balance with banks		
In current accounts	30,29,407	1,88,10,700
Total	34,08,718	1,92,60,255

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

Note No. 15: Short - term loans and advances

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Loans and advances to related parties	-	-
(b) Balances with government authorities		
Unsecured, considered good		
GST Input Tax Credit	-	4,320
(c) Loans and advances to employees		
Unsecured, considered good	1,30,933	1,64,333
(d) Other loans and advances		
Unsecured, considered good	9,11,770	28,770
Total	10,42,703	1,97,423

Note No. 16: Other Current Assets

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Others		
Interest Receivable on Vehicle Loan	12,36,569	15,55,210
Interest Receivable on Business Loan	18,675	1,29,047
Interest Receivable on Personal Loan	400	-
Other Receivables	37,786	12,18,338
Total	12,93,430	29,02,595

Note No. 17: Revenue from Operations

Particulars	As at 31 March 2020	As at 31 March 2019
Interest received on loans	2,44,41,391	1,75,28,917
Total	2,44,41,391	1,75,28,917

Note No. 18: Other Income

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Interest Income	-	-
(b) Other non - operating income		
Documentation charge	28,94,792	8,41,103
Overdue interest	4,65,238	6,02,054
Due Charges	33,71,694	30,14,200
Penal Interest Received	12,84,861	7,86,760
Notice charges	88,200	2,46,150
Profit on sale of fixed assets	-	1,47,193
Daily Collection Charges	55,564	5,512
Commission received	3,005	25,124
Forex Profit	28,000	55,160
Cancellation fee	5,446	22,326
Miscellaneous income	1,85,230	1,17,122
Total	83,82,031	58,62,703

Note No. 19: Employee benefits Expense

Particulars	As at 31 March 2020	As at 31 March 2019
Salaries & Wages	43,04,654	18,71,300
Contributions to provident and other funds	4,58,439	85,831
Total	47,63,093	19,57,131

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

Note No. 20: Finance Cost

Particulars	As at 31 March 2020	As at 31 March 2019
Interest Expense:		
Interest on Borrowings	56,21,906	39,20,020
Interest on IncomeTax	37,359	31,412
Total	56,59,265	39,51,432

Note No. 21: Other Expenses

Particulars	As at 31 March 2020	As at 31 March 2019
Advertisement	5,48,041	1,23,490
AMC Charges	38,700	8,720
Arbitration Charges	18,419	-
Audit Fee	1,20,000	1,07,200
Bad debts w/off	21,629	1,54,157
Bank Charges & Commision	22,202	1,47,691
Business promotion expense	4,32,219	2,46,610
Business Incentives	5,55,732	-
Commission paid	15,89,364	8,04,883
Court Fees	17,276	-
Directors Salary	30,00,000	30,00,000
Directors Sitting Fees	82,600	52,320
Donation	82,180	546
Electricity Charges	1,91,330	2,45,591
GST paid	-	6,729
ROC Filing Fee	1,90,788	43,800
Petrol & Diesel Charges	4,38,220	2,76,801
Recovery Charges	6,33,832	73,140
Insurance	85,288	57,971
Income Tax paid	5,553	-
GST Input W/O	46,725	-
Subscription Charges	1,500	14,900
Legal & Professional Charges	8,08,379	8,51,070
Membership Fees	44,050	21,800
Miscellaneous Expenses	4,600	-
Office Expense	13,21,649	3,12,241
Postage & Telephone	2,24,169	2,97,196
Printing & Stationery	3,54,659	4,29,251
Rates and taxes	86,761	21,972
Rent	8,35,000	4,88,000
Repairs & Maintenance	3,45,622	1,03,615
Staff Meeting & Welfare Expenses	1,96,386	1,60,625
Security charges	1,68,600	68,000
Suit Filing Charges	12,087	-
Sundry balances W/O	14,62,808	-
Travelling Expense	3,37,134	1,41,377
Vehicle expenses	2,19,033	1,59,179
Provision for Standard Assets	75,556	(1,42,618)
Provision for NPA	33,41,980	34,33,992
Total	1,79,60,069	1,17,10,248

Particulars	As at 31 March 2020	As at 31 March 2019
Payment to the auditors comprises		
As auditors - statutory audit	90,000	75,000
For taxation matters	30,000	25,000
Total	1,20,000	1,00,000

VIKAS MONEY LIMITED (formerly known as VIKAS HIRE PURCHASE COMPANY LIMITED)
13/1528, 1st Floor, Anjali Complex, Kavuvattom, Cherupulassery, Palakkad Dist. - 679503

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

Note No. 22 : Earnings per Share (EPS)

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

Particulars	As at 31 March 2020	As at 31 March 2019
Net Profit/(loss) for calculation of EPS	18,20,761	32,01,239
Weighted Average number of equity shares in calculating basic EPS (Nos)	87,49,750	87,49,750
Earnings per Share	0.21	0.37

Note No. 23 : Related party transactions

Details of related parties

Description of Relationship	Names of Related Parties
Key Management Personnel	Ayanapara Pradeep Menon - Managing Director Rajitha Valayangat - Whole time Director Pilavazhi Santhakumari - Whole time Director Gopalakrishnan Venkita Ramanan - Company Secretary
Relatives of Key Management Personnel	Surya Menon
Entities in which KMP / Relatives of KMP can exercise significant influence	Aeppyem Chits and Kuries Pvt. Ltd. Mandhirvikas Nidhi Limited Prachodhan Sarees LLP

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

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Remuneration	24,00,000	-	-	24,00,000
<i>PY</i>	<i>24,00,000</i>	-	-	<i>24,00,000</i>
Sitting Fees	55,000	5,000	-	60,000
<i>PY</i>	<i>34,500</i>	-	-	<i>34,500</i>
Loan from Directors	-	-	-	-
<i>PY</i>	<i>7,00,000</i>	-	-	<i>7,00,000</i>
Repayment of loan	2,19,000	-	-	2,19,000
<i>PY</i>	<i>9,11,000</i>	-	-	<i>9,11,000</i>
Rent Paid	35,000	-	-	35,000
<i>PY</i>	-	-	-	-
Commission Paid	79,238	-	-	79,238
<i>PY</i>	<i>1,12,251</i>	-	-	<i>1,12,251</i>
Debentures Subscribed	1,65,000	-	-	1,65,000
<i>PY</i>	<i>2,70,000</i>	-	-	<i>2,70,000</i>
Debentures Closed	2,70,000	-	-	2,70,000
<i>PY</i>	-	-	-	-
<u>Balances outstanding at the end of the year</u>				
Borrowings	-	-	-	-
<i>PY</i>	<i>2,19,000</i>	-	-	<i>2,19,000</i>

Note: Figures in italics relates to the previous year

13/1528, 1st Floor, Anjali Complex, Kavuvattom, Cherupulassery, Palakkad Dist. - 679503

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

Particulars				
		<u>Liabilities side :</u>	Amount out-standing	Amount overdue
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: (a) Debentures : Secured : Unsecured (other than falling within the meaning of public deposits) (b) Deferred Credits (c) Term Loans (d) Inter-corporate loans and borrowing (e) Commercial Paper (f) Public Deposits (g) Other Loans – Subordinate Bonds Deposits from Directors & Relatives		543.55	
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): (a) In the form of Unsecured debentures (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security (c) Other public deposits			
		<u>Assets side :</u>	Amount outstanding	
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] : (a) Secured (b) Unsecured		767.57 766.38	
4	Break up of Leased Assets and stock on hire and hypothecation loans counting towards asset financing activities (i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets (iii) Other loans counting towards assetfinancing activities (a) Loans where assets have been repossessed (b) Loans other than (a) above			
5	Break-up of Investments <u>Current Investments</u> 1 Quoted (i) Shares (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) 2 Unquoted (i) Shares (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)			

	Long Term investments		
	1 Quoted (i) Shares (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) 2 Unquoted (i) Shares (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)		
6	Borrower group-wise classification of assets financed as in (3) and (4) above		
		Amount net of provisions	
Category		Secured	Unsecured
1 Related Parties (a) Subsidiaries (b) Companies in the same group (c) Other related parties			
2 Other than related parties		767.57	766.38
Total			1,533.95
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties (a) Subsidiaries (b) Companies in the same group (c) Other related parties			
2 Other than related parties			
Total			
8	Other information		
Particulars			Amount
(i) Gross Non-Performing Assets (a) Related parties (b) Other than related parties			452.81
(ii) Net Non-Performing Assets (a) Related parties (b) Other than related parties			370.24
(iii) Assets acquired in satisfaction of debt			

As per our report of even date attached.

For Balan & Co.,
Chartered Accountants
(FRN 000340S)

Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)

Place: Aluva
Date : 08-12-2020



For and on behalf of the Board

Ayanapara Pradeep Menon
Managing Director (DIN: 01156451)

A. Pradeep Menon

Rajitha Valayangat
Whole-time Director (DIN: 02792436)

Rajitha R

Gopalakrishnan Venkita Ramanan
Company Secretary

Guanie

Place: Cherupulassery
Date : 08-12-2020

VIKAS MONEY LIMITED (formerly known as VIKAS HIRE PURCHASE COMPANY LIMITED)

13/1528, 1st Floor, Anjali Complex, Kavuvattom, Cherupulassery, Palakkad Dist. - 679503

Notes on Financial Statements for the period ended 31st March, 2020**Note No. 10: Property, Plant and Equipment**

Sl. No.	TYPE OF ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost upto 01-04-2019	Additions	Deductions	Cost upto 31-03-2020	UP TO 01-04-2019	For the Period	Deductions	UP TO 31-03-2020	AS ON 31-03-2020	AS ON 01-04-2019
	<i>Tangible Assets</i>										
1	Land	3,04,928	-	-	3,04,928	-	-	-	-	3,04,928	3,04,928
2	Computer	5,88,473	18,400	-	6,06,873	4,80,611	58,473	-	5,39,083	67,790	1,07,862
3	Electrical Fittings	4,08,754	3,13,390	-	7,22,144	2,02,147	82,603	-	2,84,750	4,37,394	2,06,607
4	Furniture & Fittings	12,95,847	11,94,430	-	24,90,277	4,76,167	3,41,499	-	8,17,666	16,72,611	8,19,680
5	Motor Vehicles	33,00,514	-	-	33,00,514	12,08,105	6,52,685	-	18,60,790	14,39,724	20,92,409
6	Office Equipments	6,54,343	6,91,020	-	13,45,363	4,24,976	2,25,263	-	6,50,239	6,95,124	2,29,367
7	Building	4,57,392	-	-	4,57,392	90,352	17,876	-	1,08,228	3,49,164	3,67,040
		70,10,251	22,17,240	-	92,27,491	28,82,358	13,78,399	-	42,60,757	49,66,735	41,27,893
	<i>Intangible Assets</i>										
1	Website	92,391	30,000	-	1,22,391	32,078	22,578	-	54,656	67,735	60,313
2	Software	6,10,811	5,86,279	-	11,97,090	2,51,662	2,35,418	-	4,87,080	7,10,010	3,59,149
3	Trademark	10,500	-	-	10,500	10,500	-	-	10,500	-	-
		7,13,702	6,16,279	-	13,29,981	2,94,240	2,57,996	-	5,52,237	7,77,744	4,19,462
	TOTAL	77,23,953	28,33,519	-	1,05,57,472	31,76,598	16,36,396	-	48,12,994	57,44,479	45,47,355