

CERTIFICATE

This is to certify that the Net Owned Fund of M/s **Vikas Money Limited** having registered office at 13/1528, First Floor, Anjali Complex, Kavuvattam, Cherpulassery, Palakkad, Kerala – 679503 as on March 31, 2024 from the audited financial statements is as below:

	Particulars	(₹ In crore)
1.	Paid up Equity Capital	9.95
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	-
	g. Other free reserves (may be specified)	-
4.	Special Reserves	0.54
	Total of 1 to 4	10.49
5.	Less:	
	i. Accumulated balance of loss	1.75
	ii. Deferred Revenue Expenditure	-
	iii. Deferred Tax Assets (Net)	1.16
	iv. Other intangible Assets	0.14
	Owned Fund	7.44
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 is counted (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.	Net Owned Fund	7.44



For BALAN & CO.
Chartered Accountants

Vishnu Prasad B. Menon, FCA
(M No - 207626)

CHARTERED ACCOUNTANTS
UDIN: 24207626BKAHUD8783

Place: Aluva
Date: 01/09/2024

Independent Auditors' Report

To the Members of Vikas Money Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s **Vikas Money Limited**, ("the Company") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and 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("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2024, and its Profit and its Cash Flow 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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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, 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 except for the matters stated in the paragraph 2 (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2 (i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
- i) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 3.27 to the financial statements.
 - 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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; (Refer Note No. 3.55)
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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; (Refer Note No. 3.56)
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and based on our examination which included test checks, the Company have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software, except in the case of Property Plant and Equipment register maintained in a spreadsheet utility, for which no audit trail facility has been implemented. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.



For Balan & Co.,
Chartered Accountants
(ICAI Firm Registration Number 000340S)

Vishnu Prasad B. Menon FCA
Partner (M. No. 207626)
UDIN: 24207626BKAHUD8783

Place: Aluva
Date: 01/09/2024

"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, 2024.

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (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 all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not involve inventories, and accordingly, the requirement under clause 3(ii)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The Company has not submitted quarterly returns or statements to the respective banks or financial institutions, as no such request was made by them. Hence, we are unable to comment on clause 3(ii)(b).
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the principal business of the Company is to give loans. Therefore, in our opinion, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, on the basis of our examination of the records of the Company and audit procedure performed by 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 are not prejudicial to the company's interest.
- (c) According to the information and explanations given to us and audit procedures performed by 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. The principal business of the Company is to give loans, so the irregular repayments or receipts of loans and advances overdue by more than 90 days are as below:

No. of Borrowers	Overdue amount more than 90 days (in Lakhs)
3,719	787.48

- (d) According to the information and explanations given by the management and audit procedure performed by us, the total amount overdue for more than 90 days is ₹ 787.48 lakhs and reasonable steps are being taken by the Company, for the recovery of principal and interest.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the principal business of the Company is to give loans. Therefore, in our opinion, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, 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, as applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the business carried out by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (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 Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been generally regularly deposited by the Company with the appropriate authorities.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of statutory dues referred above were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, or Cess or other statutory dues which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

- (c) According to the information and explanations given to us by the management and the audit procedure performed by us, the Company has not obtained any term loans other than the Vehicle Financing Facilities availed during the year. These funds have been specifically utilized for the intended purposes of the loans.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and audit procedure performed by us, the Company does not have any subsidiary, joint venture or associate company. Therefore, the provisions of clause 3(ix)(f) of the Order are not applicable to the Company.
- (x)
 - (a) According to the information and explanations given to us and audit procedure performed by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Further, monies raised by the Company by way of private placement of non-convertible debentures were applied for the purpose for which those were raised.
 - (b) According to the information and explanations given to us and the audit procedure performed by us, the Company has made private placement of shares during the year. The requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xi)
 - (a) In our opinion and based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, in our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us by the management, the Company is not required to have an internal audit system commensurate with the size and nature of its business. Accordingly, clause 3(xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

- (xvi) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.
- (b) The company has not conducted Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company and hence not commented upon.
- (d) According to the information and explanations given by the management to us, the Group does not have any Core Investment Company as part of the Group.
- (xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note no 3.26, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given by the Management and audit procedures performed by us, the CSR requirement norms as mentioned in section 135(1) of the Companies Act 2013 does not apply to the company during the year. Hence the requirement to report under clause 3(xx) of the Order is not applicable to the Company and therefore not commented upon.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.



For Balan & Co.,
Chartered Accountants
(ICAI Firm Registration Number 000340S)

Place: Aluva
Date: 01/09/2024

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

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Vikas Money 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, 2024 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2024, 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
(ICAI Firm Registration Number 0003405)

Place: Aluva
Date: 01/09/2024

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

Balance Sheet As At 31st March, 2024

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3.01	99,497.50	92,497.50
(b) Reserves and surplus	3.02	(12,071.73)	(27,016.09)
(c) Money received against share warrants		-	-
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	3.03	3,05,419.93	2,46,250.60
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	3.04	6,439.16	7,184.03
(d) Long-term provisions	3.05	39,732.15	30,164.60
4 Current liabilities			
(a) Short-term borrowings	3.06	44,461.36	64,213.33
(b) Trade payables		-	-
(c) Other current liabilities	3.07	14,703.93	18,000.05
(d) Short-term provisions	3.08	7,279.60	-
Total		5,05,461.90	4,31,294.02
II ASSETS			
1 Non Current Assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	3.09	20,823.63	16,979.86
(ii) Intangible assets	3.09	1,398.28	1,749.10
(iii) Capital work-inprogress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)	3.10	11,582.12	8,742.07
(d) Long-term loans and advances - financing activity	3.11	25,446.00	96,413.55
(e) Long-term loans and advances - Others		-	-
(f) Other non-current assets	3.12	3,391.25	2,505.25
2 Current assets			
(a) Current investments		-	-
(b) Cash and cash equivalents	3.13	3,337.93	3,991.68
(c) Short-term loans and advances - financing activity	3.11	4,28,620.91	2,94,236.03
(d) Short-term loans and advances - Others	3.14	2,485.47	1,156.95
(e) Other current assets	3.15	8,376.31	5,519.53
Total		5,05,461.90	4,31,294.02

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 000340S

Vishnu Prasad B Menon

Partner

Membership no: 207626



For and on behalf of the Board

Vikas Money Limited

A Pradeep Menon

Managing Director

[DiN: 01156451]

A. Pradeep Menon

Rajitha R

Rajitha Valayangat

Whole-time Director

[DiN: 02792436]

Sandeep Mohan K

Sandeep Mohan K

Company Secretary



Place: Aluva

Date: 01/09/2024

Place: Cherupulassery

Date: 01/09/2024

Vikas Money Limited

(All amounts in ₹ ,000, unless otherwise stated)

Statement Of Profit And Loss For The Year Ended 31st March 2024

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	3.16	1,36,756.23	83,839.84
II Other income	3.17	7,682.97	8,178.69
III Total Income(I + II)		1,44,439.20	92,018.53
IV Expenses			
Employee benefits expense	3.18	38,437.99	30,211.44
Finance Cost	3.19	42,660.79	30,277.55
Depreciation and amortization expense	3.20	6,594.88	6,055.56
Other expenses	3.21	37,361.64	43,407.12
Total expenses		1,25,055.29	1,09,951.67
V Profit before exceptional and extraordinary items and tax (III-IV)		19,383.91	(17,933.14)
VI Exceptional items		-	-
VII Profit before extraordinary items and tax (V - VI)		19,383.91	(17,933.14)
VIII Extraordinary Items		-	-
IX Profit before tax (VII- VIII)		19,383.91	(17,933.14)
X Tax expense:	3.21.3		
- Current tax		7,279.60	-
- Deferred tax		(2,840.05)	(3,792.01)
Total		4,439.55	(3,792.01)
XI Profit (Loss) for the period from continuing operations (VII-VIII)		14,944.36	(14,141.13)
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit/ (Loss) (XI + XIV)		14,944.36	(14,141.13)
XVI Earnings Per Equity Share (Basic and Diluted) [Nominal value of shares Rs. 10-each]	3.22	1.64	(1.62)

Summary of significant accounting policies 2

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached.**For Balan and Co**

Chartered Accountants

ICAI Firm registration number: 00340S

Vishnu Prasad B Menon

Partner

Membership no: 207626



For and on behalf of the Board

Vikas Money Limited**A Pradeep Menon**

Managing Director

[DIN: 01156451]

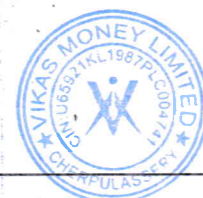
Rajitha Valayangat

Whole-time Director

[DIN: 02792436]

Sandeep Mohan K

Company Secretary



Place: Aluva

Date: 01/09/2024

Place: Cherupulassery

Date: 01/09/2024

Vikas Money Limited

(All amounts in ₹ ,'000, unless otherwise stated)

Cash Flow Statement for the year ended March 31, 2024**In terms of AS - 3 on Cash Flow Statement under Indirect Method**

Particulars	Year ended March 31,	
	2024	2023
Cash Flow From Operating Activities :		
(Loss)/ Profit before tax	19,383.91	(17,933.14)
Adjustments to reconcile (loss)/profit before tax to net cash flows:		
Depreciation	6,594.88	6,055.56
Interest on income tax & income tax paid	1.39	99.06
Finance Cost	42,660.79	30,277.55
(Profit) / Loss on Sale of Asset	-	(127.31)
Provision for standard assets	164.99	286.75
Provision for NPA	9,402.55	12,938.28
Operating Profit before Working Capital Changes	78,208.51	31,596.75
Adjustments for (increase)/decrease in operating assets:		
Loans & Advances - financing activity	(63,417.33)	(1,11,126.38)
Loans & Advances - others	(3.97)	741.04
Other non-current assets	(886.00)	(990.50)
Current assets	(2,856.77)	(1,403.46)
Adjustments for increase/(decrease) in operating liabilities:		
Sundry Creditors & Other liabilities	(4,040.98)	14,695.27
Short Term borrowings	6,195.12	7,948.51
Provisions	-	-
Cash Generated from Operations	13,198.57	(58,538.77)
Income Tax Paid	(1,325.94)	(1,527.75)
Net Cash From Operating Activities	11,872.63	(60,066.51)
Cash Flow From Investingactivities :		
Acquisition of Property, Plant & Equipments	(10,087.83)	(13,203.38)
Proceeds from disposal of Property, Plant & Equipments	-	148.31
Net Cash From Investing Activities	(10,087.83)	(13,055.07)
Cash Flow From Financing Activities:		
Increase in share capital	7,000.00	-
Net proceedings from Long term borrowings	33,222.24	1,02,385.79
Increase/(Decrease) in Other long term liabilities	-	-
Interest Paid	(42,660.79)	(30,277.55)
Net Cash From Financing Activities	(2,438.55)	72,108.24
Net (decrease)/increase in cash and cash equivalents	(653.75)	(1,013.35)
Cash and cash equivalents at the beginning of the year	3,991.68	5,005.02
Cash and cash equivalents at year end [Ref Note No : 3.13]	3,337.92	3,991.68

The accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 003408

Vishnu Prasad B Menon

Partner

Membership no: 207626

Place: Aluva

Date: 01/09/2024

For and on behalf of the Board

Vikas Money Limited*A. Pradeep Menon***A Pradeep Menon**

Managing Director

[DIN: 01156451]

Rajitha Valayangat

Whole-time Director

[DIN: 02792436]

Place: Cherupulassery

Date: 01/09/2024

Sandeep Mohan K

Company Secretary



1. Company Overview

Vikas Money Limited ('the company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is holding a certificate of registration as Non Deposit taking NBFCs-Base Layer (NBFCs-BL), with Reserve Bank of India ('RBI') under section 45-IA of Reserve Bank of India Act, 1934 vide certificate of registration No. B.16.00137.

The Company is primarily engaged in lending activities to the retail customers under various product lines.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

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

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

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

2.2 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 realizable 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 recognized on non-performing assets as per the prudential norms for income recognition issued by the RBI for NBFCs. Interest income on such assets is recognized 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 Provisioning Norms for Standard & Sub-Standard Assets

Non-performing assets are recognized and provided for, as per management estimates, subject to the minimum provision required as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued vide master direction No DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 as amended from time to time

Similarly, provision on standard assets is also made as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

2.5 Bad Debts

As per management estimates, the loan accounts which are considered as irrecoverable on account of collection is written off in the year of determination of irrecoverability. Interest income not realized on such loans is reversed and the principal outstanding as reduced by the total receipts is written off as Bad Debts.

2.6 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 capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

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

2.7 Intangible assets

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

2.8 Depreciation and amortization

Depreciation on Property, Plant & Equipments 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.

2.9 Investments

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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

2.10 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.

2.11 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.

2.12 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.

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 recognized 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 recognized in the Statement of profit and loss.

2.13 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 recognized 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 recognized 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 realizability.

2.14 Segment Reporting

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

2.15 Lease

Where the company is lessee

All the leasing arrangements of the Company are operating lease in respect of its office premises where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset. Such operating lease rental payments are recognized as an expense on accrual basis in the Statement of Profit and Loss.

Where the company is the lessor

Assets subject to operating lease are included in the fixed assets. Lease income on operating lease is recognized in the Statement of Profit and Loss. Costs, including depreciation, are recognized as expenses in the Statement of Profit and Loss.

2.16 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.

2.17 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.

2.18 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.

2.19 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.

2.20 Classification of Debentures

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

2.21 Provisions, Contingent liabilities and Contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statement since this result in the recognition of the income that may never realize.

A provision is recognized 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 recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

Provision policy for loan portfolios: Company provides for non-performing loans and advances as specified in Para 15 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

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 the value provided by approved valuer as the underlying value of security. Provision for standard assets is made at 0.25% as per Para 16 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

3 Notes to the financial statements for the year ended March 31, 2024
3.01 Share capital

Particulars	March 31, 2024		March 31, 2023	
	No.	Value	No.	Value
Authorized:				
Equity shares of ₹10 each	1,10,00,000	1,10,000.00	1,10,00,000	1,10,000.00
Preference Shares of ₹10 each	10,00,000	10,000.00	10,00,000	10,000.00
Total	1,20,00,000	1,20,000.00	1,20,00,000	1,20,000.00
Issued, Subscribed & Fully Paid Up:				
Equity Shares of ₹10 each fully paid	99,49,750	99,497.50	87,49,750	87,497.50
Preference Shares of ₹10 each fully paid	-	-	5,00,000	5,000.00
Total	99,49,750	99,497.50	92,49,750	92,497.50

3.01.1 Terms / rights attached to equity shares

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

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

3.01.2 Rights, preferences and restrictions attached to Preference Shares

The Cumulative Redeemable Non Convertible Preference Shares ("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.

3.01.3 Reconciliation of shares at the beginning and at the end of the financial year

Equity Shares	March 31, 2024		March 31, 2023	
	No	Value	No	Value
At the beginning of the year	87,49,750	87,497.50	87,49,750	87,497.50
Increase /(decrease) during the year	12,00,000	12,000.00	-	-
Outstanding at the end of the year	99,49,750	99,497.50	87,49,750	87,497.50
10% Cumulative Redeemable Non Convertible Preference Shares	March 31, 2024		March 31, 2023	
	No	Value	No	Value
At the beginning of the year	5,00,000	5,000.00	5,00,000	5,000.00
Increase /(decrease) during the year	(5,00,000)	(5,000.00)	-	-
Outstanding at the end of the year	-	-	5,00,000	5,000.00

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

Name of shareholders	March 31, 2024		March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of ₹10 each fully paid				
A Pradeep Menon	36,21,150	36.39%	29,61,150	33.84%
Rajitha V	13,56,250	13.63%	13,00,250	14.86%
Shanthakumari	25,34,350	25.47%	24,32,350	27.80%
Preference Shares of ₹10 each fully paid				
A Pradeep Menon	-	-	1,93,000	38.60%
Rajitha V	-	-	56,000	11.20%
Shanthakumari	-	-	1,02,000	20.40%
Divya Alias Raji	-	-	35,000	7.00%
Krishnakumar	-	-	35,000	7.00%
Sindhu	-	-	35,000	7.00%
Saritha	-	-	35,000	7.00%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

3.01.5 Particulars of Share held by Promoters of the Company - Nil

3 Notes to the financial statements for the year ended March 31, 2024
3.02 Reserves and surplus

Particulars	As at March 31,	
	2024	2023
Statutory Reserve		
Opening Balance	2,443.86	2,443.86
(+) Additions during the year	2,988.87	-
Closing Balance	5,432.73	2,443.86
Surplus /(Deficit) in Statement of Profit and Loss		
Opening Balance	(29,459.95)	(15,318.82)
Net Profit/(Loss) after tax as per Statement of Profit and Loss	14,944.36	(14,141.13)
Less: Transfer to Reserves	2,988.87	-
Closing Balance	(17,504.46)	(29,459.95)
Total	(12,071.73)	(27,016.09)

Statutory Reserve

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

Retained earnings or Surplus

This reserve represents the cumulative profits of the Company.

3.03 Long-term borrowings

Particulars	Non-Current		Current	
	31 St March 2024	31 St March 2023	31 St March 2024	31 St March 2023
Secured				
(a) Non Convertible Debentures	1,09,711.00	95,070.00	16,015.00	40,804.00
(b) Term Loans				
From Banks	5,845.68	7,325.35	1,960.74	1,718.82
Unsecured				
(a) Subordinated Debts	1,89,863.25	1,43,855.25	-	1,400.00
Total	3,05,419.93	2,46,250.60	17,975.74	43,922.82

3.3.1 Nature of Security
(a) 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.

(b) Term Loans from Banks

- Term loan from 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.

Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

The company has not been declared as a willful defaulter by any bank or financial institution or other lender.

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

3 Notes to the financial statements for the year ended March 31, 2024
3.3.2 Series wise classification of secured non-convertible debentures

Particulars	31 St March 2024		31 St March 2023	
	No. of units	Amount	No. of units	Amount
VML024	12,134	12,134.00	-	-
VML023	10,905	10,905.00	-	-
VML022	4,550	4,550.00	-	-
VML021	4,600	4,600.00	-	-
VML020	4,512	4,512.00	-	-
VML019	6,430	6,430.00	-	-
VML018	2,525	2,525.00	-	-
VML017	4,500	4,500.00	4,500.00	4,500.00
VML016	2,050	2,050.00	3,150.00	3,150.00
VML015	4,450	4,450.00	5,900.00	5,900.00
VML014	2,470	2,470.00	6,745.00	6,745.00
VML013	6,000	6,000.00	6,900.00	6,900.00
VML012	9,850	9,850.00	10,050.00	10,050.00
VML011	16,215	16,215.00	18,885.00	18,885.00
VML010	12,920	12,920.00	15,475.00	15,475.00
VML005	5,600	5,600.00	6,300	6,300.00
VML004	-	-	8,965	8,965.00
VML003	-	-	4,150	4,150.00
VML002	-	-	3,850	3,850.00
VML001	-	-	200	200.00
Non Current	1,09,711	1,09,711.00	95,070	95,070.00
Debenture Series A 1	-	-	1,686	1,686.00
VML009	-	-	15,013	15,013.00
VML008	-	-	6,960	6,960.00
VML007	-	-	11,895	11,895.00
VML006	-	-	5,250	5,250.00
VML004	7,965	7,965.00	-	-
VML003	3,950	3,950.00	-	-
VML002	3,850	3,850.00	-	-
VML007 - Matured	250	250.00	-	-
Current	16,015	16,015.00	40,804	40,804.00
Total	1,25,726	1,25,726.00	1,35,874.00	1,35,874.00

3.3.3 Interest rate wise classification of secured non-convertible debentures

Particulars	31 St March 2024		31 St March 2023	
	No. of units	Amount	No. of units	Amount
Non-convertible debentures - 12.5%	46,171	46,171.00	55,105	55,105.00
Non-convertible debentures - 12%	63,540	63,540.00	39,965	39,965.00
Non Current	1,09,711	1,09,711.00	95,070	95,070.00
Non-convertible debentures - 12.5%	15,765	15,765.00	40,804	40,804.00
Non-convertible debentures - 12.5% - Matured	250	250.00	-	-
Current	16,015	16,015	40,804	40,804.00
Total	1,25,726	1,25,726.00	1,35,874	1,35,874.00

In previous financial years, interest and incentive on debentures and subordinate debts were aggregated, and the cumulative interest rate was used for classification by interest rate. For improved presentation and comparability, these figures have now been segregated, and corresponding reclassifications have been made in the figures of previous year. The related reclassification has been made in notes no: 3.3.6, 3.04, 3.07, 3.19 and 3.21.

3.3.4 Maturity rate wise classification of secured non-convertible debentures

Particulars	31 St March 2024		31 St March 2023	
	No. of units	Amount	No. of units	Amount
Non Convertible Debentures - 60 months maturity				
Non - current portion	1,09,711	1,09,711.00	95,070	95,070.00
Current portion	15,765	15,765.00	40,804	40,804.00
Current portion - Matured	250	250.00	-	-
Total	1,25,726	1,25,726.00	1,35,874.00	1,35,874.00

3 Notes to the financial statements for the year ended March 31, 2024

3.3.5 Series wise classification of unsecured subordinate bonds

Particulars	31 St March 2024		31 St March 2023	
	No. of units	Amount	No. of units	Amount
Subordinate Bond 2023-24 Series	46,008.00	46,008.00	-	-
Subordinate Bond 2022-23 Series	32,880	32,880.00	32,880	32,880.00
Subordinate Bond 2021-22 Series	36,788	36,787.50	36,788	36,787.50
Subordinate Bond 2020-21 Series	74,038	74,037.75	74,038	74,037.75
Subordinate Bond 2019-20 Series	150	150.00	150	150.00
Non Current	1,89,863	1,89,863.25	1,43,855	1,43,855.25
Subordinate Bond 2018-19 Series	-	-	1,400	1,400.00
Current	-	-	1,400	1,400.00
Total	1,89,863	1,89,863.25	1,45,255	1,45,255.25

3.3.6 Interest rate wise classification of unsecured subordinate bonds

Particulars	31 St March 2024		31 St March 2023	
	No. of units	Amount	No. of units	Amount
Subordinate Bond - 12% to 12.5%	1,89,863	1,89,863.25	1,43,855	1,43,855.25
Non Current	1,89,863	1,89,863.25	1,43,855	1,43,855.25
Subordinate Bond - 12% to 12.5%	-	-	1,400.00	1,400.00
Current	-	-	1,400	1,400.00
Total	1,89,863	1,89,863.25	1,45,255	1,45,255.25

3.3.7 Maturity wise classification of unsecured subordinate bonds

Particulars	31 St March 2024		31 St March 2023	
	No. of units	Amount	No. of units	Amount
Subordinate Bond - 68 months	3,843	3,843.00	-	-
Subordinate Bond - 66 months	12,074	12,074.00	12,074	12,074.00
Subordinate Bond - 60 months	1,73,946	1,73,946.25	1,31,781	1,31,781.25
Non Current	1,89,863	1,89,863.25	1,43,855	1,43,855.25
Subordinate Bond - 72 months	-	-	1,400	1,400.00
Current	-	-	1,400	1,400.00
Total	1,89,863	1,89,863.25	1,45,255	1,45,255.25

3.04 Other Long-term liabilities

Particulars	As at March 31,	
	2024	2023
(a) Trade Payables	-	-
(b) Others	-	-
- Interest accrued but not due on borrowings	6,439.16	7,184.03
Total	6,439.16	7,184.03

3.05 Long-term provisions

Particulars	As at March 31,	
	2024	2023
(a) Provision for Employee Benefits	-	-
(b) Others Provisions	-	-
- Contingent Provision on Standard Asset	971.03	806.04
- Provision for Non Performing Assets	38,761.12	29,358.56
Total	39,732.15	30,164.60

3 Notes to the financial statements for the year ended March 31, 2024

3.06 Short-term borrowings

Particulars	As at March 31,	
	2024	2023
(a) Loans repayable on demand		
Secured		
From banks*	26,485.62	20,290.51
(b) Current maturities of long-term Borrowings	17,975.74	43,922.82
Total	44,461.36	64,213.33

Nature of Security

(a) Loans repayable on demand from banks

***South Indian Bank OD having a limit of 99 Lakhs is secured**

EM of residential property admeasuring to 73.70 cents (29.84 ares) in Re. SY. No. 325/5 door no V/230(1) of village Shornur-2, Taluk Ottapalam, District Palakkad in the name of Mr. Pradeep P. Menon and Mrs. Rajitha V.

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

***South Indian Bank Cash OD having a limit of 400 Lakhs is secured**

Pledge of 22ct gold ornaments/jewellery.

The OD facility has been obtained by pledging the gold ornaments, belonging to individual gold loan customers, originally pledged with the Company and after obtaining a NOC from each such individual customer.

Further, the loan has been guaranteed by the Personal guarantee of the Directors, Mr. Pradeep Menon, Mrs. Santhakumari and Mrs. Rajitha V.

***Catholic Syrian Bank Cash OD having a limit of 300 Lakhs is secured**

Pledge of 22ct gold ornaments/jewellery.

The OD facility has been obtained by pledging the gold ornaments, belonging to individual gold loan customers, originally pledged with the Company and after obtaining a NOC from each such individual customer.

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

Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

The company has not been declared as a willful defaulter by any bank or financial institution or other lender.

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

3.07 Other current liabilities

Particulars	As at March 31,	
	2024	2023
Interest accrued but not due on borrowings	9,183.04	7,223.97
Interest accrued and due on borrowings	-	-
Other Payables		
- Statutory remittances (Refer note(i) below)	551.38	1,024.93
- Expenses Payable	1,328.73	2,126.70
- EMI Advance Received	3,640.78	1,758.44
- Other payables(Refer note(ii) below)	-	5,866.00
Total	14,703.93	18,000.05

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

Note (ii) Loans were sanctioned in the final days of the financial year; however, the same were disbursed during the first week of the subsequent financial year.

3.08 Short-term provisions

Particulars	As at March 31,	
	2024	2023
(a) Provision for Employee Benefit	-	-
(b) Provision - Others		
Provision for Income Tax	7,279.60	-
Total	7,279.60	-

3.09 Property Plant and Equipments

Particulars	Land	Building	Computer	Electrical Fittings	Furniture & Fittings	Motor Vehicle	Office Equipment	Total
Cost:								
As at April 1, 2022	304.93	1,731.30	1,894.39	1,260.36	7,415.40	1,289.09	4,235.16	18,130.64
Additions	-	-	1,423.24	1,036.94	3,295.77	4,248.85	2,281.22	12,286.01
Disposals	-	-	-	-	-	395.07	-	395.07
As at March 31, 2023	304.93	1,731.30	3,317.62	2,297.30	10,711.17	5,142.88	6,516.38	30,021.58
Additions	1,106.83	6,600.00	15.38	211.88	160.48	559.10	929.41	9,583.08
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2024	1,411.76	8,331.30	3,333.00	2,509.18	10,871.64	5,701.98	7,445.79	39,604.66
Depreciation and impairment:								
As at April 1, 2022	-	366.27	1,156.67	617.86	2,677.02	1,013.90	2,283.13	8,114.86
Additions	-	115.08	803.00	275.19	1,630.64	1,148.79	1,328.24	5,300.94
Disposals	-	-	-	-	-	374.07	-	374.07
As at March 31, 2023	-	481.36	1,959.67	893.04	4,307.66	1,788.62	3,611.37	13,041.72
Additions	-	226.45	833.25	393.12	1,703.56	1,128.59	1,454.34	5,739.31
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2024	-	707.81	2,792.92	1,286.17	6,011.22	2,917.21	5,065.71	18,781.03
Net book value:								
At April 1, 2022	304.93	1,365.03	737.71	642.50	4,738.38	275.19	1,952.04	10,015.78
At March 31, 2023	304.93	1,249.95	1,357.95	1,404.25	6,403.50	3,354.26	2,905.01	16,979.86
At March 31, 2024	1,411.76	7,623.50	540.08	1,223.01	4,860.42	2,784.77	2,380.08	20,823.63

3.09 Intangible Assets

Particulars	Website	Software	Total
Cost:			
As at April 1, 2022	274.46	2,847.52	3,121.97
Additions	76.37	841.00	917.37
Disposals	-	-	-
As at March 31, 2023	350.83	3,688.52	4,039.34
Additions	-	504.75	504.75
Disposals	-	-	-
As at March 31, 2024	350.83	4,193.27	4,544.09
Depreciation and impairment:			
As at April 1, 2022	154.24	1,381.39	1,535.63
Additions	66.27	688.35	754.62
Disposals	-	-	-
As at March 31, 2023	220.50	2,069.74	2,290.24
Additions	66.27	789.30	855.57
Disposals	-	-	-
As at March 31, 2024	286.77	2,859.04	3,145.81
Net book value:			
At April 1, 2022	120.22	1,466.13	1,586.35
At March 31, 2023	130.32	1,618.78	1,749.10
At March 31, 2024	64.06	1,334.22	1,398.28

3 Notes to the financial statements for the year ended March 31, 2024

3.10 Deferred tax assets

Particulars	As at March 31,	
	2024	2023
Deferred Tax Assets		
On difference between book balance and tax balance of PPE	1,811.62	1,127.09
Others*	9,770.50	7,614.98
Total	11,582.12	8,742.07

* Includes deferred tax on provisions etc.

3.11 Long-term loans and advances - Financing Activities

Particulars	As at March 31,	
	2024	2023
Loans and Advances		
Personal Loan	3,47,600.55	2,53,529.70
Gold Loan	76,163.18	1,02,706.93
Vehicle Loan	24,962.62	30,236.02
Business Loan	5,340.56	4,176.93
Total (A) - Gross Amount	4,54,066.91	3,90,649.58
Secured by Securities and Assets	1,01,125.80	1,32,942.95
Covered by Bank/Government guarantees	-	-
Unsecured	3,52,941.11	2,57,706.63
Total (B) - Gross Amount	4,54,066.91	3,90,649.58
Loans in India		
Public Sector	-	-
Other	4,54,066.91	3,90,649.58
Total (C) - Gross Amount	4,54,066.91	3,90,649.58
Total	4,54,066.91	3,90,649.58

3.11.2 Loans and advances - Financing Activity Maturity Wise

Particulars	Non-Current		Current	
	31 St March 2024	31 St March 2023	31 St March 2024	31 St March 2023
Loans				
Personal Loan	25,434.89	96,413.55	3,22,165.66	1,57,116.15
Gold Loan	-	-	76,163.18	1,02,706.93
Vehicle Loan	11.11	-	24,951.52	30,236.02
Business Loan	-	-	5,340.56	4,176.93
Total (A) - Gross Amount	25,446.00	96,413.55	4,28,620.91	2,94,236.03
Secured by Securities and Assets	11.11	-	1,01,114.69	1,32,942.95
Covered by Bank/Government guarantees	-	-	-	-
Unsecured	25,434.89	96,413.55	3,27,506.22	1,61,293.09
Total (B) - Gross Amount	25,446.00	96,413.55	4,28,620.91	2,94,236.03
Loans in India				
Public Sector	-	-	-	-
Other	25,446.00	96,413.55	4,28,620.91	2,94,236.03
Total (C) - Gross Amount	25,446.00	96,413.55	4,28,620.91	2,94,236.03
Total	25,446.00	96,413.55	4,28,620.91	2,94,236.03

3 Notes to the financial statements for the year ended March 31, 2024

3.11.3 Category wise details of Financial Assets

Particulars	F.Y. 2023-24			Loss	Total
	Standard	Sub-Standard	Doubtful		
Personal Loan	3,09,898.82	19,501.18	18,179.65	20.90	3,47,600.55
Gold Loan	75,353.71	809.47	-	-	76,163.18
Vehicle Loan	88.36	-	18,226.45	6,647.81	24,962.62
Business Loan	3,071.27	496.37	958.53	814.38	5,340.56
Total	3,88,412.16	20,807.03	37,364.64	7,483.09	4,54,066.91

3.11.4 Category wise details of Financial Assets

Particulars	F.Y. 2022-23			Loss	Total
	Standard	Sub-Standard	Doubtful		
Personal Loan	2,17,772.07	25,398.27	10,338.46	20.90	2,53,529.70
Gold Loan	1,02,451.63	255.30	-	-	1,02,706.93
Vehicle Loan	-	107.03	30,097.36	31.63	30,236.02
Business Loan	2,192.05	229.80	1,619.54	135.54	4,176.93
Total	3,22,415.75	25,990.40	42,055.36	188.07	3,90,649.58

3.12 Other non-current assets

Particulars	As at March 31,	
	2024	2023
(a) Security Deposits		
- Unsecured, considered good	3,391.25	2,505.25
Total	3,391.25	2,505.25

3.13 Cash and cash equivalents

Cash and cash equivalents are cash, balances with bank and short-term (three months or less from the date of placement), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Particulars	As at March 31,	
	2024	2023
(a) Balance with banks		
- In Current Accounts	1,489.07	3,244.64
(b) Cash in Hand	1,848.85	747.04
Total	3,337.93	3,991.68

3.14 Short-term loans and advances

Particulars	As at March 31,	
	2024	2023
(a) Loans and advances to related parties		
(b) Other Loans and Advance		
- Balances with government authorities	1,954.41	629.86
TDS, TCS and Advance Income Tax	54.95	59.13
GST Receivables		
- Others (Prepaid Expenses and other advances)	476.12	467.96
Total	2,485.47	1,156.95

Advances recoverable in cash or in kind or for value to be received

In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10/03/2015, loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

3.15 Other Current assets

Particulars	As at March 31,	
	2024	2023
(a) Accruals		
Interest accrued on loans	7,555.47	4,649.01
(b) Other Receivables	820.83	870.52
Total	8,376.31	5,519.53

3 Notes to the financial statements for the year ended March 31, 2024

3.16 Revenue from operations

Particulars	Year ended March 31,	
	2024	2023
(a) Income from Financing activity		
Interest received on Personal Loans	1,03,597.32	58,905.99
Interest received on Gold Loans	16,368.54	12,254.00
Interest received on Vehicle Loans	1,655.17	1,745.65
Interest received on Business Loans	524.10	687.97
(b) Documentation & processing charges	14,611.10	10,246.23
Total	1,36,756.23	83,839.84

3.17 Other income

Particulars	Year ended March 31,	
	2024	2023
(a) Interest Income		
- Interest on deposits	-	1,220.42
(b) Other non-operating income (net of expenses directly attributable to such income)		
- Foreign Exchange income (net)	50.33	50.61
- Profit on sale of asset	-	127.31
- Other income	7,632.64	6,780.35
Total	7,682.97	8,178.69

3.18 Employee benefit expenses

Particulars	Year ended March 31,	
	2024	2023
Salaries and Wages	36,857.47	28,204.40
Contributions to provident and other funds	1,580.52	2,007.04
Total	38,437.99	30,211.44

3.19 Finance costs

Particulars	Year ended March 31,	
	2024	2023
(a) Interest expense on		
- Borrowings	42,659.40	30,178.49
(b) Others		
- Interest on delayed payment of Income Tax and TDS	1.39	99.06
TOTAL	42,660.79	30,277.55

3.20 Depreciation and amortization expenses

Particulars	Year ended March 31,	
	2024	2023
Depreciation	5,739.31	5,300.94
Amortization	855.57	754.62
Total	6,594.88	6,055.56

Refer note 2 and 3.09 for accounting policy on depreciation and amortisation cost

3 Notes to the financial statements for the year ended March 31, 2024

3.21 Other Expenses

Particulars	Year ended March 31,	
	2024	2023
Advertisement	844.84	4,367.09
AMC Charges	170.20	188.95
ATM Charges	13.93	28.13
Bank Charges & Commission	337.77	297.93
Business Incentives & Commission	4,159.75	3,350.52
Court Fees	31.97	35.17
Credit bureau expenses	684.96	715.46
Directors Salary	4,200.00	4,680.00
Directors Sitting Fees	75.00	75.00
Donation	-	21.02
Electricity Charges	1,059.92	815.41
GST paid	1,036.60	1,019.23
GST Late fee	40.00	5.45
Insurance	178.94	111.70
Legal & Professional Charges	1,776.86	987.36
Membership Fees	-	10.00
Miscellaneous Expenses	11.16	12.12
Office Expense	1,641.10	2,236.37
Payment to Auditors	200.00	180.00
Petrol & Diesel Charges	708.43	499.05
Postage & Telephone	1,253.78	1,040.78
Printing & Stationery	1,348.16	1,139.25
Rent	4,120.75	2,954.32
Rates and taxes	60.10	237.12
Repairs & Maintenance	574.85	575.31
Recovery collection shortage	-	164.61
ROC Filing Fee	65.90	-
Security charges	165.00	195.49
Software usage charges	515.73	1,055.81
Staff Meeting & Welfare Expenses	348.38	494.08
Subscription Charges	549.50	284.91
Travelling Expense	1,405.54	2,336.04
Vehicle expenses	214.96	68.40
Provisions and Written offs	9,567.54	13,225.04
Total	37,361.64	43,407.12

3.21.1 * Payment to auditors (excluding GST):

Particulars	Year ended March 31,	
	2024	2023
As auditors - statutory audit	150.00	135.00
For taxation matters	50.00	45.00
Total	200.00	180.00

3.21.2 Provisions and Written Offs

Particulars	Year ended March 31,	
	2024	2023
Provision for		
Standard assets	164.99	286.75
Non performing assets	9,402.55	12,938.28
Bad debts written off	-	-
Total	9,567.54	13,225.04

3 Notes to the financial statements for the year ended March 31, 2024

3.21.3 Statement of profit and loss:

Particulars	Year ended March 31,	
	2024	2023
Current income tax:		
Current income tax charge	7,279.60	-
Adjustments in respect of current income tax of previous year	-	-
Total Current Tax	7,279.60	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(2,840.05)	(3,792.01)
Income Tax reported in the statement of profit and loss	4,439.55	(3,792.01)

Liabilities for Current Tax (net):

Particulars	Year ended March 31,	
	2024	2023
TDS, TCS & Advance Income Tax	1,954.41	629.86
Provision For Income Tax	(7,279.60)	-
Liabilities for Current Tax (net)	(5,325.19)	629.86

Other Notes

- During the year ended March 31, 2024, the Company has recognised deferred tax asset to the extent that it is probable, based on the future profitability and projections of the Company, that taxable profits will be available against which such deferred tax assets can be realised.

- The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities. The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

3.22 Earnings Per Share

(In ₹)

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	Year ended March 31,	
	2024	2023
Net profit for the year attributable to the equity shareholders	1,49,44,358	(1,41,41,132)
Weighted average number of equity shares	91,38,243	87,49,750
Par value per share	10.00	10.00
Earnings per share - Basic and Diluted	1.64	(1.62)

3.23 Employee Benefits

Details of Employee Benefits : Disclosures required under Accounting Standard 15 – Employee Benefits (Revised 2005)**a. Defined Contribution Plans :**

During the year, the following amounts have been recognized in the Profit and Loss account on account of defined contribution plan

Particulars	Year ended March 31,	
	2024	2023
Employers Contribution to Provident Fund	870.14	1,448.55
Employers Contribution to Employee's State Insurance	623.68	508.43

b. Defined benefit Plans- Gratuity:

Nil

3 Notes to the financial statements for the year ended March 31, 2024

3.24 Related party disclosures

Related Party Transactions

i Names of related parties and related party relationship, irrespective of whether transactions have occurred or not is given below:

Nature of relationship	Name of related party
Subsidiary Companies	NA
Entities over which KMP / Relatives of KMP can exercise significant influence	Mandhirvikas Nidhi Limited Aeppym Chits and Kuries Pvt. Ltd. Prachodhan Retail Private Limited Vasthravikas Silks LLP (formerly known as Prachodhan Sarees LL Marthya Vikas Foundation Venkita Ramanan G (resigned on 26/11/2022) Sandeep Mohan K (appointed on 01/06/2024)
Directors and Key Management Personnel (KMP)	Ayanapara Pradeep Menon Managing Director Rajitha Valayangat Whole time Director Pilavazhi Santhakumari Whole time Director Surya Menon Whole time Director
Relatives of Key Management Personnel (KMP)	Nil

ii Transactions with the related parties are:

Nature of transactions	Name of the Related party	Year ended March 31,	
		2024	2023
Remuneration	Ayanapara Pradeep Menon Rajitha Valayangat Pilavazhi Santhakumari Surya Menon Venkita Ramanan G	1,800.00 900.00 900.00 600.00 -	1,800.00 900.00 900.00 600.00 336.89
Sitting Fees	Ayanapara Pradeep Menon Rajitha Valayangat Pilavazhi Santhakumari Surya Menon	15.00 15.00 15.00 15.00	15.00 15.00 15.00 15.00
Rent Paid	Pilavazhi Santhakumari	60.00	60.00
Subordinate Debt Subscribed	Vasthravikas Silks LLP	-	400.00
Expense Reimbursed	Ayanapara Pradeep Menon	338.44	242.88
Incentive Paid	Ayanapara Pradeep Menon	-	57.75
Interest paid on subordinate debts	Rajitha Valayangat Vasthravikas Silks LLP	3.50 -	3.50 18.11
Loans advanced	Vasthravikas Silks LLP Prachodhan Retail Private Limited	200.00 3,000.00	- -
Loans repaid	Vasthravikas Silks LLP Prachodhan Retail Private Limited	200.00 1,433.81	500.00 -
Interest received on loans	Vasthravikas Silks LLP Prachodhan Retail Private Limited	22.96 114.48	62.18 -

3 Notes to the financial statements for the year ended March 31, 2024

iii Balances at the year end:

Nature of transactions	Name of the Related party	Year ended March 31,	
		2024	2023
Sub Ordinate Debts	Rajitha Valayangat	25.00	25.00
Loan and Advances	Prachodhan Retail Private Limited	1,566.19	-

Notes:

- * The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.
- * The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. All other outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iv Transaction with non executive director

Nature of transactions	Name of the Related party	Year ended March 31,	
		2024	2023
Remuneration	Satheesh	-	480.00
Sitting fees	Satheesh	15.00	15.00

3.25 Other Payables - Trade payables

Particulars	Year ended March 31,	
	2024	2023
Trade payables, carried at amortised cost		
- Total outstanding dues of micro and small enterprises	-	-
- Total outstanding dues of creditors other than micro and small enterprises	7.59	294.14
Total	7.59	294.14

3.25.1 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	Year ended March 31,	
	2024	2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
Total	-	-

- * The management has initiated the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. The company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

3 Notes to the financial statements for the year ended March 31, 2024

3.26 Additional Regulatory Information

Particulars	Numerator	Denominator	Current Period	Previous Period	% of variance*	Explanation
Liquidity Ratio						
Current Ratio (times)	Current assets	Current liabilities	6.66	3.71	79.7%	Note 1
Solvency Ratio						
Debt-Equity Ratio (times)	Total debt	Shareholder's equity	4.00	4.74	-15.6%	
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt service	1.18	0.00	24110.6%	Note 2
Profitability ratio						
Net Profit Ratio (%)	Net profits	Revenue	10.93%	-16.87%	-164.8%	Note 3
Return on Equity Ratio (%)	Net profits after taxes	Average shareholder's equity	20.21%	-0.04%	-53461.2%	Note 3
Return on Capital employed (%)	Earning before interest & tax	Capital employed	14.62%	3.38%	332.9%	Note 4

***Utilization Ratio**

1. The increase in current ratio is majorly due to the an increase in loans advanced during the year and decrease in short term borrowings.

2. The significant decrease in the Debt Service Coverage Ratio is primarily due to the principal repayments made during the year. (only principal repayments and interest payments of debentures and term loan have been considered for debt service)

3. The significant improvement in the Net Profit Ratio and Return on Equity ratio is largely due to an increase in interest received on loans provided compared to the previous year.

4. Increase in ROCE indicates a significant improvement in the efficiency with which the company is utilizing its capital to generate earnings before interest and tax (EBIT).

3.27 Contingent liabilities and capital commitments

Particulars	Year ended March 31,	
	2024	2023
Contingent Liabilities: -		
Claim not acknowledge as debt by the company	-	-
Capital commitments :-		
Future cash outflow in respect of above is determinable only on receipt of judgments /decision pending with various forums/authorities. The Company is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defense. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations		

3.28 Investments

Particulars	Year ended March 31,	
	2024	2023
Gross Value of Investments		
(a) India In India	-	-
(b) Outside India	-	-
Provisions for Depreciation		
(a) India In India	-	-
(b) Outside India	-	-
Net Value of Investments		
(a) India In India	-	-
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	-	-
Add : Provisions made during the year	-	-
Less : Write off / write back of excess provisions during the year	-	-
Closing balance	-	-

3 Notes to the financial statements for the year ended March 31, 2024

3.29 Provisions and Contingencies

Break up of Provisions and Contingencies shown under the head Expenses in the Statement of Profit and Loss	Year ended March 31,	
	2024	2023
Provisions for depreciation on Investment	-	-
Provision towards NPA	9,402.55	12,938.28
Provision made towards Income Tax (net of Deferred Tax)	4,439.55	(3,792.01)
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	164.99	286.75

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

The company does not have any joint venture or subsidiary overseas during the year 2023-24 and 2022-23

3.31 Draw Down from Reserves

No reserves have been draw down during the financial year 2023-24 and 2022-23.

3.32 Registration obtained from other financial sector regulators

The Company has not obtained registration from other financial sector regulators except Reserve Bank of India.

3.33 Disclosure of Penalties imposed by RBI & other regulators

No penalties have been imposed by RBI and other regulators on the Company during the financial year ended

3.34 Percentage of loans granted against collateral of gold jewelry to total assets

Particulars	Year ended March 31,	
	2024	2023
Gold Loans granted against collateral of gold jewelry	76,163.18	1,02,706.93
Total assets of the Company	5,05,461.90	4,31,294.02
Percentage of Gold Loans to Total Assets	15.07%	23.81%

3.35 Movement of NPAs

Particulars	Year ended March 31,	
	2024	2023
Net NPAs* to Net Advances (%)	6.48%	10.76%
Movement of NPAs* (Gross)		
(a) Opening balance	68,233.83	71,807.77
(b) Net Changes	(2,579.08)	(3,573.94)
(c) Closing balance	65,654.75	68,233.83
Movement of Net NPAs*		
(a) Opening balance	38,875.26	55,387.49
(b) Net Changes	(11,981.63)	(16,512.22)
(c) Closing balance	26,893.63	38,875.26
Movement of provisions for NPAs* (excluding Provisions on Standard Assets)		
(a) Opening balance	29,358.56	16,420.28
(b) Provisions made during the year	9,402.55	12,938.28
(c) Closing balance	38,761.12	29,358.56

3.36 Exposures:-

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current and previous year.

3 Notes to the financial statements for the year ended March 31, 2024

3.37 Customer complaints

Particulars	Year ended March 31,	
	2024	2023
No. of complaints pending as at the beginning of the year	-	-
No. of complaints received during the year	-	-
No. of complaints redressed during the year	-	-
No. of complaints pending as at the end of the year	-	-

3.38 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company did not exceed the limits prescribed for single and group borrower during the current and previous year.

3.39 The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2023-24 (2022-23 – Nil).

3.40 The company does not have any expenditure in Foreign Currency during the year 2023-24 (2022-23 – Nil).

3.41 The Company is a dealer in foreign exchange and is holding FPMC license, FPMC License No. FE.CHN.FPMC.83/2017. The profit earned by the Company upon the purchase and sale of foreign currency transaction during the year amounting to ₹50,328.45/- (Profit in 2022-23 - ₹ 50,608.68/-) is recognized in the profit and loss.

3.42 In the opinion of the management, the current assets, loans and advances shall realise the value as shown in the balance sheet, if realised in the normal course of business.

3.43 Other notes as required by Schedule III of the Act are either nil or not applicable hence not disclosed.

3.44 The company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 as amended. The company operates in a single geographical segment i.e. domestic.

Additional Regulatory information as per MCA notification

3.45 The Company doesn't have any Immovable Property whose title deeds are not held in the name of the Company.

3.46 The company doesn't hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and no proceedings have been initiated or pending against the company for the same.

3.47 The Company has not revalued its Property, Plant and Equipment during the financial year 2023-24.

3.48 The Company has not revalued its intangible assets during the financial year 2023-24.

3.49 The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

3.50 The company doesn't have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

3.51 The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

3.52 The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are a) repayable on demand; or b) without specifying any terms or period of repayment.

3 Notes to the financial statements for the year ended March 31, 2024

- 3.53 The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- 3.54 Company has not traded/invested in crypto currency or virtual currency for the current financial year and previous year.
- 3.55 The Company hasn't advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
Directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 3.56 The Company hasn't received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
Directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 3.57 There is no indication of any impairment based on external/internal factors and hence no provision for the impairment loss has been recognised in terms of Accounting Standards 28-Impairment of Assets, issued by the Institute of Chartered Accountants of India.

Other Notes

- 3.58 Corresponding previous year figures have been regrouped/recast and reclassified, wherever necessary to conform to current year's classifications/disclosure to make them comparable.

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 000340S

Vishnu Prasad B Menon

Partner

Membership no: 207626



Place: Aluva

Date: 01/09/2024

For and on behalf of the Board

Vikas Money Limited

A. Pradeep Menon

A Pradeep Menon

Managing Director

[DIN: 01156451]

Rajitha B

Rajitha Valayangat

Whole-time Director

[DIN: 02792436]

Sandeep Mohan K

Sandeep Mohan K

Company Secretary



Place: Cherupulassery

Date: 01/09/2024

3.59 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

(₹ in Lakhs)

Particulars		Amount out-standing	Amount overdue
Liabilities side :			
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	1,288.40	-
	: Unsecured (other than falling within the meaning of public deposits)		-
	(b) Deferred Credits	78.06	-
	(c) Term Loans		-
	(d) Inter-corporate loans and borrowing		-
	(e) Commercial Paper		-
	(f) Public Deposits		-
	(g) Other Loans –		-
	Subordinate Bonds	2,023.71	-
	Loans repayable on demand	264.86	-
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	-	-
Assets side :		Amount outstanding	
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured	1,057.81	
	(b) Unsecured	3,558.41	
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 asset financing activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-
5	Break-up of Investments		
	Current Investments		
	1 <u>Quoted</u>		
	(i) Shares		
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2 <u>Unquoted</u>		
	(i) Shares		
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-

Long Term investments			
1	Quoted		
	(i) Shares		-
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
2	Unquoted		
	(i) Shares		-
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
6	Borrower group-wise classification of assets financed as in (3) and (4) above		
	Category	Amount net of provisions	
		Secured	Unsecured
1	Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2	Other than related parties	889.93	3,338.68
	Total		4,228.61
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	656.55	
	(ii) Net Non-Performing Assets		
	(a) Related parties		
	(b) Other than related parties	268.94	
	(iii) Assets acquired in satisfaction of debt		

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 000340S

Vishnu Prasad B Menon

Partner

Membership no: 207626

Place: Aluva

Date: 01/09/2024

For and on behalf of the Board

Vikas Money Limited

A Pradeep Menon

Managing Director

[DIN: 01156451]

Place: Cherupulassery

Date: 01/09/2024

Rajitha Valayangat

Whole-time Director

[DIN: 02792436]

Sandeep Mohan K

Company Secretary

