

FINVENT FINANCE AND INVESTMENTS LTD
BALANCE SHEET AS AT 31 MARCH, 2015

(In Rs.)

| | Note | As at 31 Mar 15 | As at 31 Mar 14 |
|---------------------------------------|------|---------------------|--------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholder's Funds | | | |
| Share Capital | 3.01 | 4 04 04 120 | 2 75 00 000 |
| Reserves and Surplus | 3.02 | 1 00 14 954 | 30 29 665 |
| | | 5 04 19 074 | 3 05 29 665 |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 3.03 | 1 40 00 000 | - |
| | | 1 40 00 000 | - |
| Current Liabilities | | | |
| Short Term Borrowings | 3.04 | 10 01 55 217 | 5 14 47 573 |
| Other Current Liabilities | 3.05 | 2 64 09 325 | 72 84 845 |
| Short Term Provisions | 3.06 | 13 05 526 | 2 07 000 |
| | | 12 78 70 068 | 5 89 39 418 |
| Total Equities and Liabilities | | 19 22 89 142 | 8 94 69 083 |
| II. ASSETS | | | |
| Fixed assets | | | |
| Tangible assets | 3.07 | 60 96 145 | 18 67 099 |
| Intangible Assets | 3.08 | 17 296 | 24 067 |
| Intangible Assets (Under development) | 3.09 | 4 10 000 | 30 000 |
| | | 65 23 441 | 19 21 166 |
| Long Term Loans and Advances | 3.10 | 13 95 942 | 6 58 207 |
| Deferred Tax Asset | 3.11 | 1 18 800 | 1 86 600 |
| | | 15 14 742 | 8 44 807 |
| Current Assets | | | |
| Receivables from Financing Activities | 3.12 | 18 03 69 209 | 8 19 36 943 |
| Short Term Loans and Advances | 3.13 | 31 60 068 | 43 19 486 |
| Cash and Cash Equivalents | 3.14 | 5 87 410 | 4 46 681 |
| Other Current Assets | 3.15 | 1 34 272 | - |
| | | 18 42 50 959 | 8 67 03 110 |
| Total Assets | | 19 22 89 142 | 8 94 69 083 |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 10

The accompanying notes form an integral part of these Financial Statements.

As per our report of even date attached
For K.VENKATACHALAM AIYER & CO
CHARTERED ACCOUNTANTS
Firm Regn No: 004610 S

For and on Behalf of the Board of Directors of
FINVENT FINANCE AND INVESTMENTS LTD

CA VISHNU MOHAN
Partner
Membership No: 232723

P T ABRAHAM
Chairman and Managing Director

Place : Kottayam
Date : 22 June, 2015

SAM V STEPHEN AMAL ABRAHAM
Director Director

FINVENT FINANCE AND INVESTMENTS LTD
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015

(In Rs.)

| | Note | Year Ended 31 Mar 15 | Year Ended 31 Mar 14 |
|--|----------------|-------------------------|-------------------------|
| Income | | | |
| Revenue from operations | 3.16 | 3 95 47 469 | 1 43 27 546 |
| Other Income | 3.17 | 82 737 | 33 10 407 |
| Total Revenue (I) | | <u>3 96 30 206</u> | <u>1 76 37 953</u> |
| Expenses | | | |
| Employee benefit expense | 3.18 | 71 10 119 | 29 58 078 |
| Finance costs | 3.19 | 1 53 74 841 | 35 65 161 |
| Depreciation and amortization expense | 3.07 & 3.08 | 5 68 786 | 4 16 097 |
| Other expenses | 3.20 | 98 20 516 | 75 20 552 |
| Provisions and Write Offs | 3.21 | 4 53 863 | 1 87 000 |
| Total Expenses (II) | | <u>3 33 28 125</u> | <u>1 46 46 888</u> |
| Profit Before Tax and Extraordinary items (I - II) | | 63 02 081 | 29 91 065 |
| Extraordinary Items | 3.22 | (1 63 540) | - |
| Profit Before Tax | | <u>64 65 621</u> | <u>29 91 065</u> |
| Tax expenses | | | |
| Current tax | | 20 00 000 | 9 90 000 |
| Deferred tax | | 67 800 | (52 900) |
| Income Tax Adjustment For Earlier Years | | (6 644) | (5 274) |
| Total tax expenses | | <u>20 61 156</u> | <u>9 31 826</u> |
| Profit for the Period | | <u>44 04 465</u> | <u>20 59 239</u> |

Earning per equity share:

| | | | |
|-------------------|---|------|------|
| Basic and Diluted | 6 | 1.43 | 0.87 |
|-------------------|---|------|------|

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 10

As per our report of even date attached
For K.VENKATACHALAM AIYER & CO
CHARTERED ACCOUNTANTS
Firm Regn No: 004610 S

For and on Behalf of the Board of Directors of
FINVENT FINANCE AND INVESTMENTS LTD

CA VISHNU MOHAN
Partner
Membership No: 232723

P T ABRAHAM
Chairman and Managing Director

Place : Kottayam
Date : 22 June, 2015

| | |
|---------------|--------------|
| SAM V STEPHEN | AMAL ABRAHAM |
| Director | Director |

FINVENT FINANCE AND INVESTMENTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(in Rs.)

| | Year Ended | |
|---|----------------|---------------|
| | 31-Mar-15 | 31-Mar-14 |
| <u>CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Net Profit before tax | 64 65 621 | 29 91 065 |
| Adjustments For:- | | |
| Reversal of depreciation due to change in accounting policy for charging Depreciation | (1 63 540) | - |
| Depreciation | 5 68 786 | 4 16 097 |
| Provision Against Non - Performing Assets | 95 000 | 7 000 |
| Provisions On Standard Assets | 3 22 000 | 1 80 000 |
| Provision For Expenses | - | 50 000 |
| Interest from Fixed Deposits | | 1 14 957 |
| | 8 22 246 | 7 68 054 |
| Operating Profit before charges to Operating Assets and Liabilities | 72 87 867 | 37 59 119 |
| Net (Increase) / Decrease In Operating Assets:- | | |
| Long Term Loans And Advances | (7 67 600) | (2 20 400) |
| Short Term Loans And Advances | 11 66 062 | (3 56 254) |
| Short Term Receivables From Financing Activities | (9 84 32 266) | (7 33 02 454) |
| Other Current Assets | (1 34 272) | 1 78 387 |
| | (9 81 68 076) | (7 37 00 721) |
| Net Increase/ (Decrease) In Operating Liabilities- | | |
| Other Current Liabilities | (18 75 520) | 68 09 369 |
| Short-Term Provisions | | (50 000) |
| | (18 75 520) | 67 59 369 |
| Net changes in Working Capital | (10 00 43 596) | (6 69 41 352) |
| Cash Generated from Operating Activities | (9 27 55 729) | (6 31 82 233) |
| Direct Taxes Paid | (13 18 474) | (13 46 622) |
| Net cash (used in) Operating Activities (A) | (9 40 74 203) | (6 45 28 855) |
| <u>CASH FLOW FROM INVESTING ACTIVITIES</u> | | |
| Purchase Of Fixed Assets Including Capital Advance | (49 77 656) | (13 07 810) |
| Net cash (used in) Investing Activities (B) | (49 77 656) | (13 07 810) |
| <u>CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| Proceeds from Equity Share Allotment | 1 54 84 944 | 50 00 000 |
| Net Increase / (Decrease) In Share Application | | (14 50 000) |
| Increase In Secured Borrowings | 6 71 89 078 | 4 89 29 930 |
| Increase In Unsecured Borrowings | 1 65 18 566 | 25 17 643 |
| Interest from Fixed Deposits | | (1 14 957) |
| Net cash generated from Financing Activities(C) | 9 91 92 588 | 5 48 82 616 |

| | | |
|---|-----------------|-----------------|
| Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C) | 1 40 729 | (1 09 54 049) |
| Cash And Cash Equivalents At The Beginning Of The Year | 4 46 681 | 1 14 00 730 |
| Cash And Cash Equivalents At The End Of The Year | <u>5 87 410</u> | <u>4 46 681</u> |

COMPONENTS OF CASH AND CASH EQUIVALENTS

| | | |
|--|-----------------|-----------------|
| Cash In Hand | 1 43 065 | 2 96 005 |
| Balances With Banks In Current Account | 4 44 345 | 1 50 676 |
| | <u>5 87 410</u> | <u>4 46 681</u> |

As per our report of even date attached
For K.VENKATACHALAM AIYER & CO
CHARTERED ACCOUNTANTS
Firm Regn No: 004610 S

For and on Behalf of the Board of Directors of
FINVENT FINANCE AND INVESTMENTS LTD

CA VISHNU MOHAN
Partner
Membership No: 232723

P T ABRAHAM
Chairman and Managing Director

Place : Kottayam
Date : 22 June, 2015

SAM V STEPHEN
Director

AMAL ABRAHAM
Director

3 NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2015

Previous year figures have been reworked, re-grouped, re-arranged and reclassified to conform to the current year's

BALANCE SHEET

SHAREHOLDERS FUNDS

3.01 SHARE CAPITAL

The Authorized, Issued, Subscribed and Fully paid-up share capital comprises of equity shares having a par value of Rs. 10

| Particulars | As at | |
|---|--------------------|--------------------|
| | 31 Mar 15 | 31-Mar-14 |
| Authorized Share Capital | | |
| Authorized Share Capital - Number of Shares | 50 00 000 | 50 00 000 |
| Par value per share (In Rs) | 10 | 10 |
| Authorized Share Capital (In Rs) | <u>5 00 00 000</u> | <u>5 00 00 000</u> |
| Issue Subscribed and Paid up Capital | | |
| Issued, Subscribed and Paid up - Number of Shares | 40 40 412 | 27 50 000 |
| Par value per share (In Rs) | 10 | 10 |
| Issued, Subscribed and Paid up Shares (In Rs) | <u>4 04 04 120</u> | <u>2 75 00 000</u> |

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive balance if any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

A. Reconciliation of Number of shares and amount

| Particulars | As at 31st March 2015 | | As at 31st March 2014 | |
|---------------------------|-----------------------|--------------------|-----------------------|--------------------|
| | Number | Amount (Rs.) | Number | Amount (Rs.) |
| Opening Balance | 27 50 000 | 2 75 00 000 | 22 50 000 | 2 25 00 000 |
| Additions during the year | 12 90 412 | 1 29 04 120 | 5 00 000 | 50 00 000 |
| Closing Balance | <u>40 40 412</u> | <u>4 04 04 120</u> | <u>27 50 000</u> | <u>2 75 00 000</u> |

B. Shareholders holdings more than 5% of the shares

| Particulars | Number of Equity Shares | | | | Amount(Rs.) | |
|---------------|-------------------------|--------|-----------------|--------|--------------------|------------------|
| | As at | | As at | | As at | As at |
| | 31 Mar 15 | % | 31 Mar 14 | % | 31 Mar 15 | 31 Mar 14 |
| P T ABRAHAM | 9 67 332 | 23.94% | 5 30 000 | 19.27% | 96 73 320 | 53 00 000 |
| SAM V STEPHEN | 5 16 666 | 12.79% | 1 00 000 | 3.64% | 51 66 660 | 10 00 000 |
| Total | <u>14 83 998</u> | | <u>6 30 000</u> | | <u>1 48 39 980</u> | <u>63 00 000</u> |

C. Rights, preferences and restrictions attached to shares

The Company has only one class of Equity Shares having par value of Rs.10 each. Each share holder is eligible for one vote per As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Further issue of shares during the year

During the year the company has issued 12,90,412 equity shares at a premium of Rs 2 per share according to the details given (In Rs.)

| Particulars | Number of Shares | Nominal Value | Amount | Securities Premium per | Securities Premium |
|-------------|------------------|---------------|--------------------|------------------------|--------------------|
| Allotment 1 | 2 92 498 | 10 | 29 24 980 | 2 | 5 84 996 |
| Allotment 2 | 9 97 914 | 10 | 99 79 140 | 2 | 19 95 828 |
| Total | <u>12 90 412</u> | | <u>1 29 04 120</u> | | <u>25 80 824</u> |

3.02 RESERVES AND SURPLUS

| Particulars | (In Rs.) | |
|--|-------------|--------------------|
| | 31 Mar 15 | As at 31-Mar-14 |
| Statutory Reserve (As per Section 45-IC of the Reserve Bank of India Act, 1934) | | |
| At the beginning of the year | 6 06 000 | 1 94 000 |
| Add: Transfer from Surplus in the Statement of Profit and Loss | 9 00 000 | 4 12 000 |
| At the end of the year | 15 06 000 | 6 06 000 |
| Securities Premium Account* | | |
| At the beginning of the year | - | - |
| Add: Additions during the year | 25 80 824 | - |
| At the end of the year | 25 80 824 | - |
| Surplus in the Statement of Profit & Loss | | |
| Opening Balance | 24 23 665 | 7 76 426 |
| Add: Profit/(Loss) for the year | 44 04 465 | 20 59 239 |
| Total | 68 28 130 | 28 35 665 |
| Less: Appropriations | | |
| Transfer to Statutory Reserve as per Reserve Bank Of India Act, 1934 | (9 00 000) | (4 12 000) |
| Closing Balance | 59 28 130 | 24 23 665 |
| Total | 1 00 14 954 | 30 29 665 |

*During the year the company has issued issued 12,90,412 equity shares at a premium of Rs 2 per share according to the details given below

| Particulars | Number of Shares | (In Rs.) | |
|-------------|---------------------|---------------------------|-----------------------|
| | | Securities Premium per | Securities Premium |
| Allotment 1 | 2 92 498 | 2 | 5 84 996 |
| Allotment 2 | 9 97 914 | 2 | 19 95 828 |
| Total | 12 90 412 | | 25 80 824 |

NON CURRENT LIABILITIES

3.03 LONG TERM BORROWINGS

| Particulars | (In Rs.) | |
|-----------------------|-------------|--------------------|
| | 31 Mar 15 | As at 31-Mar-14 |
| Term Loans From Banks | | |
| South Indian Bank | 1 40 00 000 | - |
| Total | 1 40 00 000 | - |

Security of the Term Loan from South Indian BankA.Primary Security -

(i) Long term performing assets/receivables not older than 30 months.

B.Collateral Security -

(i). Equitable Mortgage by deposit of title deeds of 49.2 ares of vacant land in the name of Director Mr Sam V S under Re Sy No 173/3 & 173/12 of Peroor Village, Kottayam Taluk

(ii). Equitable Mortgage by deposit of title deeds of 1.00 acre of vacant land with rubber plantation in the name of Mr. George Mathew under Sy No 615/4-2 of Kothanalloor Village, Vaikom Taluk, Kottayam District.

(iii). Equitable Mortgage by deposit of title deeds of 11.00 cents (4.45 ares) of land with residential building at Re Sy No 624/3/1, Athirampuzha Village, Kottayam Taluk in the name of Justin John.

(iv). Equitable Mortgage by deposit of title deeds of 14.48 ares of land with building at Re Sy No 295/3/2 & 305/4/5, Kumarakom Village, Kottayam Taluk in the name of Justin John.

(v). Equitable Mortgage by deposit of title deeds of 2.24 ares of land at Re Sy No 295/3/7, Kumarakom Village, Kottayam Taluk in the name of Justin John.

Period

Name of the Bank

South Indian Bank - Term Loan

Period for Repayment

60 Equivated monthly Instalments

Rate of interest

Name of the Bank

South Indian Bank - Term Loan

Rate of Interest

13.00%

Maturity of Term Loan from South Indian Bank

| (In Rs.) | | | |
|-----------------------------|-------------|-----------------------------|--------|
| For the FY 2014-15 | | For the FY 2013-14 | |
| Period | Amount | Period | Amount |
| 1st April 2015 to 31 Mar 16 | 70 00 000 | 1st April 2014 to 31 Mar 15 | - |
| 1st April 2016 to 31 Mar 18 | 1 40 00 000 | 1st April 2015 to 31 Mar 17 | - |
| > 1st April 2018 | 1 40 00 000 | > 1st April 2017 | - |
| Total | 3 50 00 000 | | - |

The above mentioned Term Loans do not include the loan of Rs 4,32,15,315 (Balance Outstanding as on 31.03.201 Rs.2,89,80,321) against the sellout of Receivables from Financing Activities in favour of Muthoot Capital Services Limited.

| (In Rs.) | | | |
|---|----------------------|-------------|-----------|
| Particulars | Reference Note No | As at | |
| | | 31 Mar 15 | 31-Mar-14 |
| Term Loans from Banks | 3.03 | 1 40 00 000 | - |
| Current Maturities of Term Loans from Banks | 3.05 | 2 10 00 000 | - |
| Total | | 3 50 00 000 | - |

CURRENT LIABILITIES

3.04 SHORT TERM BORROWINGS

| (In Rs.) | | | |
|--|-------------|-------------|--|
| Particulars | As at | | |
| | 31 Mar 15 | 31-Mar-14 | |
| Secured Loans repayable on Demand from Banks | | | |
| South Indian Bank - Cash Credit Open Loan | 8 11 19 008 | 4 89 29 930 | |

| | | |
|----------------------------------|--------------|-------------|
| Unsecured Loans | | |
| Muthoot Capital Services Limited | 1 38 17 201 | - |
| Loans from Directors | 39 61 500 | 25 17 643 |
| Muthoot Bankers | 12 57 508 | - |
| Total | 10 01 55 217 | 5 14 47 573 |

1. CASH CREDIT OPEN LOAN FROM SOUTH INDIAN BANK

The Cash Credit Open Loan obtained from South Indian Bank amounting to Rs.8 11 19 008/- has been personally guaranteed by the Directors of the Company, namely P T Abraham, Jhony Joy, Jose T John, George Mathew, Ama Abraham and Sam V S.

Security of the Cash Credit Open Loan from South Indian Bank

A.Primary Security -

(i) Hypothecation of all current assets including short term loan receivables.

B.Collateral Security -

(i). Equitable Mortgage by deposit of title deeds of 49.2 ares of vacant land in the name of Director Mr Sam V S under Re Sy No 173/3 & 173/12 of Peroor Village, Kottayam Taluk

(ii). Equitable Mortgage by deposit of title deeds of 1.00 acre of vacant land with rubber plantation in the name of Mr. George Mathew under Sy No 615/4-2 of Kothanalloor Village, Vaikom Taluk, Kottayam District.

(iii). Equitable Mortgage by deposit of title deeds of 11.00 cents (4.45 ares) of land with residential building at Re Sy No 624/3/1, Athirampuzha Village, Kottayam Taluk in the name of Justin John.

(iv). Equitable Mortgage by deposit of title deeds of 14.48 ares of land with building at Re Sy No 295/3/2 & 305/4/5, Kumarakom Village, Kottayam Taluk in the name of Justin John.

(v). Equitable Mortgage by deposit of title deeds of 2.24 ares of land at Re Sy No 295/3/7, Kumarakom Village, Kottayam Taluk in the name of Justin John.

Period

| | |
|-------------------------|----------------------|
| Name of the Bank | Period for Repayment |
| South Indian Bank -CCOL | 12 months |

Rate of interest

| | |
|-------------------------|------------------|
| Name of the Bank | Rate of Interest |
| South Indian Bank -CCOL | 13.00% |

2. Loan From Directors amounting to Rs. 39,61,500

The company has entered into transactions involving receipts and payments of different amounts with the directors of the company. The balance outstanding as on March 31, 2015 was Rs.39,61,500/- (March 31, 2014: Rs.25,17,643/- including interest payable of Rs 67,643).The rate of Interest is 12% per annum.

3. Unsecured Loans From Muthoot Capital Services Limited amounting to Rs 1,38,17,201

During the year, the company has availed unsecured loans from Muthoot Capital Services Limited . The company pays interest at the rates between 18% to 22% per annum. The balance outstanding as on March 31,2015 was Rs.1,38,17,201/- (including interest payable).

4. Unsecured Loans From Muthoot Bankers amounting to Rs 12,57,508

During the year, the company has availed unsecured loans from Muthoot Bankers . The company pays interest at the rates between 18% to 22% per annum. The balance outstanding as on March 31,2015 was Rs.12,57,508/- (including interest payable).

3.05 OTHER CURRENT LIABILITIES

| Particulars | As at | |
|---|--------------------|------------------|
| | 31 Mar 15 | 31-Mar-14 |
| Current maturities of Term Loans from Banks (Secured) | 2 10 00 000 | - |
| Dealer Balances* | 36 12 253 | 62 59 530 |
| Creditors for Expenses** | 6 73 793 | 4 03 890 |
| Outstanding Liabilities | 4 79 213 | 2 86 132 |
| Interest accrued and Due on Borrowings | 3 15 095 | - |
| Withholding Taxes | 97 840 | 3 35 293 |
| Other Current Liabilities | 2 31 131 | - |
| Total | 2 64 09 325 | 72 84 845 |

* Dealer Balances of Rs 36,12,253/- include an amount of Rs.99,019/- (31 March, 2014 :Rs.17,64,891/-) payable to Related Party

** Creditors for Expenses of Rs 6,73,793/- includes an amount of Rs.19,635/- (31 March, 2014 :Rs.3,389/-) payable to Related Parties

3.06 SHORT TERM PROVISIONS

| Particulars | As at | |
|--|------------------|-----------------|
| | 31 Mar 15 | 31-Mar-14 |
| Contingency provisions against standard assets (made @0.25% of the outstanding Standard Assets) | 5 22 000 | 2 00 000 |
| Provision For Non Performing Assets * | 1 02 000 | 7 000 |
| Provision for tax (Net of Advance tax) ** | 6 81 526 | - |
| Total | 13 05 526 | 2 07 000 |

*The company has generally complied with the guidelines given in Paragraphs No 17A and 17C of the Prudential Guidelines for Non - Banking Financial (Non - Deposit or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 inserted by Notification No DNBS(PD) 241/CGM (US)-2012, dated 21.03.2012 with regard to Loan to Value in respect of Loan granted against collateral security by way of Gold ornaments.

The company had disbursed some gold loans on which the total amount receivable including principal and accumulated interest have exceeded the value of the underlying security. As a matter of prudence, the company has created a provision for a sum of Rs.2,000/- relating to the said gold loans.

** Provision for Income Tax represents the tax provision remaining as on the balance sheet date after setting off the advance tax paid during the year against the tax due for the assessment year 2015-2016.

3.07 - TANGIBLE FIXED ASSETS

(in Rs.)

| Description | Gross Block | | | Depreciation | | | Net Block | | | |
|------------------------|---------------------|---------------------------|--------------------------|----------------------|---------------------|---------------------------|-----------------|----------------------|----------------------|----------------------|
| | As at April 1, 2014 | Additions during the year | Disposal during the year | As at March 31, 2015 | As at April 1, 2014 | Prior Period Depreciation | For the Year | As at March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Furniture And Fixtures | 18 02 090 | 18 89 860 | - | 36 91 950 | 3 02 179 | (1 44 596) | 2 25 797 | 3 83 379 | 33 08 571 | 14 99 911 |
| Office Equipment | 1 09 825 | 15 44 516 | - | 16 54 341 | 17 476 | 6 481 | 1 20 505 | 1 44 463 | 15 09 878 | 92 349 |
| Vehicles | 44 986 | - | - | 44 986 | 3 223 | (2 041) | 4 271 | 5 453 | 39 533 | 41 763 |
| Computer & Accessories | 3 49 978 | 8 63 145 | - | 12 13 123 | 1 16 902 | (24 442) | 1 90 189 | 2 82 649 | 9 30 474 | 2 33 076 |
| Servers | - | 3 30 000 | - | 3 30 000 | - | - | 22 311 | 22 311 | 3 07 689 | - |
| Total | 23 06 879 | 46 27 521 | - | 69 34 400 | 4 39 780 | (1 64 598) | 5 63 073 | 8 38 255 | 60 96 145 | 18 67 099 |

3.08 - INTANGIBLE ASSETS

(in Rs.)

| Description | Gross Block | | | Depreciation | | | Net Block | | | |
|--------------|---------------------|---------------------------|--------------------------|----------------------|---------------------|---------------------------|--------------|----------------------|----------------------|----------------------|
| | As at April 1, 2014 | Additions during the Year | Disposal during the Year | As at March 31, 2015 | As at April 1, 2014 | Prior Period Depreciation | For the Year | As at March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Image | 30 084 | - | - | 30 084 | 6 017 | 1 058 | 5 713 | 12 788 | 17 296 | 24 067 |
| Total | 30 084 | - | - | 30 084 | 6 017 | 1 058 | 5 713 | 12 788 | 17 296 | 24 067 |

3.09 - INTANGIBLE ASSETS (UNDER DEVELOPMENT)

(in Rs.)

| Description | Gross Block | | | Depreciation | | | Net Block | | | |
|--------------------|---------------------|---------------------------|--------------------------|----------------------|---------------------|---------------------------|-----------------|----------------------|----------------------|----------------------|
| | As at April 1, 2014 | Additions during the Year | Disposal during the Year | As at March 31, 2015 | As at April 1, 2014 | Prior Period Depreciation | For the Period | As at March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Software | - | 3 80 000 | - | 3 80 000 | - | - | - | - | 3 80 000 | - |
| Trademarks | 30 000 | - | - | 30 000 | - | - | - | - | 30 000 | 30 000 |
| Total | 30 000 | 3 80 000 | - | 4 10 000 | - | - | - | - | 4 10 000 | 30 000 |
| Grand Total | 23 66 963 | 50 07 521 | - | 73 74 484 | 4 45 797 | (1 63 540) | 5 68 786 | 8 51 043 | 65 23 441 | 19 21 166 |

During the year the Company changed the policy of charging depreciation from Written Down Value method to Straight Line method . Due to this change in the policy the accumulated depreciation for an amount of Rs 1,63,540/- is reversed on account of this change in Accounting Policy, depreciation allowance for the current year was less by Rs.1,85,597 and WDV of the Fixed Assets is lower by Rs.89,889/-

3.10 LONG TERM LOANS AND ADVANCES

(In Rs.)

| Particulars | As at | |
|--|-----------|-----------|
| | 31 Mar 15 | 31-Mar-14 |
| (Unsecured, considered good unless otherwise stated) | | |
| Security Deposits | | |
| Considered Good | 13 95 942 | 6 28 342 |
| Capital Advance | | |
| Considered Good | - | 29 865 |
| Total | 13 95 942 | 6 58 207 |

3.11 DEFERRED TAX ASSET

(In Rs.)

| Particulars | As at | |
|-----------------------------|-------------|-----------|
| | 31 Mar 15 | 31-Mar-14 |
| Depreciation | (1 59 800) | 1 800 |
| Preliminary expense u/s 35D | 70 300 | 1 05 400 |
| Provisions | 2 08 300 | 79 400 |
| Total | 1 18 800 | 1 86 600 |

CURRENT ASSETS

3.12 RECEIVABLES FROM FINANCING ACTIVITIES

(In Rs.)

| Particulars | As at | |
|--|---------------|-------------|
| | 31 Mar 15 | 31-Mar-14 |
| (Secured, considered good unless otherwise stated) | | |
| Hypothecation Loan * | 20 63 35 061 | 8 07 12 813 |
| Less : Sellout of Receivables from Financing Activities in favour of Muthoot Capital Services Limited ** | (2 89 80 321) | - |
| Net Receivable | 17 73 54 740 | 8 07 12 813 |
| Gold Loan | 7 32 600 | 5 06 950 |
| Demand Promissory Note (Unsecured) | 4 24 646 | - |
| Interest Accrued on the above loans | | |
| Hypothecation Loan | 17 66 654 | 6 95 191 |
| Gold loan | 90 569 | 21 989 |
| Total | 18 03 69 209 | 8 19 36 943 |

Hypothecation Loans includes Non Performing Assets of Rs.8,37,942/-

* All assets shall be classified as current when it is expected to be realized in or is intended for sale or consumption in the Company's Normal Operating Cycle of 36 months.

The company is mainly engaged in the business of providing hypothecation loans for two wheelers. As per the scheme of extending the finance, the borrower has to repay the principal together with interest over the repayment period in Equated Monthly Installments (EMIs). The repayment period varies from 12 to 36 months. Consequently, the period for realization / recovery of a hypothecation advance given to a borrower from the date of giving advance varies from 12 to 36 months.

Refer Note 7 for the maturity pattern of hypothecation loan advance.

** Refer Note 8 -Particulars of Loan taken from Muthoot Capital Services Limited against the Sellout of Receivables from Financing Activities in favour of Muthoot Capital Services Limited

3.13 SHORT TERM LOANS AND ADVANCES

| Particulars | (In Rs.) | |
|--|------------------|------------------|
| | 31 Mar 15 | 31-Mar-14 |
| (Unsecured, considered good unless otherwise stated) | | |
| Trade Advance * | 15 25 833 | 6 58 993 |
| Other Advance** | 12 65 695 | 26 785 |
| Tax Refund Receivable | 3 68 540 | 3 77 989 |
| Trade receivables | - | 32 55 719 |
| Total | <u>31 60 068</u> | <u>43 19 486</u> |

* Trade Advance of Rs.15,25,833/- include an amount of Rs.2,57,642 (31 March, 2014 :Rs.Nil) being trade advance to Related Parties

** Other Advance of Rs.12,65,695/- include an amount of Rs.1,63,330 (31 March, 2014 :Rs.Nil) being advance to Related Parties

3.14 CASH AND CASH EQUIVALENTS

| Particulars | (In Rs.) | |
|--|-----------------|-----------------|
| | 31 Mar 15 | 31-Mar-14 |
| Cash and Cash Equivalents | | |
| Balances with Banks in Current Account | 4 44 345 | 1 50 676 |
| Cash in Hand | 1 43 065 | 2 96 005 |
| Total | <u>5 87 410</u> | <u>4 46 681</u> |

Details of balance as on Balance Sheet date with banks are as follows:

(In Rs.)

| Particulars | As at | |
|--|-----------------|-----------------|
| | 31 Mar 15 | 31-Mar-14 |
| Name of the Bank | | |
| Balances with Banks in Current Account | | |
| Axis Bank | 1 59 635 | 98 061 |
| South Indian Bank | 2 84 710 | 52 615 |
| Total | <u>4 44 345</u> | <u>1 50 676</u> |

3.15 OTHER CURRENT ASSETS

(In Rs.)

| Particulars | As at | |
|-------------------------------------|-----------------|-----------|
| | 31 Mar 15 | 31-Mar-14 |
| Insurance Claim | 10 000 | - |
| Unused Stationery - Agreement Books | 1 24 272 | |
| Total | <u>1 34 272</u> | <u>-</u> |

STATEMENT OF PROFIT AND LOSS

3.16 REVENUE FROM OPERATIONS

(In Rs.)

| Particulars | Year Ended | |
|-----------------------------------|--------------------|--------------------|
| | 31 Mar 15 | 31-Mar-14 |
| Income from Financing Activities; | | |
| Hypothecation Loans | 3 86 38 700 | 1 41 27 129 |
| Gold Loan | 1 78 693 | 44 387 |
| Demand Promissory Note | 24 646 | - |
| Interest On Trade Advance | 1 94 742 | 89 380 |
| Other Charges | 5 10 688 | 66 650 |
| Total | <u>3 95 47 469</u> | <u>1 43 27 546</u> |

3.17 OTHER INCOME

(In Rs.)

| Particulars | Year Ended | |
|----------------------|---------------|------------------|
| | 31 Mar 15 | 31-Mar-14 |
| Discount Received | 40 233 | 12 463 |
| Exchange Gain | 2 599 | - |
| Miscellaneous Income | 39 905 | 2 333 |
| Commission Income | - | 31 80 654 |
| Interest on FD | - | 1 14 957 |
| Total | <u>82 737</u> | <u>33 10 407</u> |

3.18 EMPLOYEE BENEFIT EXPENSES

(In Rs.)

| Particulars | Year Ended | |
|------------------------|------------------|------------------|
| | 31 Mar 15 | 31-Mar-14 |
| Salaries & Wages | 64 87 030 | 25 09 790 |
| Incentive to Employees | 4 68 960 | 4 08 629 |
| Other Expenses; | | |
| Bonus | 1 36 300 | 27 250 |
| Training Expenses | 17 829 | 12 409 |
| Total | <u>71 10 119</u> | <u>29 58 078</u> |

3.19 FINANCE COSTS

(In Rs.)

| Particulars | Year Ended | |
|---|--------------------|------------------|
| | 31 Mar 15 | 31-Mar-14 |
| Interest on Borrowings | | |
| on Bank Loans | 90 00 752 | 23 49 755 |
| on Unsecured loans from Directors | 6 64 819 | 2 15 406 |
| on Unsecured loans from Muthoot Bankers | 4 84 673 | - |
| on Unsecured loans from Muthoot Capital Services Limited | 14 48 530 | - |
| on Sellout of Receivables from Financing Activities in favour of Muthoot Capital Services Limited | 27 02 343 | - |
| Processing Fees | 4 07 024 | - |
| Guarantee Commission paid | 6 66 700 | 10 00 000 |
| Total | <u>1 53 74 841</u> | <u>35 65 161</u> |

3.20 OTHER EXPENSES

(In Rs.)

| Particulars | Year Ended | |
|---|------------------|------------------|
| | 31 Mar 15 | 31-Mar-14 |
| Incentive Paid to Dealers and executives | 42 45 090 | 19 32 538 |
| Verification Charges | 10 54 005 | 4 29 945 |
| Rent | 9 02 201 | 5 58 550 |
| Advertisement Expenses | 6 18 118 | 1 54 756 |
| Printing & Stationery | 2 91 303 | 2 57 069 |
| Communication Expenses | 3 16 877 | 1 16 978 |
| Loss on Foreclosure | 2 13 218 | 1 00 475 |
| Audit Fee | 3 55 290 | 2 06 192 |
| Rates & Taxes (excluding taxes on income) | 1 56 345 | 1 73 281 |
| Director's Sitting Fee | 90 000 | 95 000 |
| Discount Allowed | 30 667 | - |
| Miscellaneous Expense | 15 47 402 | 6 33 180 |
| Commission paid to dealers* | - | 28 62 588 |
| Total | <u>98 20 516</u> | <u>75 20 552</u> |

* This expense was incurred in relation to Commission Income shown in Note 3.17

Payment to Auditors

(In Rs.)

| Particulars | Year Ended | |
|------------------------------------|-----------------|-----------------|
| | 31 Mar 15 | 31-Mar-14 |
| For Audit | 1 11 180 | 1 40 450 |
| For Company Law Compliance Matters | 2 08 779 | 45 517 |
| For Others | 35 331 | 20 225 |
| Total | <u>3 55 290</u> | <u>2 06 192</u> |

3.21 PROVISIONS AND WRITEOFFS

(In Rs.)

| Particulars | Year Ended | Year Ended |
|---|-----------------|-----------------|
| | 31 Mar 15 | 31-Mar-14 |
| Provision For Standard Assets | 3 22 000 | 1 80 000 |
| Bad Debts Written Off * | 36 863 | - |
| Provision against Non Performing Assets | 95 000 | 7 000 |
| Total | <u>4 53 863</u> | <u>1 87 000</u> |

*The loss of Rs 36,863/- on account of the low quality of gold taken as security for the gold loan disbursed during the year has been charged to P & L Account as bad debts written off.

3.22 EXTRAORDINARY ITEMS

(In Rs.)

| Particulars | Year Ended | Year Ended |
|---|--------------------|------------|
| | 31 Mar 15 | 31-Mar-14 |
| Reversal of accumulated depreciation due to change in accounting policy with regard to charging of depreciation | (1 63 540) | - |
| Total | <u>(1 63 540)</u> | <u>-</u> |

During the year, the Company changed the method of charging depreciation from WDV basis to SLM basis for operational convenience. Due to this change in the method of depreciation, accumulated depreciation for an amount of Rs.1,63,540/- from the date of put to use of fixed assets till March 31,2014 is reversed.