

FINVENT FINANCE AND INVESTMENTS LIMITED
BALANCE SHEET AS AT 31 MARCH, 2018

(In Rs.)

	Note	As at 31 Mar 18	As at 31 Mar 17
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3.01	5 70 68 520	5 30 68 520
Reserves and Surplus	3.02	1 83 16 355	1 72 61 511
		7 53 84 875	7 03 30 031
Non-Current Liabilities			
Long Term Borrowings	3.03	2 86 98 340	58 92 000
Other Long Term Borrowings	3.04	86 011	48 723
		2 87 84 351	59 40 723
Current Liabilities			
Short Term Borrowings	3.05	35 53 99 949	25 09 68 962
Other Current Liabilities	3.06	13 10 87 050	9 26 44 439
Short Term Provisions	3.07	85 00 612	39 93 995
		49 49 87 611	34 76 07 396
Total Equities and Liabilities		59 91 56 838	42 38 78 150
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Property, Plant and Equipments	3.08	1 28 68 003	90 67 918
Intangible Assets	3.09	7 16 981	5 855
Intangible Assets (Under development)	3.10	30 000	30 000
		1 36 14 984	91 03 773
Deferred Tax Asset (Net)	3.11	19 72 100	7 93 700
Long Term Receivables from Financing Activities	3.12	96 86 653	29 03 870
Long Term Loans and Advances	3.13	4 52 102	4 45 942
		1 21 10 855	41 43 512
Current Assets			
Cash and Cash Equivalents	3.14	43 36 084	14 28 135
Short Term Receivables from Financing Activities	3.15	52 42 93 724	40 11 60 741
Short Term Loans and Advances	3.16	4 37 52 308	75 43 040
Other Current Assets	3.17	10 48 883	4 98 949
		57 34 30 999	41 06 30 865
Total Assets		59 91 56 838	42 38 78 150

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS 1 to 11

Note: The notes referred to above form an integral part of the Balance Sheet

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 :

GEORGE MATHEW
Director

AMAL ABRAHAM
Director

FINVENT FINANCE AND INVESTMENTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

(In Rs.)

	Note	Year Ended 31 Mar 18	Year Ended 31 Mar 17
Revenue			
Revenue From Operations	3.18	11 99 72 641	11 10 16 402
Other Income	3.19	7 95 963	13 17 257
Total Revenue (I)		12 07 68 604	11 23 33 659
Expenses			
Employee Benefit Expenses	3.20	2 53 09 055	2 45 50 406
Finance Costs	3.21	6 10 72 637	5 37 13 943
Depreciation and Amortization Expense	3.08 to 3.10	26 12 987	20 22 212
Administrative and Other Expenses	3.22	2 34 48 684	2 40 57 323
Provisions and Write Offs	3.23	49 40 687	10 80 175
Total Expenses (II)		11 73 84 050	10 54 24 059
Profit Before Tax		33 84 554	69 09 600
Tax Expenses			
Current Tax		21 40 000	23 50 000
Deferred Tax		(11 78 400)	(1 49 900)
Income Tax Adjustment of Earlier Years		1 04 506	1 31 555
Total Tax Expenses		10 66 106	23 31 655
Profit After Tax		23 18 448	45 77 945
Earning per equity share of Rs.10 each Basic and Diluted (in Rs.)	7	0.42	0.86

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS 1 to 11

Note: The notes referred to above form an integral part of the Statement of Profit and Loss

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 :

GEORGE MATHEW
 Director

AMAL ABRAHAM
 Director

3 NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2018

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 each as follows

(In Rs.)

Particulars	As at	
	31 Mar 18	31 Mar 17
Authorized		
75,00,000 equity shares of Rs. 10 par value	7 50 00 000	7 50 00 000
Issued		
74,90,412 equity shares of Rs.10 par value	7 49 04 120	7 49 04 120
Subscribed and Paid up		
57,06,852 equity shares of Rs.10 par value	5 70 68 520	5 30 68 520
	<u>5 70 68 520</u>	<u>5 30 68 520</u>

Reconciliation of the number of equity shares outstanding and the amount of share capital as at 31st March 2018 and 31st March 2017 is set out below :

Particulars	As at 31st March 2018		As at 31st March 2017	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
At the beginning of the year	53 06 852	5 30 68 520	53 06 852	5 30 68 520
Add: Issue of shares during the year	4 00 000	40 00 000	-	-
At the end of the year	57 06 852	5 70 68 520	53 06 852	5 30 68 520

Shareholders holdings more than 5% of the shares in the Company

Particulars	Number of Equity Shares				Amount(Rs.)	
	As at		As at		As at	As at
	31 Mar 18	%	31 Mar 17	%	31 Mar 18	31 Mar 17
P T Abraham	9 64 964	16.91%	10 28 228	19.38%	96 49 640	1 02 82 280
Amal Abraham	9 16 866	16.07%	8 16 866	15.39%	91 68 660	81 68 660
Sam V Stephen	5 16 666	9.05%	5 16 666	9.74%	51 66 660	51 66 660
Total			23 61 760		2 39 84 960	2 36 17 600

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 share held.

The Company declares and pays dividends in Indian Rupees. The Board of Directors in their meeting held on 29th November 2017 declared an interim dividend of 3.5% per equity share. The total dividend appropriation for the year ended 31st March, 2018 amounted to Rs.22,63,604/- including corporate dividend tax of Rs.3,82,873/-.

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.

During the year ,the Company (on 2nd September 2017) allotted 4,00,000 equity shares of Rs.10/- each at an price of Rs.12.5/- per equity share including a premium of Rs.2.5/- per share.

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.

3.02 RESERVES AND SURPLUS

(In Rs.)

Particulars	As at	
	31 Mar 18	31 Mar 17
Securities Premium Account		
At the beginning of the year	54 30 314	54 30 314
Add: Additions on shares issued during the year	10 00 000	
At the end of the year	64 30 314	54 30 314
Statutory Reserve		
(As per Section 45-IC of the Reserve Bank of India Act, 1934)		
At the beginning of the year	34 06 000	24 06 000
Add: Transfer from Surplus in the Statement of Profit and Loss	4 70 000	10 00 000
At the end of the year	38 76 000	34 06 000
General Reserve		
At the beginning of the year	10 00 000	5 00 000
Add: Transfer from Surplus in the Statement of Profit and Loss	-	5 00 000
At the end of the year	10 00 000	10 00 000
Surplus in the Statement of Profit & Loss		
At the beginning of the year	74 25 197	65 82 774
Add: Profit for the year	23 18 448	45 77 945
Total	97 43 645	1 11 60 719
Less: Appropriations		
Transfer to Statutory Reserve as per Reserve Bank Of India Act, 1934	(4 70 000)	(10 00 000)
Transfer to General Reserves	-	(5 00 000)
Dividend		
Interim Dividend (Refer Note 3.1)	(18 80 731)	(18 57 400)
Dividend Tax	(3 82 873)	(3 78 122)
Total	(27 33 604)	(37 35 522)
At the end of the year	70 10 041	74 25 197
Total	1 83 16 355	1 72 61 511

3.03 LONG TERM BORROWINGS

(In Rs.)

Particulars	As at	
	31 Mar 18	31 Mar 17
Secured		
Term Loan from South Indian Bank	34 44 000	56 92 000
Non-Convertible Debentures	7 00 000	2 00 000
ICICI Bank Vehicle Loan	7 14 340	-
Unsecured		
Subordinated Debt	2 38 40 000	-
Total	2 86 98 340	58 92 000

Security of the Term Loan from South Indian Bank

The Term Loan obtained from South Indian Bank amounting to Rs.2,38,64,000/- has been personally guaranteed by the following people, namely P T Abraham, Amal Abraham, George Mathew, Johny Joy, Jose T John, Sam V S, George Mathew (share holder), Binu Stephen and Biju Stephen.

A.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 under Re Sy No 173/3 & 173/12 of Peroor Village, Kottayam Taluk in the name of Director Mr Sam V S.

(ii). Equitable Mortgage by deposit of title deeds of 40.47 ares of land in Re Sy No 615/4-2 of Kothanalloor Village, Vaikom Taluk, Kottayam District in the name of Mr. George Mathew.

(iii) EM of 31.80 ares of land with residential building in Re Sy No 265/3 and 265/4, Veliyannoor Village, Meenachil Taluk, Kottayam District in the name of Biju Stephen and Binu Stephen.

(iv) Equitable Mortgage of 7.84 ares of land with residential building at Re Sy No 137/4, 137/5, 137/54, Perumbaikad Village, Kottayam Taluk in the name of P T Abraham

Period

Name of the Bank	Account No	Period for Repayment
South Indian Bank - Term Loan	0037652000001535	60 Equivated monthly Instalments
South Indian Bank - Term Loan	0037652000001603	84 Equivated monthly Instalments

Rate of interest as on the Balance Sheet Date

Name of the Bank	Account No	Rate of Interest
South Indian Bank - Term Loan	0037652000001535	11.30%
South Indian Bank - Term Loan	0037652000001603	11.30%

Maturity of Term Loan from South Indian Bank

	For the Financial Year 2017-2018			For the Financial Year 2016-2017		
	Current	Non-Current	Total	Current	Non-Current	Total
	South Indian Bank	2 04 20 000	34 44 000	2 38 64 000	2 73 41 497	56 92 000
Total	2 04 20 000	34 44 000	2 38 64 000	2 73 41 497	56 92 000	3 30 33 497

The above mentioned Term Loans do not include the loan of Rs 5,76,31,869/- (Balance Outstanding as on 31.03.2018 Rs.57,58,099/-) against the sellout of Receivables from Financing Activities in favour of Muthoot Capital Services Limited.

Secured Term Loans from South Indian Bank grouped as under:

Particulars	Reference Note No	As at	
		31 Mar 18	31 Mar 17
Term Loans from South Indian Bank	3.03	34 44 000	56 92 000
Current Maturities of Term Loans from South Indian Bank	3.06	2 04 20 000	2 73 41 497
Total		2 38 64 000	3 30 33 497

2. DEBENTURES

The Company has issued Redeemable Non-Convertible Debentures on Private Placement basis in various series. The debentures issued under each series have a repayment period depending on the scheme it falls under. The debentures are repaid within a period of 1 to 5 years, depending on the schemes. The schemes range from Monthly, Annual and Maturity Interest Payment. The rate of interest range from 12.00% to 15.00% per annum.

Security of debentures - Hypothecation of future receivables created from on lending of vehicle loans

The Company has filed / is in the process of filing the necessary returns with the Registrar of Companies for creation of charge on the debentures at the date of signing this Financial Statements

Maturity Pattern of Debentures

Interest Rate % per annum	For the Financial Year 2017-18			For the Financial Year 2016-17		
	Current *	Non-Current	Total	Current	Non-Current	Total
>12 - 15	10 50 66 000	7 00 000	10 57 66 000	4 63 74 000	2 00 000	4 65 74 000
Total	10 50 66 000	7 00 000	10 57 66 000	4 63 74 000	2 00 000	4 65 74 000

* includes Unsecured debentures of Rs.3,00,00,000/- shown in note 3.05

Secured Non Convertible Debentures grouped as under:

Particulars	Reference Note No	As at	
		31 Mar 18	31 Mar 17
Non-Current Portion of Non-Convertible Debenture (Secured)	3.03	7 00 000	2 00 000
Current Portion of Non-Convertible Debenture (Unsecured)	3.05	3 00 00 000	-
Current Portion of Non-Convertible Debenture - Not Due (Secured)	3.06	7 49 85 000	4 63 74 000
Current Portion of Non-Convertible Debenture - Due (Secured)	3.06	81 000	-
Total		10 57 66 000	4 65 74 000

3. Vehicle Loan from ICICI

During the year, the company has availed vehicle loan from ICICI Bank amounting to Rs. 20,00,000/- . The company pays interest at 8.10% per annum. The balance outstanding as on March 31,2018 was Rs.18,55,945/-.

Security for Vehicle Loan :

Toyota Innova Crysta 2.8Zx-7s purchased in the name of P T Abraham, Managing Director, Finvent Finance and Investments Limited

Vehicle Loan from ICICI Bank grouped as under:

Particulars	Reference Note No	As at	
		31 Mar 18	31 Mar 17
Non Current Portion of Vehicle Loan	3.03	7 14 340	-
Current Portion of Vehicle Loan	3.06	11 41 605	-
Total		18 55 945	-

4. Subordinated Debts

The Company has also accepted subordinated debts from public under three schemes, namely Monthly, Annual and Maturity interest payment with interest rate of 14%. The maturity period of the loan is 63 months. The subordinated debts issued under each scheme will be repaid only on maturity.

Maturity Pattern of Subordinated Debts

Interest Rate % per annum	For the Financial Year 2017-18			For the Financial Year 2016-17		
	Current	Non-Current	Total	Current	Non-Current	Total
14	-	2 38 40 000	2 38 40 000	-	-	-
Total	-	2 38 40 000	2 38 40 000	-	-	-

Unsecured Subordinated Debts grouped as under:

Particulars	Reference Note No	As at	
		31 Mar 18	31 Mar 17
Non-Current Portion of Subordinated Debt	3.03	2 38 40 000	-
Total		2 38 40 000	-

3.04 OTHER LONG TERM BORROWINGS*(In Rs.)*

Particulars	As at	
	31 Mar 18	31 Mar 17
Secured		
Interest Accrued But not Due on Non-Current portion of Debenture	48 652	48 723
Unsecured		
Interest Accrued But not Due on Non-Current portion of Sub Debt	37 359	-
Total	86 011	48 723

Current portion of interest accrued on the above borrowings amounting to Rs.16,25,739/- is shown in Note No. 3.06 under Other Current Liabilities (March 31, 2017: 9,82,426/-)

3.05 SHORT TERM BORROWINGS*(In Rs.)*

Particulars	As at	
	31 Mar 18	31 Mar 17
Secured Loans		
South Indian Bank - Cash Credit Open Loan	13 32 74 958	15 13 23 015
Muthoot Capital Services Limited - Term Loan	13 58 25 665	3 16 63 000
Shriram Transport Finance Company - Term Loan	4 65 56 145	-
Unsecured Loans		
Loans from Directors	20 949	3 76 04 169
Debentures	3 00 00 000	-
Muthoot Capital Services Limited	97 22 232	3 03 78 778
Total	35 53 99 949	25 09 68 962

1. CASH CREDIT OPEN LOAN FROM SOUTH INDIAN BANK

The Cash Credit Open Loan obtained from South Indian Bank amounting to Rs. 13,32,74,958/- has been personally guaranteed by the following people, namely P T Abraham, Amal Abraham, George Mathew, Johny Joy, Jose T John, Sam V S, George Mathew (share holder), Binu Stephen and Biju Stephen.

Security of the Cash Credit Open Loan from South Indian Bank**A.Primary Security -**

(i) Hypothecation of entire current assets.

B.Collateral Security -

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

(ii). Equitable Mortgage by deposit of title deeds of 40.48 ares of land under Sy No 615/4-2 of Kothanalloor Village, Vaikom Taluk, Kottayam District in the name of Mr. George Mathew.

(iii) EM of 31.80 ares of land with residential building in Re Sy No 265/3 and 265/4, Veliyannoor Village, Meenachil Taluk, Kottayam District in the name of Biju Stephen and Binu Stephen.

(iv) Equitable Mortgage of 7.84 ares of land with residential building at Re Sy No 137/4, 137/5, 137/54, Perumbaikad Village, Kottayam Taluk in the name of P T Abraham

Period**Name of the Bank**

South Indian Bank -CCOL

Period for Repayment

12 months

Rate of interest as on the Balance Sheet Date**Name of the Bank**

South Indian Bank -CCOL

Rate of Interest

11.30%

2. Term Loan from Muthoot Capital Services Limited

During the year, the company has availed secured term loan from Muthoot Capital Services Limited . The company pays interest from 15 - 16% per annum. The balance outstanding as on March 31,2018 was Rs.13,58,25,665/- (March 31, 2017: Rs.3,16,63,000/).

Security of the Term Loan from Muthoot Capital Services Limited

A.Primary Security -

(i) Hypothecation of future receivables created from on lending of two wheeler loans

B.Collateral Security -

1. Post dated Cheques for the entire repayment
2. Personal Guarantee of the following Directors :
 - i) Mr. P.T Abraham
 - ii) Mr. Amal Abraham
 - iii) Mr. George Mathew
 - iv) Mr. Pious John
3. Equitable Mortgage by deposit of title deeds of 29.64 cents of landed property in the name of Pious John (Term Loan 2).

Period

Name of the Financial Institution	Period for Repayment
Muthoot Capital Services Limited - Term Loan 1	30 Months
Muthoot Capital Services Limited - Term Loan 2	30 Months
Muthoot Capital Services Limited - Term Loan 3	36 Months
Muthoot Capital Services Limited - Term Loan 4	36 Months
Muthoot Capital Services Limited - Term Loan 5	36 Months
Muthoot Capital Services Limited - Term Loan 6	24 Months

Rate of interest as on the Balance Sheet Date

Name of the Financial Institution	Rate of Interest
Muthoot Capital Services Limited - Term Loan 1	16.00%
Muthoot Capital Services Limited - Term Loan 2	15.00%
Muthoot Capital Services Limited - Term Loan 3	15.00%
Muthoot Capital Services Limited - Term Loan 4	15.00%
Muthoot Capital Services Limited - Term Loan 5	15.00%
Muthoot Capital Services Limited - Term Loan 6	15.00%

3. Term Loan from Shriram Transport Finance Company Limited

During the year, the company has availed secured term loan from Shriram Transport Finance Company Limited . The company pays interest at 15% - 15.5% per annum. The balance outstanding as on March 31, 2018 was Rs.4,65,56,145/- (March 31, 2017: Nil).

Security for the Term Loan from Shriram Transport Finance Company Limited

A.Primary Security -

- (i) Hypothecation of specific receivables/ Pool of Assets
- (ii) Security coverage should be 125% of Standard Assets

Period

Name of the Financial Institution	Period for Repayment
Shriram Transport Finance Company Limited - Term Loan 1	36 Months
Shriram Transport Finance Company Limited - Term Loan 2	36 Months

Rate of interest as on the Balance Sheet Date

Name of the Financial Institution	Rate of Interest
Shriram Transport Finance Company Limited - Term Loan 1	15.00%
Shriram Transport Finance Company Limited - Term Loan 2	15.00%

4. Loan From Directors

The company has entered into transactions involving receipts and re-payments of different amounts with the directors of the company. The balance outstanding as on March 31, 2018 was Rs.20,949/- (March 31, 2017: Rs.3,76,04,169/-).The rate of Interest is 12% per annum.

5. Unsecured Loans From Muthoot Capital Services Limited

During the year, the company has availed unsecured loans from Muthoot Capital Services Limited . The company pays interest between 19% to 22% per annum. The balance outstanding as on March 31,2018 was Rs. 97,22,232/-(March 31, 2017: Rs.3,03,78,778/-).

3.06 OTHER CURRENT LIABILITIES

Particulars	As at	
	31 Mar 18	31 Mar 17
Current maturities of Long Term Debt		
Term Loan from South Indian Bank (Secured)	2 04 20 000	2 73 41 497
Non Convertible Debenture - Due (Secured)*	81 000	-
Non Convertible Debenture - Not Due (Secured)	7 49 85 000	4 63 74 000
ICICI Bank - Vehicle Loan	11 41 605	-
Interest accrued on Borrowings		
Debenture	13 66 290	9 82 426
NBFC / Finance Companies	10 49 124	1 47 314
Sub Debt	2 59 449	
Other Payables		
Withholding Taxes	7 69 140	4 29 088
Dealer Balances**	2 82 81 393	1 20 62 616
Creditors for Expenses***	5 61 876	31 23 567
Statutory Dues	10 26 254	4 00 074
Other Current Liabilities	11 45 919	17 83 857
Total	13 10 87 050	9 26 44 439

* The due amount of Rs 81,000/- was repaid on 2nd May, 2018.

** Dealer Balances of Rs 2,82,81,393/- include an amount of Rs.1,08,997/- (31 March, 2017 :Rs.30,70,404/-) payable to Related Party

*** Creditors for Expenses of Rs 5,61,876/- includes an amount of Rs.1,24,821/- (31 March, 2017 :Rs.2,19,311/-) payable to Related Parties

3.07 SHORT TERM PROVISIONS

Particulars	As at	
	31 Mar 18	31 Mar 17
Provision for tax (Net of Advance tax) *	1 64 612	4 93 995
Contingency provisions against standard assets	12 80 000	9 70 000
-made @0.25% of the outstanding Standard Assets		
Provision For Non Performing Assets	70 56 000	25 30 000
Total	85 00 612	39 93 995

* 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 2018-19

PROPERTY, PLANT AND EQUIPMENTS

3.08 - TANGIBLE ASSETS

(in Rs.)

Description	Gross Block			Depreciation			Net Block		
	As at April 1, 2017	Additions during the year	Disposal during the year	As at March 31, 2018	As at April 1, 2017	For the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Furniture And Fixtures	70 05 518	18 74 389	-	88 79 907	14 67 741	7 68 776	22 36 517	66 43 390	55 37 777
Office Equipment	31 08 103	8 90 949	-	39 99 052	10 74 824	6 64 850	17 39 674	22 59 377	20 33 279
Vehicles	44 986	26 96 658	-	27 41 644	13 995	1 11 233	1 25 228	26 16 416	30 991
Computer & Accessories	30 00 343	8 40 047	-	38 40 390	17 37 614	9 04 895	26 42 509	11 97 880	12 62 729
Servers	3 30 000	-	-	3 30 000	1 26 858	52 202	1 79 060	1 50 940	2 03 142
Total	1 34 88 950	63 02 042	-	1 97 90 992	44 21 032	25 01 958	69 22 990	1 28 68 003	90 67 918

3.09 - INTANGIBLE ASSETS

(in Rs.)

Description	Gross Block			Depreciation			Net Block		
	As at April 1, 2017	Additions during the year	Disposal during the year	As at March 31, 2018	As at April 1, 2017	For the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Software		8 22 155	-	8 22 155		1 06 678	1 06 678	7 15 477	
Image	30 084	-		30 084	24 229	4 351	28 580	1 504	5 855
Total	30 084	8 22 155		8 52 239	24 229	1 11 029	1 35 258	7 16 981	5 855

3.10 - INTANGIBLE ASSETS (UNDER DEVELOPMENT)

(in Rs.)

Description	Gross Block			Depreciation			Net Block		
	As at April 1, 2017	Additions during the year	Disposal during the year	As at March 31, 2018	As at April 1, 2017	For the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Trademarks	30 000	-	-	30 000	-	-	-	30 000	30 000
Total	30 000			30 000				30 000	30 000
Grand Total	1 35 49 034	71 24 197	-	2 06 73 231	44 45 261	26 12 987	70 58 247	1 36 14 984	91 03 773

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful life as specified in Schedule II of the said Act to provide for depreciation. Accordingly, the unamortised carrying value is depreciated over the revised / remaining useful lives.

3.11 DEFERRED TAX ASSET (Net)

Particulars	(In Rs.)	
	As at	
	31 Mar 18	31 Mar 17
Provision for NPA and Others	20 63 600	9 79 900
Preliminary Expenses charged off to the Statement of Profit and Loss, but allowed as expense under tax laws in 5 years	21 500	38 600
Impact of Difference between Tax depreciation and depreciation charged for Financial Reporting	(1 13 000)	(2 24 800)
Total	19 72 100	7 93 700

Deferred tax asset and deferred tax liabilities have been offset wherever the Company has legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relating to the same taxation authority.

3.12 LONG TERM RECEIVABLES FROM FINANCING ACTIVITIES

Particulars	(In Rs.)	
	As at	
	31 Mar 18	31 Mar 17
Secured, considered good unless otherwise stated Hypothecation Loan	96 86 653	29 03 870
Total	96 86 653	29 03 870

The summary of the receivables from Hypothecation Loan appear in the financial statements in the manner shown below:

Particulars	Reference Note No	(In Rs.)	
		As at	
		31 Mar 18	31 Mar 17
Long Term Receivables From Financing Activities	3.12	96 86 653	29 03 870
Principal outstanding of current maturities of Hypothecation loan	3.15	48 72 23 565	42 78 73 341
Total		49 69 10 218	43 07 77 211

3.13 LONG TERM LOANS AND ADVANCES

Particulars	(In Rs.)	
	As at	
	31 Mar 18	31 Mar 17
Unsecured, considered good		
Security Deposits Considered Good	4 52 102	4 45 942
Total	4 52 102	4 45 942

3.14 CASH AND CASH EQUIVALENTS

Particulars	(In Rs.)	
	As at	
	31 Mar 18	31 Mar 17
Cash and Cash Equivalents		
Balances with Banks in Current Accounts	27 43 443	8 69 209
Cash on Hand	15 92 641	5 58 926
Total	43 36 084	14 28 135

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

(In Rs.)

Particulars	As at	
	31 Mar 18	31 Mar 17
Balances with Banks in Current Account		
Name of the Bank		
South Indian Bank	18 93 274	6 59 500
State Bank of India	20 755	1 22 128
Axis Bank	8 29 413	87 581
Total	27 43 443	8 69 209

3.15 SHORT TERM RECEIVABLES FROM FINANCING ACTIVITIES

(In Rs.)

Particulars	As at	
	31 Mar 18	31 Mar 17
(Secured, considered good unless otherwise stated)		
Principal outstanding in current maturity of:		
Hypothecation Loan *	48 72 23 565	42 78 73 341
Less : Sellout of Receivables from Financing Activities in favour of Muthoot Capital Services Limited **	(57 58 099)	(3 30 10 447)
Net Receivable	48 14 65 466	39 48 62 894
Microfinance	2 47 56 282	-
Gold Loan	59 65 929	24 51 466
Demand Promissory Note (Unsecured)***	82 69 962	6 47 370
Interest Accrued on:		
Hypothecation Loan	35 35 614	31 50 128
Microfinance	1 17 981	-
Gold loan	1 82 491	48 884
Total	52 42 93 724	40 11 60 741

* 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 and four 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 6 to 60 months. Consequently, the period for realization / recovery of a hypothecation advance given to a borrower from the date of giving advance varies from 6 to 60 months.

** 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

***Demand Promissory Notes of Rs 82,69,962/- includes an amount of Rs.22,24,743/- payable to Related Parties

Maturity Pattern of Hypothecation Loan:

(In Rs.)

Particulars	For the Financial Year 2017-18			For the Financial Year 2016-17		
	Current	Non Current	Total	Current	Non Current	Total
Hypothecation Loan	48 72 23 565	96 86 653	49 69 10 218	42 78 73 341	29 03 870	43 07 77 211
from Financing Activities in favour of Muthoot Capital Services Limited	(57 58 099)	-	(57 58 099)	(3 30 10 447)	-	(3 30 10 447)

Total	48 14 65 466	96 86 653	49 11 52 119	39 48 62 894	29 03 870	39 77 66 764
--------------	---------------------	------------------	---------------------	---------------------	------------------	---------------------

Disclosure on loan against gold as at March 31, 2018 Vide RBI notification DNBS(PD)241/CGM (US)-2012 dated March 21, 2012:

Particulars	(In Rs.)	
	As at	
	31 Mar 18	31 Mar 17
Total Assets	59 91 56 838	42 38 78 150
Total Loan against Security of Gold Jewellery	59 65 929	24 51 466
Percentage of Gold Loan on Total Assets	1.00%	0.58%

3.16 SHORT TERM LOANS AND ADVANCES

Particulars	(In Rs.)	
	As at	
	31 Mar 18	31 Mar 17
(Unsecured, considered good unless otherwise stated)		
Security Deposit		
Considered Good	34 41 000	25 60 000
Trade Advance *	3 26 49 453	34 30 741
Other Advance**	76 61 855	15 52 299
Total	4 37 52 308	75 43 040

* Trade Advance of Rs.3,26,49,453/- include an amount of Rs. 16,31,831/- (31 March, 2017 :Rs.2,89,169/-) being trade advance to Related Parties

** Other Advance of Rs. 76,61,855/- include an amount of Rs.2,50,000/- (31 March, 2017 :Rs.2,08,300/-) being advance to Related Parties

3.17 OTHER CURRENT ASSETS

Particulars	(In Rs.)	
	As at	
	31 Mar 18	31 Mar 17
Other Receivables	10 48 883	4 98 949
Total	10 48 883	4 98 949

STATEMENT OF PROFIT AND LOSS

3.18 REVENUE FROM OPERATIONS

Particulars	(In Rs.)	
	Year Ended	
	31 Mar 18	31 Mar 17
Income from Financing Operations		
Hypothecation Loans	11 60 36 996	11 04 26 229
Microfinance	17 00 295	
Demand Promissory Note	13 44 166	3 62 446
Gold Loan	7 61 347	2 27 727
Interest On Trade Advance	1 29 837	
Total	11 99 72 641	11 10 16 402

3.19 OTHER INCOME

Particulars	(In Rs.)	
	Year Ended	
	31 Mar 18	31 Mar 17
Discount Received	16 885	63 211
Exchange Gain	11 453	4 632
Other Non Operating Income	7 67 626	12 49 414
Total	7 95 963	13 17 257

3.20 EMPLOYEE BENEFIT EXPENSES

(In Rs.)

Particulars	Year Ended	
	31 Mar 18	31 Mar 17
Salaries, Wages & Incentives to Employees	2 36 79 127	2 35 79 256
Provident Fund and ESI	6 29 713	2 51 478
Staff Welfare Expenses	1 91 853	6 900
Other Expenses		
Bonus	7 14 609	5 68 593
Training Expenses	93 753	1 44 179
Total	2 53 09 055	2 45 50 406

3.21 FINANCE COSTS

(In Rs.)

Particulars	Year Ended	
	31 Mar 18	31 Mar 17
Interest Expenses		
Bank Loans	2 12 75 527	2 39 33 722
Interest on Term Loan -MCSL	1 36 16 996	61 90 067
Unsecured loans from Muthoot Capital Services Limited	36 19 504	58 98 443
Sellout of Receivables from Financing Activities in favour of Muthoot Capital Services Limited	23 44 457	67 29 916
Unsecured loans from Directors	21 35 572	37 01 808
Interest on Debentures	1 00 49 159	32 83 930
Interest on Loan from Shriram Transport Finance Company	20 95 810	
Interest on Sub Debt	7 28 277	
Interest on Car Loan	70 108	
Other Borrowing Cost		
Guarantee Commission paid	26 58 367	23 33 260
Processing Fees	18 80 940	10 99 948
Commission-Debenture	5 97 920	5 42 849
Total	6 10 72 637	5 37 13 943

3.22 ADMINISTRATIVE AND OTHER EXPENSES

(In Rs.)

Particulars	Year Ended	
	31 Mar 18	31 Mar 17
Incentive Paid to Dealers and executives	57 88 916	59 84 027
Legal and Professional Charges	26 53 204	50 05 028
Rent	39 16 701	29 14 895
Miscellaneous Expense	16 22 496	11 18 805
Business Promotion Expense	12 55 119	17 72 297
Communication Expenses	15 79 472	14 06 743
Travelling and Conveyance Expenses	13 81 968	13 81 054
Insurance	13 00 805	13 28 416
Power and Fuel	8 82 785	4 87 105
Advertisement Expenses	12 33 465	6 01 499
Printing & Stationery	6 14 899	5 84 281
Recruitment Expenses	2 34 786	5 81 385
Repairs and Maintenance	4 46 110	3 93 792
Audit Fee	3 52 992	3 42 146
Rates & Taxes (excluding taxes on income)	1 71 524	1 35 278
Internal Audit expense	10 087	17 816
Discount Allowed	3 355	2 757
Total	2 34 48 684	2 40 57 323

Payment to Statutory Auditors*(In Rs.)*

Particulars	Year Ended	
	31 Mar 18	31 Mar 17
Audit	1 50 000	1 38 750
Company Law Compliance Matters	1 16 492	1 32 250
Other Services	86 500	71 146
Total	3 52 992	3 42 146

3.23 PROVISIONS AND WRITEOFFS*(In Rs.)*

Particulars	Year Ended	
	31 Mar 18	31 Mar 17
Provision against Non Performing Assets	45 26 000	8 30 000
Provision For Standard Assets	3 10 000	50 000
Provision For Repossessed Assets	-	(22 000)
Loss on Sale of repossessed asset	1 04 687	2 22 175
Total	49 40 687	10 80 175