

# Annual Report 2021-22



# Reliant

CREDITS (INDIA) LTD.

Money talks ; we listen with interest



**CHAIRMAN**  
Chittilappilly Jacob Sunny  
Chittillappilly

## BOARD OF DIRECTORS



**MANAGING DIRECTOR**  
Josekutty Xavier  
Kannattumadam



**Wholetime Director**  
Babu P Kuriakose  
Peechakara



**Director**  
Alias Abraham  
Meleth House



**Director**  
Robin Xavier  
Pulickal



**Wholetime Director**  
James Joseph  
Arambankudy



**Director**  
Sathiapalan S  
Sreenilayam House



**Director**  
Soji Thomas  
Edathala



**Director**  
Adv. Unni S Kappen  
Kappil



**Director**  
Dr. Rajesh Antony  
Thekkekkunnel



**Independent Director**  
Dr. T. Vinayakumar  
Thirunilath



**Independent Director**  
Baby Mathew  
Somatheeram

Dear Shareholders,

Another year has passed and the world faced with its greatest challenge in living memory. The health crisis and economic challenges caused by the Covid-19 pandemic have demanded exceptional efforts on every front. Our country navigated the complex and challenging environment during fiscal 2021, driven by a determined response by our medical professionals, frontline workers, communities and the policy measures of the government and regulatory authorities. Most parameters of economic activity returned to pre-Covid levels by the last quarter of the fiscal year. However, a second wave of the pandemic emerged in late fiscal 2021 that saw a significant increase in infections across the country, in urban and rural areas. The receding of this second wave in recent weeks and the acceleration of the vaccination programme raise hopes of a gradual return to a more normal environment as the year progresses.



**CHAIRMAN**  
Chittilappilly Jacob Sunny  
Chittilappilly

In this uncertain environment, Reliant Credits (India) Limited (RCIL) has accorded the highest priority to the continuity of service to our customers and the safety of our employees, and ensuring that the institution is resilient against potential risks and well-poised to benefit from the recovery. Our employees have demonstrated immense professionalism and dedication towards the successful navigation of these challenges.

During fiscal 2021, significant provisions were made to cushion the balance sheet from the potential risks arising out of uncertainties around the trajectory of the pandemic and level of economic activity. The performance of the RCIL in terms of growth, portfolio quality and profitability is a result of the focussed execution of its strategy over the past few years. The institution has adopted an ecosystem-based approach, seeking to effectively and holistically serve the needs of customers and their networks, backed by a strong emphasis on internal collaboration and synergy. The risk frameworks within which RCIL has conducted its business have proved adaptable in the face of the disruption caused by the pandemic, we aim a total business of ₹500 Crore this fiscal year and our expansion advanced into two new states Karnataka and Telangana.

The Board is committed to ensure that RCIL is a future-ready and stable organisation with a focus on long term value-creation. Our business is underpinned by strong governance and risk management practices, and an ethos of being a trustworthy financial institution. During the year, the Board and its Committees conducted regular reviews to assess the organisation's response to the challenges posed by the pandemic and evaluating its impact on our business and loan portfolio. From a longer term perspective, a wide range of issues and risks were reviewed to ensure organisational buoyancy, particularly in relation to adapting new software and technology.

Maintaining integrity, fairness and transparency are the most important values for us in our engagement with our shareholders. We continue to instil a sense of accountability and ethics among employees through robust policies and strong governance. Our governance culture supported by sound risk management is aimed at ensuring we remain impregnable during challenging periods and forge a sustainable future for the organisation.

We thank all our shareholders and look forward to your continued support.

With best wishes,

A handwritten signature in blue ink, appearing to read 'Chittilappilly Jacob Sunny', written in a cursive style.

**Chittilappilly Jacob Sunny**

Chairman



Dear Shareholders,

33 years! Reliant Credits (India) LTD (RCIL) has entered its 33rd year of financial service in 2022. The number 33 is considered as a magical number for many reasons and tells us that 'all things are possible.' This has been true in the case of RCIL. Since our inception in 1989, RCIL has gone through various stages and inevitable changes and reached at a point where we could dream high and make things possible.

RCIL is fortunate to be the trusted financial partner in the lives of more than 2,50,000 satisfied customers. We have focused on strengthening our relationships with our customers, which resulted in further growth in our investment and lending volumes to household and business customers.

Our scale puts us in the unique position of being able to maintain a strong balance sheet along with playing a significant role in uplifting the society that we cater. Throughout the year, our motto of 'growing together' has continued to guide our actions.

Being a conscious financial entity, we are deeply committed to social and environmental issues and have strategically invested in initiatives focused at development of the country. The fundamental objectives of all our CSR programmes have been the well-being of the country's citizenry and contributing meaningfully towards the conservation and protection of the environment. Our enhanced CSR investments in the last few years are being matched and justified by the scale and the impact of all our programmes. Our tribal education-focused projects have facilitated necessary development as well as soft interventions targeted at academic improvement, along with life-skills support programmes have enabled children from the economically weaker sections in villages to be at par with their privileged counterparts. The heart-warming stories of students and many appreciative notes from school principals and teachers as well as community influencers are the truest testimony to the fact that we have begun the journey well.

We continue to focus on extending our base in technology and innovation, building trusted relationships, and developing differentiated products and services to create more value for our customers. This is backed by appropriate policies, systems and processes so they can spend more time on what matters. We will continue to ensure that outcomes achieved to date are sustained and continuously improved. We are looking forward to take our shares to the listing space a few years from now, thus adding maximum value to our stakeholders.

I thank all our shareholders for your continued support and for being able to serve you as a Director, and as Managing Director for the past 2 years.

Let's grow together!



**MANAGING DIRECTOR**  
**Josekutty Xavier**  
Kannattumadam

A handwritten signature in black ink, appearing to read 'Josekutty Xavier', with a long horizontal line extending from the end of the signature.

**Josekutty Xavier**  
Managing Director.



## STATUTORY COMMITTEES

### Audit Committee

Mr. Baby Mathew	(Chairman)
Dr. T Vinyakumar	(Member)
Mr. Babu P Kuriakose	(Member)

### Nomination and Remuneration Committee

Dr. T. Vinayakumar	(Chairman)
Mr. Baby Mathew	(Member)
Mr. Babu P Kuriakose	(Member)

### Finance Committee

Mr. Alias Abraham	(Chairman)
Mr. Soji Thomas	(Member)
Adv. Unni S Kappan	(Member)

### Risk Management Committee

Mr. Robin Xavier	(Chairman)
Mr. Josekutty Xavier	(Member)
Mr. James Joseph	(Member)
Arambankudiyil	

### Stakeholder Relationship Committee

Mr. Robin Xavier	(Chairman)
Mr. Soji Thomas	(Member)
Mr. Alias Abraham	(Member)

### Corporate Social Responsibility

Mr. Robin Xavier	(Chairman)
Mr. Soji Thomas	(Member)
Mr. James Joseph	(Member)
Arambankudiyil	



**BOARD OF DIRECTORS****RELIANT CREDITS (INDIA) LIMITED****MR. CHITILAPPILLY JACOB SUNNY***(Chairman cum Additional Director)***MR. JOSEKUTTY XAVIER** *(Managing Director)***MR. ALIAS ABRAHAM** *(Director)***MR. ROBIN XAVIER** *(Director)***MR. BABU P KURIAKOSE** *(Whole-time Director)***MR. JAMES ARAMBANKUDYIL JOSEPH***(Whole-time Director)***MR. SOJI THOMAS** *(Director)***MR. UNNI SEBASTIAN KAPPEN** *(Director)***MR. BABY MATHEW** *(Independent Director)***MR. THIRUNILATH VINAYAKUMAR***(Independent Director)***MR. SATHYAPALAN SIVARAMAN** *(Director)***MR. ANTONY RAJESH THEKEUNNEL** *(Director)***CONTENTS**

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**CHIEF EXECUTIVE OFFICER**

Mr. Jaimon K Iype

**CHIEF FINANCIAL OFFICER**

Mr. Thomas Panthanalputhenpura Eldhose

**COMPANY SECRETARY**

Ms. Anaswara Kodithottathil Rajan

**AUDITORS**

Mr. Vinay N Pisharady (Membership No: 233743), Pothiyil Pisharam, Marampally P.O., Aluva Via, Ernakulam, Kerala, 683105

**REGISTERED OFFICE**

RELIANT CREDITS (INDIA) LIMITED

CIN: U65921KL1989PLC005568

KMC XVI/I/J, Reliant Junction,  
Kozhippilly Bypass, Kuthukuzhi P.O,  
Kothamangalam,  
Kerala, India, 686691

Email – [cs@reliantcreditsindia.com](mailto:cs@reliantcreditsindia.com)Website – [www.reliantcreditsindia.com](http://www.reliantcreditsindia.com)

**RELIANT CREDITS (INDIA) LIMITED**  
**(Formerly known as Reliant Hire Purchase Company Limited)**

KMC XVI/I/J, Reliant Junction, Kozhippilly Bypass, Kuthukuzhi P.O, Kothamangalam, 686691

CIN: U65921KL1989PLC005568

Email – cs@reliantcreditsindia.com, Website – www.reliantcreditsindia.com

Telephone No: 0485 - 2861312

**NOTICE OF THE 33<sup>RD</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 33rd Annual General Meeting of the members of **RELIANT CREDITS (INDIA) LIMITED** will be held on Friday, 23rd September, 2022 at KMC XVI/I/J, Reliant Junction, Kozhippilly Bypass, Kuthukuzhi P.O, Kothamangalam, 686691 at 05.00 PM to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2022, Profit and Loss Statement and Cash Flow Statement for the year ended as on that date, together with Auditor's Report and Directors Report thereon.
2. To appoint a director in place of Mr. Soji Thomas (DIN - 07279260), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Josekutty Xavier (DIN - 02073994), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. Alias Abraham (DIN - 00688660), who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS**

5. **To appoint Mr. Chittilappilly Jacob Sunny (DIN - 02017081), as Director of the Company and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee, Mr. Chittilappilly Jacob Sunny (DIN - 02017081), who was appointed as Additional Director of the Company by the Board of Directors on 31st January, 2022 and who ceases to hold office on the date of this Annual General Meeting as per Section 161 of

the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of director of the Company be and is hereby appointed as the Director of the



Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

**6. To approve the appointment of Mr. James Arambankudyil Joseph (DIN - 06566906), as Whole-time Director of the Company and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 196, 197 of the Companies Act, 2013 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment(s) thereof for the time being in force) and rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to Article Number 15 of the Articles of Association of the Company, consent of the Company be and is hereby accorded for appointment of Mr. James Arambankudyil Joseph (DIN - 06566906) as Whole-time Director of the Company with effect from 27.08.2022 for a period of three years without any remuneration and on such other terms and conditions as may be agreed upon between him and the Board of Directors of the Company.”

**7. To increase the Authorised Share Capital of the Company and if thought fit, to pass with or without modification(s) the following resolutions as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the Authorised Share Capital of the Company be and is hereby increased from Rs. 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 22,500 (Twenty Two Thousand Five Hundred) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each to Rs. 80,00,00,000/- (Rupees Eighty Crores Only) divided into 40,000 (Forty Thousand) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each, by creation of additional 17,500 (Seventeen Thousand Five Hundred) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each ranking pari passu in all respect with the existing equity shares of the Company.”

**“RESOLVED FURTHER THAT** the Clause V of the Memorandum of Association of the Company be and is hereby altered and the following shall be substituted in place of the existing one:

- V. The Authorised Share Capital of the Company is Rs. 80,00,00,000/- (Rupees Eighty Crores Only) divided into 40,000 (Forty Thousand) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each.”

**8. To approve Sub-division of Shares of the Company and if thought fit, to pass with or without modification(s) the following resolutions as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 61(1)(d), 64 and other

applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and the rules framed there under and Articles of Association of the Company, every 1 equity share of nominal value of Rs. 20,000/- each be and is hereby sub-divided into 2000 equity shares of nominal value of Rs. 10/- each."

**"RESOLVED FURTHER THAT** pursuant to the sub-division of the equity shares of the Company, Issued, Subscribed and Paid-up Equity share of face value of Rs. 20,000/- (Rupees Twenty Thousand Only) each, shall stand sub-divide into 2,81,28,000 (Two Crore Eighty One Lakhs Twenty Eight Thousand) equity shares of face value of Rs. 10/- (Rupees Ten Only) each fully paid-up and also Authorised Equity share capital Rs. 80,00,00,000/- (Rupees Eighty Crores Only) divided into 40,000 (Forty Thousand) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each, shall stand sub-divided into 8,00,00,000 (Eight Crore) equity shares of face value of Rs. 10/- (Rupees Ten Only) each."

**"RESOLVED FURTHER THAT** the existing clause V of the Memorandum of Association of the Company be and is hereby substituted with the following new clause:

- V. V. The Authorised Share Capital of the Company is Rs. 80,00,00,000/- (Rupees Eighty Crores Only) divided into 8,00,00,000 (Eight Crore) equity shares of Rs. 10/- (Rupees Ten Only) each."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do, perform and execute all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution, execution of all necessary documents including recall of the existing share certificates, issue of new share certificates in lieu of the existing issued share certificate in terms of the foregoing resolutions and in accordance with the applicable provisions of the Companies Ad, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and in the case of members holding shares in dematerialised form, the sub divided equity shares of nominal value of Rs. 10/- (Rupees Ten Only) each shall be credited to the respective beneficiary account of the members with their respective depository participants and the Company shall undertake such corporate action(s) as may be necessary in relation to the existing equity shares of the Company."

For and on behalf of the Board of  
**RELIANT CREDITS (INDIA) LIMITED**

Sd/-

Date: 27.08.2022  
Place: Kothamangalam

**Josekutty Xavier**  
**Managing Director**  
(DIN: 02073994,  
Address: Kannattumadom House, Vazhakulam Road,  
Kozhippilly P.O, Varapetty, Ernakulam,  
686691, Kerala, India)

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the company. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.**
2. For appointing the proxy, the enclosed proxy form duly filled, stamped and signed must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in and signed and hand over the same at the entrance of the hall for attending the meeting.
4. Members are requested to notify immediately any change in their address including e-mail address to the Registered Office of the Company.
5. Unclaimed/ Unpaid Dividend: In terms of Section 124 of the Act, the Central Government has established "Investor Education and Protection Fund" and any amount of dividend/ fixed deposit etc. remaining unclaimed/ unpaid for a period of seven years from the date it becomes due for payment should be transferred to this fund.
6. **The Company has appointed M/s. NSDL Database Management Limited, 4th Floor, Trade World, A Wing, Times Tower, Kamala Mills Compound, Lower Parel, Mumbai, Maharashtra, 400013 as the Registrar & Transfer Agent (RTA). Shareholders are requested to send all requests for transfer of shares, dematerialization of shares, change in address, etc. to the Company's Registrar & Transfer Agent (RTA).**
7. Relevancy of question and the order of speakers will be decided by the Chairman. Members are requested to forward in writing to the Company any question on the Accounts, so as to reach the Registered Office one week before the date of the Annual General Meeting.
8. Explanatory Statement under Section 102(1) of the Companies Act, 2013 is annexed hereto.
9. The route map showing the directions to reach the venue of the 33rd Annual General Meeting is given in last page.

**As per the requirement of Secretarial Standard 2, the following information relating to the directors to be appointed/re-appointed as contained in Item No. 2, 3, 4, 5 and 6 are furnished below:**

Particulars	Information	Information
Name	Soji Thomas	Josekutty Xavier
Age	48	62
Qualification	B.com	M.com
Experience	5.5 Years	39 Years
Terms and conditions of appointment	As per Item No. 2	As per Item No. 3
Remuneration sought to be paid	-	Rs. 4,00,000/- (Rupees Four Lakh Only) per month and 3% net profit of the Company
Remuneration Last drawn	-	Rs.1,75,000/- p.m.
Date of first appointment on the Board	29/04/2016	29/04/2013
Shareholding in the company	154 equity shares	275 equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	-	-
Number of Meetings of the Board attended during the year	12/12 (FY 2021-22)	12/12 (FY 2021-22)
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. KOTHAMANGALAM NIDHI LIMITED- Managing Director	1. ASTORIA NIDHI LIMITED- Managing Director 2. KCFC CHITS PRIVATE LIMITED- Director 3. JYOTHIS NIDHI LIMITED- Director

Particulars	Information	Information
Name	Alias Abraham	Chittilappilly Jacob Sunny
Age	73	73
Qualification	B.Sc	B.Com
Experience	34 Years NBFC Experience & 49 Years' experience in Medical Retailing	45 years of Experience in Gold Merchant
Terms and conditions of appointment	As per Item No. 4	As per resolution at Item No. 5
Remuneration sought to be paid	-	-
Remuneration Last drawn	-	-
Date of first appointment on the Board	29/12/1989	31/01/2022
Shareholding in the company	78 equity shares	2800 equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	-	-
Number of Meetings of the Board attended during the year	12/12 (FY 2021-22)	3/3 (FY 2021-22)
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. MARVEL NIDHI LIMITED- Whole-time Director	1. OCEANO HOTEL PVT LTD- Director

<b>Particulars</b>	<b>Information</b>
Name	James Arambankudyil Joseph
Age	68
Qualification	Graduate
Experience	9 Years' experience in Financial Services & 35 years of Expertise at various MNC's
Terms and conditions of appointment	As per resolution at Item No. 6
Remuneration sought to be paid	-
Remuneration Last drawn	-
Date of first appointment on the Board	29/04/2013
Shareholding in the company	27 equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	-
Number of Meetings of the Board attended during the year	12/12 (FY 2021-22)
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. ASTORIA NIDHI LIMITED- Whole-time Director 2. KOTHAMANGALAM NIDHI LIMITED- Director 3. KLM TIANA GOLD & DIAMONDS PRIVATE LIMITED- Director

For and on behalf of the Board of  
**RELIANT CREDITS (INDIA) LIMITED**

Sd/-

**Josekutty Xavier**  
**Managing Director**

(DIN: 02073994,

Address: Kannattumadom House, Vazhakulam Road,  
Kozhippilly P.O, Varapetty, Ernakulam, 686691,  
Kerala, India)

Date: 27.08.2022  
Place: Kothamangalam

## **STATEMENT TO BE ANNEXED PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **► Item No. 5: Appointment of Mr. Chittilappilly Jacob Sunny (DIN - 02017081) as Director of the Company**

Mr. Chittilappilly Jacob Sunny (DIN - 02017081) was appointed as Additional Director of the Company on 31.01.2022. As per Section 161 of the Companies Act, 2013, he will cease to hold office on the date of this Annual General Meeting. Company has received notice from him signifying their candidature as director of the Company under Section 160 of the Companies Act, 2013. Considering his experience and ability and benefit which the Company will derive from the association with him, the nomination and remuneration committee recommends his appointment as director of the Company. Hence the resolution is proposed.

As per section 102(1) of the Companies Act, 2013, none of the directors of the Company are interested in the resolution except the proposed director.

The special businesses transacted at the meeting of the company do not relate to or affects any other Company. So disclosure pursuant to Sec 102(2)(b) of the Companies Act, 2013 is not applicable.

As required by section 102(3) of the Companies Act, 2013, the documents with regard to the appointments shall be available for inspection at the registered office of the Company during business hours.

### **► Item No. 6: Approval of the appointment of Mr. James Arambankudyil Joseph (DIN - 06566906) as Whole-time Director of the Company**

The Board of Directors in their meeting held on 27.08.2022 appointed Mr. James Arambankudyil Joseph (DIN - 06566906) as the Whole-time Director of the Company for a period of 3 years with effect from 27.08.2022. Considering his experience and expertise in the industry, his appointment will be an added advantage to the operational and administrative matters of the Company. As per Section 196 of the Companies Act, 2013, appointment of Whole-time Director requires approval of the Shareholders of the Company by way of an ordinary resolution and hence this resolution.

As per section 102(1) of the Companies Act, 2013, none of the directors of the Company are interested in the resolution except the proposed director.

The special businesses transacted at the meeting of the company do not relate to or affects any other Company. So disclosure pursuant to Sec 102(2)(b) of the Companies Act, 2013 is not applicable.

As required by section 102(3) of the Companies Act, 2013, the documents with regard to the appointments shall be available for inspection at the registered office of the Company during business hours.

► **Item No. 7: To increase the Authorised Share Capital of the Company**

The Authorised Share Capital of the Company stands at Rs. 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 22,500 (Twenty Two Thousand Five Hundred) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each. In order to increase the volume of Company's business activities, it is highly desirable to increase the Authorised Share Capital of the Company from Rs. 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 22,500 (Twenty Two Thousand Five Hundred) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each to Rs. 80,00,00,000/- (Rupees Eighty Crores Only) divided into 40,000 (Fifty Thousand) equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each, by creation of additional 17,500 equity shares of Rs. 20,000/- (Rupees Twenty Thousand Only) each ranking pari passu in all respect with the existing equity shares of the Company. The proposed increase in the Authorised share capital of the Company requires the approval of the members in the general meeting by way of ordinary resolution. Consequent to the proposed increase of the authorised share capital of the Company, its Memorandum of Association will require an amendment so as to reflect the increase in the share capital.

Hence the directors recommend you to consider and pass the resolutions as mentioned in Item No. 7 as ordinary resolution.

As required by section 102(1) of Companies Act, 2013 none of the Director, Manager, Key managerial personnel and relatives of such Director, Manager and Key managerial personnel is interested in the above resolution.

The special business transacted at the meeting of the company does not relate to or affects any other company. So, disclosure pursuant to Sec 102(2) (b) of Companies Act, 2013 is not applicable.

As required by section 102(3) of Companies Act, 2013, Memorandum of Association of the Company shall be available for inspection at the registered office of the company during business hours.

► **Item No. 8: To approve Sub-division of Shares of the Company**

In order to maintain uniformity in the nominal value of the Company's equity shares with other Companies and to attract more investors and broaden its shareholders base, the Board of directors of the Company, at its meeting held on 27th August, 2022 decided to take steps for sub-division of the Company's nominal value of every 1 equity share of Rs. 20,000/- each into 2000 equity shares of Rs. 10/- each. As per Section 61(1)(d) of the Companies Act, 2013, the proposed sub-division of equity share capital of the Company

requires the approval of the members in a general meeting by way of ordinary resolution.

Hence the Directors recommend you to consider and pass the resolutions as mentioned in Item No. 8 as Ordinary Resolution.

As per section 102(1) of the Companies Act, 2013 none of the Directors, Manager, Key managerial personnel and relatives of such Director, Manager and Key managerial personnel is interested In the above resolutions.

The special business transacted at the meeting of the company does not relate to or affects any other Company. So disclosure pursuant to Sec 102(2)(b) of the Companies Act, 2013 is not applicable.

As required by section 102(3) of the Companies Act, 2013, Memorandum of Association of the Company shall be available for inspection at the registered office of the company during business hours.

For and on behalf of the Board of  
**RELIANT CREDITS (INDIA) LIMITED**

Sd/-

Date: 27.08.2022  
Place: Kothamangalam

**Josekutty Xavier**  
**Managing Director**  
(DIN: 02073994,  
Address: Kannattumadom House, Vazhakulam Road,  
Kozhippilly P.O, Varapetty, Ernakulam,  
686691, Kerala, India)



**RELIANT CREDITS (INDIA) LIMITED**  
**(Formerly known as Reliant Hire Purchase Company Limited)**

KMC XVI/I/J, Reliant Junction, Kozhippilly Bypass, Kuthukuzhi P.O, Kothamangalam, 686691

CIN: U65921KL1989PLC005568

Email – cs@reliantcreditsindia.com, Website – www.reliantcreditsindia.com

Telephone No: 0485 - 2861312

## DIRECTORS' REPORT

To,  
**The Members**

Your Directors are pleased to present the 33rd Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31st March, 2022.

### 1. FINANCIAL RESULTS

(Amount in ₹ '000)

Financial Highlights	For the Year Ending 31 <sup>st</sup> March 2022	For the Year Ending 31st March 2021
Total Income	1,23,667.306	7,368.77
Total Expenditure (including Depreciation)	1,21,615.016	3,262.21
Profit/(Loss) before Tax	2,052.29	4,106.55
Tax (including deferred tax)	410.10	1,696.66
Profit/(Loss) after Tax	1,642.19	2,409.89
Surplus / (Deficit) carried to Balance Sheet	1,642.19	2,409.89
Earnings per share	119.46	240.84

### 2. PERFORMANCE REVIEW

During the financial year 2021-22, there was an increase in total income from Rs. 67,368.77/- (in ₹ 000) to Rs. 1,23,667.30/- (in ₹000). The Company has incurred expenditure of Rs. 1,21,615.01/- (in ₹000) as compared to the previous year expenditure of Rs. 63,262.21/- (in ₹000). Performance of the Company ended with a profit of Rs. 1,642.19/- (in ₹000) compared to previous year profit of Rs. 2,409.89/- (in ₹000).

## **DEPOSIT AND LOAN**

Company has not accepted any deposit from public during the financial year. The Company have issued subordinate debt of Rs. 7,09,360/- (in ₹000) during the year. The outstanding Deposits from Directors and relatives of Directors was Rs. 23,921 (in ₹000)/-. The total outstanding deposit amount including subordinate debt as on 31.03.2022 is Rs. 8,64,941/- (in ₹000)/-. †

The Company has complied with the prudential norms on income recognition, Accounting Standards, Asset Classification, Provision for bad and doubtful debts and concentration of credit / investment as specified by the Reserve Bank of India in terms of the Non-Banking Financial Companies Prudential Norms (Reserve Banks) Directions, 1998.

The Company has complied with the prescribed liquidity requirements and has kept the approved securities with a designated bank.

## **LOANS AND ADVANCES**

The Vehicle Loan decreased to Rs. 247.97 Lakhs as on 31.03.2022 as against Rs. 446.31 Lakhs as on 31.03.2021.

Business Loan increased to Rs. 4135.00 Lakhs as on 31.03.2022 as against Rs. 2823.93 Lakhs as on 31.03.2021.

Personal Loan increased to Rs. 106.91 Lakhs as on 31.03.2022 as against Rs. 106.20 Lakhs as on 31.03.2021.

Gold Loan increased to Rs. 6123.04 Lakhs as on 31.03.2022 as against Rs. 1932.41 Lakhs as on 31.03.2021.

## **3. DIVIDEND**

The Company had decided not to declare any dividend during the year.

## **4. CHANGE IN NATURE OF BUSINESS, IF ANY**

During the financial year 2021-22, there was no change in the nature of the business of the Company.

## **5. AMOUNTS TRANSFERRED TO RESERVES**

The Company has transferred Rs. 328.50/- (in ₹000) out of the current year profit to the Statutory Reserve created u/s 45IC of RBI Act.

## 6. CHANGES IN SHARE CAPITAL DURING THE FINANCIAL YEAR, IF ANY

There was no change in the authorised share capital of the Company during the Financial Year 2021-22. The Company has allotted 2107 equity shares on private placement basis on 26.05.2021. The Authorised share capital of the Company as on 31st March, 2022 is Rs. 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 22500 equity shares of Rs. 20,000/- each. As on 31st March, 2022, the issued, subscribed and paid up share capital of the Company is Rs. 28,12,80,000/- (Rupees Twenty Eight Crores Twelve Lakhs Eighty Thousand Only) divided into 14064 equity shares of Rs. 20,000/- each.

## 7. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with differential rights during the financial year.

## 8. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued any employee stock options during the financial year.

## 9. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any sweat equity shares during the financial year.

## 10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER BALANCE SHEET DATE TILL THE DATE OF THIS REPORT

There was no material changes/events occurred after balance sheet date till the date of the report.

## 11. DIRECTORS

The Board of Directors of the Company is duly constituted and the present structure as on the date of this report is as follows:

Sl. No.	Name	Designation	Date of Appointment	DIN	Status-Resident / Non Resident	Category-Independent / Non Independent	Executive / Non Executive
1.	Alias Abraham	Director	29/12/1989	00688660	Resident	Non Independent	Non Executive
2.	Robin Xavier	Director	29/12/1989	00688670	Resident	Non Independent	Non Executive
3.	Babu Peechakara Kuriakose	Whole-time Director	29/12/1989	00762513	Resident	Non Independent	Executive
4.	Josekutty Xavier	Managing Director	29/04/2013	02073994	Resident	Non Independent	Executive

5.	James Arambankudyil Joseph	Whole-time Director	29/04/2013	06566906	Resident	Non Independent	Executive
6.	Unni Sebastian Kappen	Director	29/04/2013	06569554	Resident	Non Independent	Non Executive
7.	Soji Thomas	Director	29/04/2016	07279260	Resident	Non Independent	Non Executive
8.	Baby Mathew	Director	24/04/2018	00660637	Resident	Independent	Non Executive
9.	Thirunilath Vinayakumar	Director	24/04/2018	00044594	Resident	Independent	Non Executive
10.	Sathyapalan Sivaraman	Director	01/02/2021	07467468	Resident	Non Independent	Non Executive
11.	Antony Rajesh Thekeunnel	Director	01/02/2021	08910713	Resident	Non Independent	Non Executive
12.	Chittilappilly Jacob Sunny	Chairman cum Additional Director	31/01/2022	02017081	Resident	Non Independent	Non Executive

In accordance with the Companies Act, 2013 and as per Articles of Association of the Company, Mr. Soji Thomas (DIN - 07279260), Mr. Josekutty Xavier (DIN - 02073994) and Mr. Alias Abraham (DIN - 00688660), Directors of the Company are liable to retire from office by rotation and are eligible for re-appointment.

Mr. James Arambankudyil Joseph (DIN - 06566906) is appointed as Whole-time Director of the Company with effect from 27.08.2022. The tenure of appointment of Mr. Alias Abraham (DIN - 00688660) as Whole-time Director of the Company expired on 31.05.2022 and Mr. Alias Abraham shall be continuing as Director of the Company. Mr. Chittilappilly Jacob Sunny (DIN - 02017081) was appointed as Additional Director of the Company on 31.01.2022. He will hold office up to the ensuing Annual General Meeting of the Company. Necessary resolution for his appointment as Director is put forward in the notice of AGM for approval.

## **12. KEY MANAGERIAL PERSONNEL**

The Company is covered under section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, appointment of Key Managerial Personnel is mandatory. The Company has a CEO, CFO and CS as it's Key Managerial Personnel as on 31st March, 2022.

## **13. THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

Details of directors / Key Managerial Personnel appointed/resigned during the Financial Year 2021-22 are as follows:

Name	DIN/PAN	DesignationA	Appointment/ Resignation/ Change in Designation	Date of Appointment/ Resignation/ Change in Designation
Sathyapalan Sivaraman	07467468	Director	Change in Designation	30.09.2021
Antony Rajesh Thekeunel	08910713	Director	Change in Designation	30.09.2021
Chittilappilly Jacob Sunny	02017081	Additional Director	Appointment3	1.01.2022

#### 14. NUMBER OF BOARD MEETINGS HELD AND THE DATE ON WHICH HELD

The Board of Directors had held Sixteen Board Meetings during the year. The dates on which the meetings were held are as follows:

12.04.2021	19.04.2021	15.05.2021	17.05.2021	26.05.2021
29.06.2021	19.07.2021	05.08.2021	11.08.2021	06.09.2021
11.11.2021	31.01.2022	12.02.2022	03.03.2022	11.03.2022
21.03.2022				

The maximum time gap between any two meetings was not more than 120 days.

#### 15. ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS & LAST ANNUAL GENERAL MEETING

Name of the Director	Attendance particulars					Shareholding in the Company (Face value of Rs. 20,000/- each) Equity Shares
	Board Meetings	AGM 30.09.2021	EGM 15.05.2021	EGM 03.03.2022	Committee Meetings	
Alias Abraham	16/16	Present	Present	Present	2/2	78
Robin Xavier	11/16	Absent	Present	Present	3/3	66
Babu Peechakara Kuriakose	16/16	Present	Present	Present	8/8	26
Josekutty Xavier	16/16	Present	Present	Present	1/1	275
James Arambankudyil Joseph	16/16	Present	Present	Present	2/2	27
Unni Sebastian Kappen	16/16	Absent	Present	Present	1/1	100
Soji Thomas	16/16	Present	Present	Present	3/3	154

Soji Thomas	16/16	Present	Present	Present	3/3	154
Baby Mathew	11/16	Absent	Present	Present	8/8	-
Thirunilath Vinayakumar	16/16	Absent	Present	Present	8/8	-
Sathyapalan Sivaraman	16/16	Present	Present	Present	-	63
Antony Rajesh	16/16	Present	Present	Present	-	35
Thekeunnel						
Chittilappilly Jacob Sunny	4/4	Present	NA	Present	-	2800

## 16. INDEPENDENT DIRECTORS & STATEMENT OF DECLARATION

The Company is covered under section 149 (4) of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. In the EGM held on 23.04.2019, Company has re-appointed Mr. Thirunilath Vinayakumar (DIN - 00044594) and Mr. Baby Mathew (DIN - 00660637) as the Independent Directors for a further period of five years.

Mr. Thirunilath Vinayakumar (DIN - 00044594) and Mr. Baby Mathew (DIN - 00660637) had given a statement of declaration of Independence to the Board. Mr. Thirunilath Vinayakumar (DIN - 00044594) successfully completed the ID proficiency test. As per Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014 an individual shall not be required to pass the online proficiency self-assessment test when he has served for a total period of not less than three years as on the date of inclusion of his name in the data bank, as a director or key managerial personnel, as on the date of inclusion of his name in the databank, in an unlisted public company having a paid-up share capital of rupees ten crore or more. Hence the requirement of completion of online proficiency self-assessment test is exempted for Mr. Baby Mathew (DIN - 00660637) since he was meeting the above exemption criteria.

During the financial year 2021-22, Independent Directors meeting was held on 11.03.2022.

## 17. WOMEN DIRECTOR

The Company is not covered under rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence it is not mandatory to appoint women director in the Board.

## 18. NOMINATION AND REMUNERATION COMMITTEE & POLICY

The Company is covered under section 178 (1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Company has already constituted Nomination and Remuneration Committee in pursuance of the provisions of Revised Regulatory Framework NBFC(DNBR (PD) CC.No.002/03.10.001/2014-15) dated November 10th, 2014, with following members;

1. Mr. Unni Sebastian Kappen - Chairman
2. Mr. Alias Abraham - Member
3. Mr. Josekutty Xavier - Member

The Purpose of constituting the Nomination and remuneration Committee is to formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board, a policy relating to remuneration for the Directors, and other employees by striking balance between the interest of the Company and shareholders.

However the Company has reconstituted Nomination and Remuneration Committee in order to comply with section 178 (1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 on 24.04.2018, The Company has again reconstituted the committee on 12.09.2020 with the following members;

1. Thirunilath Vinayakumar - Chairman (Independent Director)
2. Baby Mathew - Member (Independent Director)
3. Babu Peechakara Kuriakose - Member (Executive Director)

During the Financial Year 2021-22, meetings of Nomination and Remuneration Committee were held on the following dates;

11.05.2021	06.09.2021	06.12.2021	11.03.2022
------------	------------	------------	------------

The Nomination and Remuneration Committee Policy is available on the Company's web link at <https://reliantcreditsindia.com/downloads.php>.

#### 19. DETAILS OF THE REMUNERATION PAID TO EXECUTIVE DIRECTOR FOR THE YEAR

The aggregate of salary and perquisites paid for the year ended 31st March, 2022 to the Executive Directors of the Company were as follows:-

1. Mr. Josekutty Xavier (MD) - Rs. 7,50,000/-

#### 20. INCENTIVE PAID TO DIRECTORS DURING THE YEAR

The Company during the financial year 2021-22 paid incentive to its directors, the details of which are as follows:

1. Mr. Robin Xavier - Rs. 88,330/-
2. Mr. Soji Thomas - Rs. 1,44,740/-
3. Mr. Unni Sebastian Kappen - Rs. 21,670/-
4. Mr. Sathyapalan Sivaraman - Rs. 45,330/-
5. Mr. James Arambankudyil Joseph - Rs. 1,12,810/-

6. Mr. Josekutty Xavier	- Rs. 1,12,356/-
7. Mr. Alias Abraham	- Rs. 82,906/-

## **21. REMUNERATION PAID TO NON EXECUTIVE DIRECTORS**

No Remuneration was paid to Non Executive Directors during the reporting period.

## **22. CORPORATE GOVERNANCE**

(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors:

### **Remuneration paid to Executive Directors for the year:**

1. Mr. Josekutty Xavier (MD)	- Rs. 7,50,000/-
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**No Remuneration was paid to Non Executive Directors during the reporting period**

### **Incentive paid to directors during the year:**

1. Mr. Robin Xavier	- Rs. 88,330/-
2. Mr. Soji Thomas	- Rs. 1,44,740/-
3. Mr. Unni Sebastian Kappen	- Rs. 21,670/-
4. Mr. Sathyapalan Sivaraman	- Rs. 45,330/-
5. Mr. James Arambankudyil Joseph	- Rs. 1,12,810/-
6. Mr. Josekutty Xavier	- Rs. 1,12,356/-
7. Mr. Alias Abraham	- Rs. 82,906/-

(ii) details of fixed component and performance linked incentives along with the performance criteria: Nil

(iii) service contracts, notice period, severance fees: Nil

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

## **23. AUDIT COMMITTEE**

The Company is covered under section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Company has constituted Audit Committee in pursuance to the provisions of Revised Regulatory Framework NBFC(D-NBR (PD) CC.No.002/03.10.001/2014-15) dated November 10th, 2014 with the following members;



- |                                   |   |          |
|-----------------------------------|---|----------|
| 1. Mr. James Arambankudyil Joseph | - | Chairman |
| 2. Mr. Unni Sebastian Kappen      | - | Member   |
| 3. Mr. Babu Peechakara Kuriakose  | - | Member   |

However the Company has reconstituted Audit Committee in order to comply section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 on 24.04.2018 with the following members;

Sl. No.	Name of the Director	Designation
1	Baby Mathew	Chairman (Independent Director)
2	Thirunilath Vinayakumar	Member (Independent Director)
3	Babu Peechakara Kuriakose	Member (Executive Director)

During the Financial Year 2021-22, meetings of Audit Committee were held on the following dates:

29.06.2021	11.08.2021	31.01.2022	11.03.2022
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## 24.VIGIL MECHANISM

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Accordingly, the Board of Directors at their meeting held on 16/04/2014 adopted a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013. The policy provides for a framework and process where-by concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

## 25.STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company is not covered under section 178 (5) of the Companies Act, 2013. However the Company has constituted Stakeholders Relationship Committee with the following members;

- |                      |   |          |
|----------------------|---|----------|
| 1. Mr. Robin Xavier  | - | Chairman |
| 2. Mr. Soji Thomas   | - | Member   |
| 3. Mr. Alias Abraham | - | Member   |

During the Financial Year 2021-22, meeting of Stakeholders Relationship Committee was held on 11.03.2022.

## 26. STATUTORY AUDITOR

At the AGM held on 30.09.2018, Mr. Vinay N Pisharady, Chartered Accountant (Membership No: 233743), Pothiyil Pisharam, Marampally P.O., Aluva Via, Ernakulam, Kerala, 683105, was appointed as Statutory Auditor of the Company from the conclusion of the 29th Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company.

## 27. AUDITORS REPORT

The Report of the Auditors of the Company and notes to accounts are self-explanatory except to the extent of qualification that is replied in addendum to Directors Report which forms part of this report as Annexure I.

## 28. COST AUDITORS

The Company is not required to appoint Cost Auditor under section 148 of the Companies Act, 2013.

## 29. MAINTENANCE OF COST RECORDS

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

## 30. SECRETARIAL AUDIT REPORT

The Company is not covered under section 204 of the Companies Act, 2013 and hence not required to annex Secretarial Audit Report.

## 31. DEPOSITS AND DEBENTURES

The Company has not accepted any deposits from public during the year. The details as required under Rule 8(5) of the Companies (Accounts) Rules, 2014 is provided herewith;

The amount accepted during the year	Nil			
The amount remained unpaid or Unclaimed at the end of the Year	There is no public deposit as on the date of this report			
Whether there has been default in repayment of deposits / interest , if so number of case and the total amount involved:	No. of Cases	At beginning of the year (Rs.)	Maximum during the year (Rs.)	At the end of the year (Rs.)
	0	0	0	0
The details of deposits which are not in compliance with the requirements of Chapter V of the Act	Nil			

The Company has allotted 86405 Debentures of Rs. 1,000/- (Rupees One Thousand Only) each aggregating Rs. 8,64,05,000/- (Rupees Eight Crore Sixty Four Lakhs Five Thousand Only) during the Financial Year 2021-22.† The Company has redeemed debentures amounting to Rs. 2,94,00,000/- during the year.

## 32. LOANS, GUARANTEES AND INVESTMENTS

The Company has neither granted any loans, secured or unsecured to companies, firms or other parties nor given guarantees or made investments within the meaning of Section 186 of the Companies Act, 2013 and rules made there under during the reporting period.

### **33. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES**

During the year, no Companies had become Subsidiaries, Joint ventures and Associated Companies. This information may be considered as per Rule 8(5) of the Companies (Accounts) Rules, 2014.

### **34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS**

As per Section 134(3)(h) of the Companies Act, 2013 the particulars of Contracts or Arrangements with related parties within the meaning of Section 188 is provided in the prescribed Form AOC-2 and forms part of this Report as Annexure II.

### **35. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered under section 135 of the Companies Act, 2013. Even though the Company is not required to constitute Corporate Social Responsibility Committee, the Company has constituted Corporate Social Responsibility Committee with the following members;

- |                                   |   |          |
|-----------------------------------|---|----------|
| 1. Mr. Robin Xavier               | - | Chairman |
| 2. Mr. Soji Thomas                | - | Member   |
| 3. Mr. James Arambankudyil Joseph | - | Member   |

During the Financial Year 2021-22, meeting of Corporate Social Responsibility Committee was held on 11.03.2022.

### **36. ANNUAL RETURN**

The website of the Company is [www.reliantcreditsindia.com](http://www.reliantcreditsindia.com). Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2022 is available on the Company's web link at <https://reliantcreditsindia.com/investors/annualreport>.

### **37. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has constituted an Anti-Sexual Harassment Committee and there were no cases reported or filed regarding sexual harassment of women at workplace during the Financial Year 2021-22. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **38. FRAUD REPORTING**

During the Financial Year, there were no cases regarding fraud have been reported to the Board/Committee/Central Government.

### **39. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

No order has been passed by the Regulators/Courts/Tribunal, which affects the going concern status or Company's operations.

#### **40. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT**

There was no voluntary revision of Financial Statements or Board's Report in respect of preceding three financial years.

#### **41. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has adequate internal control and process on place with respective Financial Statements, which provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial Statements. This Controls and processes are driven through various policies, procedures and certification. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

Report on the Internal Financial Control with Reference to the Financial Statements included in the Auditor's Report as Annexure B.

#### **42. FORMAL ANNUAL EVALUATION**

Pursuant to the provisions of the Act and Rules made thereunder, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on the feedback received from each Director about their views on the performance of the Board covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and quality of relationship between the Board and the Management etc. Feedback was also taken from every director on his assessment of the performance of each of the other Directors. The Independent Directors shared their views amongst themselves evaluating the performance of the non-independent directors and performance of the Board as a whole. The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their roles as directors etc. The Company is not covered under section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014 and hence the statement regarding manner adopted for formal annual evaluation is not mandatory.

#### **43. RISK MANAGEMENT**

The Companies risk management framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continues monitoring. The policies and procedures established for this purpose are continuously reviewed. The business activities are undertaken within this framework.

The framework reviews the level and direction of major risk pertaining to credit, market, liquidity, operational, compliance and management.

In pursuance to the provisions of Revised Regulatory Framework NBFC(DNBR (PD) CC. No.002/03.10.001/2014-15) dated November 10th, 2014, Company has constituted Risk

Management Committee with the following members;

1. Mr. Robin Xavier - Chairman
2. Mr. Josekutty Xavier - Member
3. Mr. James Arambankudiyil Joseph - Member

During the Financial Year 2021-22, a meeting of Risk Management Committee was held on 11.03.2022.

#### **44. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company's operations do not involve large-scale use of energy. The disclosure of particulars under this head is not applicable as your Company operates in the service sector. Although your Company is not large-scale energy user, it acknowledges, the concept of conservation of energy. There were no foreign exchange earnings or outgo for the Company during the financial year 2021-22. (Annexure III attached hereto and forms part of this report).

#### **45. UNSECURED LOAN FROM DIRECTORS**

During the financial year, Company has accepted loan from director. The Company had also obtained a declaration from them, at the time of accepting money, specifying that the amount lend by them was not the fund acquired by borrowing or accepting loan or deposit from others. The detail of loan accepted from director during the financial year 2021-22 is as follows:

<b>Sl. No.</b>	<b>Name of the Party</b>	<b>Loan Accepted (in Rs.)</b>	<b>Loan Repaid (in Rs.)</b>
1.	Josekutty Xavier	60,00,000	60,00,000
2.	Jyothis Finance (Proprietorship concern of Josekutty Xavier)	50,00,000	50,00,000

#### **46. DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance to the provisions of Section 134 (5) of the Companies Act, 2013 your Directors wish to confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis; and

(v) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **47. SECRETARIAL STANDARDS**

Your directors wish to confirm that the applicable secretarial standards had been complied by the Company.

#### **48. DEMAT STATUS**

2107 equity shares allotted on 26.05.2021 were credited to demat account of respective allottees during the year. 86405 debentures allotted on 11.03.2022 were pending to be credited to demat account of respective allottees under NSDL Database Management Limited as on 31.03.2022. As on the date of this report, the Company has credited to demat account of respective allottees 86405 debentures allotted on 11.03.2022.

#### **49. BRANCHES OPENED**

Company has opened branches during the Financial Year 2021-22. The details of branches opened during the year and details of branches opened after 31.03.2022 till the date of this report are as follows:

<b>Sl. No.</b>	<b>Branch</b>	<b>Address</b>	<b>Opening date</b>
1	Kalady	SNDP Sakha Yogam, Building No:XI/1283, Kanjoor Road, Kalady, Ernakulam – 683 574	17.11.2021
2	Piravom	Matha Plaza, PiravomMunicipality, Division8, Building No:766,767,768 NearThree Road Junction, Piravom-686664	16.11.2021
3	Vannappuram	Panchayath Building No 14/615, Reshmi Arcade, Vannappuram Po, Thodupuzha, Idukki, Kerala- 685607	02.12.2021
4	Vandiperiyar	City building, Old K R, Theatre, Vandiperiyar, Idukki, Kerala- 685533	01.01.2022
5	Anakkara	Pathayil Building,, Anakkara P.O, Anakkara - 685512	01.01.2022
6	Kuruppampady	Ground Floor, Winner Tower, Near Private Bus stand, Kuruppampady, Ernakulam, Kerala- 683545	18.02.2022
7	Rajakkad	Christhuraj Building, Near Bus stand Rajakkad, Opposite IOC Pumb, Rajakkad, Idukki District, Kerala – 685 566	18.12.2021

8	Vijinapura	#1440, G.R.Serenuty, 2nd Main, 2nd Cross, Old Yellama Temple Road, Vijinapura, Duravaninagar, Bangalore - 560016	14.02.2022
9	Kadavanthra	Ground Floor, Building No 55/2768, Mundukottackal Estates, Behind S Lab, SA Road, Kadavanthra P.O, Kochi	25.02.2022
10	Kizhakkambalam	Building No. 12/474, Kizhakkambalam, Vyapar Bhavan, Ernakulam, PIN 683 562	25.02.2022
11	Mulanthuruthy	Sariga Building, Near SBT Mulanthuruthy P.O Pallithazham, PIN 682 314	28.02.2022
12	Paravur	First floor, Building No-5D2A, Chendamangalam Junction, North Paravur, Near Federal Bank, Ernakulam, PIN- 683513	26.02.2022
13	Karimban	Building no. V.P 1026, V.G 1027, Ground Floor, Aramana Building, Manipara PO, Karimban PIN :685602	02.03.2022
14	Uzhavoor	Building No.371 Puthiyakunnel Building, Uzhavoor P.O. Kottayam -686 634	03.03.2022
15	Ponnani	First Floor, EP 8/469 Z-2, Chamravattam junction, Ezhuvathiruthy Village, Ponnani, Malappuram Dist, Pin 679577	04.03.2022
16	Marayoor	Ground Floor, Building no 422,423, 6th Ward, Marayoor Panchayath, Munnar-Udumalai Road, Marayoor PO, Idukki-685620	07.03.2022
17	T C Palaya	No. 05 Khatha No.99, 2 <sup>nd</sup> Floor, T C Palaya, Main Road, Bangalore- 560036	28.02.2022
18	Kakkanad	1ST Floor, Veekay Tower, Mavelipuram, Near Bread World, Kakkanad, 682 030	11.03.2022
19	Koorkanchery	Perikkens Tower, Kiner Stop, opp. I Vision Hospital, Koorkanchery Thrissur, 686021	14.03.2022
20	Koothattukulam	Johns towers, Building no. 147, M.C Road, T.B Junction, Koothattukulam PIN 686 662	15.03.2022
21	Pampady	Building No. 16/799, Vattamala Building, Pampady P.O, Kottayam 686 502	16.03.2022
22	Murikkassery	Madathikuzhy Building, Central Junction Murikkassery, PIN 685 604	17.03.2022

23	Edappal	First Floor, Building No. 14/1095 C, We 1 Tower, Calicut Road, Edappal, Vattamkulam Panchayath, Ponnani Taluk, Malappuram Dist, Pin : 679576	17.03.2022
24	Kodakara	Room No.1/711-E, North Point, Kodakara, P.O Kodakara PIN 680 684	17.03.2022
25	Kanjikuzhy	Mary Matha Building, Kanjikuzhy P.O, Kanjikuzhy, Idukki, Pin 685 606	21.03.2022
26	Wadakkanchery	Building No 21/1026, Cornish Arcade, Opposite Munsif Court, Main Road, Wadakkanchery PO, Thrissur Dist, Pin: 680582	22.03.2022
27	Battarhalli	Building No. 38, 1 <sup>st</sup> Floor, Harshitha Building, Opp. To SBI Bank, Basavanapura Main Road, Battarhalli, Virgonagar P.O, Bangalore- 560049	05.03.2022
28	Horamavu	Sy No. 77/3, Shop No. 1,2 & 3, First Floor, Opp. Bharat Gas Godown, Opp. Prestige Gul More, Kalkere Main Road Horamavu, Bangalore	26.03.2022
29	Kammanahalli	Building by Name #54/2, 1 <sup>st</sup> Floor, Vinayaka Street, Ramaswamy Palaya, Kammanahalli Main Road, Bangalore- 560033	22.03.2022
30	Medahalli	Survey #58/5, Ground Floor, 3 <sup>rd</sup> Cross, Medahalli New Exten, Kurudu Sonahalli Rd, Medahalli, Bangalore- 560049	16.03.2022
31	Rajakumari	Land Mark Building, Mangathotty Road, Rajakumari ,Idukki, 685-691	01.03.2022
32	Thookupalam	Gurumandhiram JN. 50 <sup>th</sup> Acre Road, Thookupalam, PIN 685 522	09.03.2022
33	Thengana	First Floor XVII, 290 Pyramid, Thengana, Vazhoor Road, Perumpanachi P O, Changanassery, Kottayam, 686 536	02.03.2022
34	Erumeli	Ground Floor, Meprath House, Erumeli-Mundakayam Road, Erumeli P O, Kottayam	25.03.2022
35	Hosakotte	Katha No.3062/2657/170/1, JC Circle, KR Road, Opp HDFC Bank, Hosakotte, Bangalore, PIN:562114	08.04.2022
36	Palluruthy	Room No.19/4, Excellent Shopping Center, M.L.A Road, Kacheripady, Palluruthy, Ernakulam, PIN:682006	21.05.2022
37	Ayyappankavu	Akaria Arcade , Chitoor Road, Ayyappankavu, Pin: 682018	07.07.2022
38	Vennala	Pathappilly Building, Vennala P.O, Arkkakadavu	07.07.2022
39	Mathikere branch	Rajamma Building, #36/3, HMT Main Road, Opp to SBI Bank , Mathikere, Bangalore-560054	18.08.2022



40	Konanakunte	No 34 Ground Floor, No. G2,G3 Vijaya Plaza, Konanakunte, Bangalore-560062,	29.07.2022
41	Kaval Bysandra	First Floor, No 2, First Main Road, Chowdeswery Temple, Kavabysandra, RT Nagar, Bangalore 560032.	06.08.2022
42	Kacharakanahalli	#155, First Floor, Rajappa Layout, Hennur, Kacharakanahalli, Bangalore 560084.	01.08.2022
43	Uppal	House No.6-108/A,Main Road,Opposite Masjid, Bharath Nagar, Telangana-500039	27.08.2022
44	Ettumanoor	Karivelikunnel, West Gate, Ettumanoor PO, Kottayam-686631	22.08.2022
45	Kottayam	Room No. 9/ 57 (New No: 13/ 985), Karimattom Building. Nagampadom P O, Kottayam 686 001.	01.08.2022

#### **50.APPLICATION OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

No applications were made and no proceedings were pending under the Insolvency and Bankruptcy Code, 2016 during the year.

#### **51.DISCLOSURE UNDER RULE 8 (5) (XII) OF COMPANIES (ACCOUNTS) RULES REGARDING DIFFERENCE BETWEEN AMOUNT OF THE VALUATION**

Company has not availed one time settlement of loan during the year under review and accordingly no valuation was required to be taken in connection with one time settlement of loan. So, disclosure under rule 8 (5)(XII) of Companies (Accounts) Rules, 2014 regarding difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons is not applicable.

#### **52.APPRECIATION**

We take this opportunity to thank all employees for their contribution to the growth and success of your Company. We would also like to thank bankers, stakeholders and business associates for their extended support during the year.

For and on behalf of the Board of  
**RELIANT CREDITS (INDIA) LIMITED**

Sd/-

**Josekutty Xavier**  
Managing Director  
(DIN: 02073994,  
Address: Kannattumadom House,  
Vazhakulam Road, Kozhippilly P.O,  
Varapetty, Ernakulam, 686691,  
Kerala, India)

Sd/-

**Babu Peechakara Kuriakose**  
Whole-time Director  
(DIN: 00762513,  
Address: Peechakara House, Mathirappilly,  
M A College (P.O), kothamangalam,  
Ernakulam, 686666, Kerala, India)

**ADDENDUM TO DIRECTORS' REPORT**

**Point 2. d) of Report on Other Legal and Regulatory Requirements of the Auditor's Report**

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.

**Reply**

Your Company is paying Salary above minimum wages to all its employees. In addition to Salary, Company paid Bonus to its employees. It is reported under the head "Allowances" (Note 3.19- Employee Benefit Expenses). Your Company is taking necessary steps for complying AS-15.

For and on behalf of the Board of  
**RELIANT CREDITS (INDIA) LIMITED**

Sd/-

**Josekutty Xavier**

Managing Director  
(DIN: 02073994,  
Address: Kannattumadom House,  
Vazhakulam Road, Kozhippilly P.O,  
Varapetty, Ernakulam, 686691,  
Kerala, India)

Sd/-

**Babu Peechakara Kuriakose**

Whole-time Director  
(DIN: 00762513,  
Address: Peechakara House, Mathirappilly,  
M A College (P.O), kothamangalam,  
Ernakulam, 686666, Kerala, India)

**Form No. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto**

Details of material contracts or arrangements or transactions at arm's length basis

<b>Sl. No. 1</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Soji Thomas (Director of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1,44,740/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 2</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Sathyapalan Sivaraman (Director of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 45,330/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 3</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Robin Xavier (Director of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 88,330/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 4</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	James Arambankudyil Joseph (Director of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1,12,810/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 5</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Unni Sebastian Kappen (Director of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 21,670/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 6</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Josekutty Xavier (Managing Director of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1,12,356/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 7</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Alias Abraham (Whole-time Director of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 82,906/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 8</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Thomas Panthanalputhenpura Eldhose (CFO of the Company)
b)	Nature of contracts/arrangements/transaction	Incentive paid
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1,32,723/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 9</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Princy Josekutty (Wife of Josekutty Xavier)
b)	Nature of contracts/arrangements/transaction	Remuneration
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 3,00,000/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

<b>Sl. No. 10</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the related party & nature of relationship	Xavier Jose (Son of Josekutty Xavier)
b)	Nature of contracts/arrangements/transaction	Professional charges
c)	Duration of the contracts/arrangements/transaction	Various Maturity
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 2,25,000/-
e)	Date of approval by the Board	12.04.2021
f)	Amount paid as advances, if any	Nil

For and on behalf of the Board of  
**RELIANT CREDITS (INDIA) LIMITED**

Sd/-  
Josekutty Xavier  
**Managing Director**  
(DIN: 02073994,  
Address: Kannattumadom House,  
Vazhakulam Road, Kozhippilly P.O, Varapetty,  
Ernakulam, 686691, Kerala, India)

Sd/-  
Babu Peechakara Kuriakose  
**Whole-time Director**  
(DIN: 00762513,  
Address: Peechakara House, Mathirappilly,  
M A College (P.O), kothamangalam,  
Ernakulam, 686666, Kerala, India)

Place: Kothamangalam  
Date: 27.08.2022

## Annexure III

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming part of Directors Report for the year.

### **(A) CONSERVATION OF ENERGY**

The steps taken or impact on conservation of energy	No specific steps have been taken as the Company operates in the service sector.
The steps taken by the company for utilizing alternate sources of energy	No steps have been taken as your company is not a large-scale energy user.
The capital investment on energy conservation equipments	NIL

### **(B) TECHNOLOGY ABSORPTION:**

#### **Technology absorption, adaptation and innovation**

Efforts, in brief, made towards technology absorption, adaptation and innovation	NIL
Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc	NIL
In case of imported technology following information may be furnished: a. Technology imported b. Year of import c. Has technology been fully absorbed? d. If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.	NIL

#### **Research and development (R & D)**

Specific areas in which R & D carried out by the company	NIL
Benefits derived as a result of the above R&D	NIL
Future plan of action	NIL
Expenditure on R & D: a. Capital b. Recurring c. Total d. Total R & D expenditure as a percentage of total turnover	NIL

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

A. Activities relating to exports; B. Initiatives taken to increase exports; C. Development of new export markets for products and services; D. Export plans;	NIL
A. Total foreign exchange used B. Total foreign exchange earned	NIL

For and on behalf of the Board of  
**RELIANT CREDITS (INDIA) LIMITED**

Sd/-  
Josekutty Xavier  
**Managing Director**  
(DIN: 02073994,  
Address: Kannattumadom House,  
Vazhakulam Road, Kozhippilly P.O, Varapetty,  
Ernakulam, 686691, Kerala, India)

Sd/-  
Babu Peechakara Kuriakose  
**Whole-time Director**  
(DIN: 00762513,  
Address: Peechakara House, Mathirappilly,  
M A College (P.O), kothamangalam,  
Ernakulam, 686666, Kerala, India)

Place: Kothamangalam  
Date: 27.08.2022



# **Independent Auditors' Report**

## **To the Members of Reliant Credits (India) Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of M/s Reliant Credits (India) Limited, ("the Company") which comprise the Balance Sheet as at March 31, 2022, 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 31, 2022, and its Profit/Loss 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.

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.
  - 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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) 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 3.26 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. 3.47)
- (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. 3.48)
- (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.

Sd/-

**Vinay N. Pisharady FCA**  
Chartered Accountant  
Membership No.233743  
UDIN: 22233743ATJYSH6971

Place: Aluva  
Date: 27.08.2022

## **“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, 2022.

- (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, there are no immovable properties held in the name of the Company on the Balance Sheet date.
- (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 not 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 and hence reporting under clause 3(iii)(b) is not applicable to the Company.

- (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 condition- 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:

<b>No. of Borrowers (in Lakhs)</b>	<b>Overdue amount more than 90 days</b>
2,040	1,607.70

- (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 ₹ 1607.70 lakhs and reasonable steps are been 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 2022 for a period of more than six months from the date they became payable except for the following:

<b>Nature of Dues</b>	<b>Period to which amount relates</b>	<b>Amount</b>
GST	F.Y. 2020-21 & 2021-22	15,516/-
Kerala Flood Cess	F.Y. 2020-21 & 2021-22	6,154/-

(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 during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

- (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 complied with the requirements of Section 42 of the Companies Act, 2013 and the amount raised by preferential allotment or private placement of shares during the year under review have been used for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of fully, partially or optionally convertible debentures.
- (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 to 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 3.28, ageing and expected dates of realisation 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 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.

Place: Aluva  
Date: 27.08.2022

Sd/-

**Vinay N. Pisharady FCA**  
Chartered Accountant  
Membership No. 233743



## **“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Reliant Credits (India) 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 Reliant Credits (India) Limited (“the Company”) as of March 31, 2022 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, 2022, 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.

Place: Aluva  
Date:27.08.2022

Sd/-  
**Vinay N. Pisharady FCA**  
Chartered Accountant  
Membership No.233743

**Balance Sheet as at March 31, 2022**

(In ₹, '000)

Particulars	Note No.	Figures as at 31st March 2022	Figures as at 31st March 2021
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3.1	2,81,280.00	2,39,140.00
(b) Reserves and surplus	3.2	20,022.32	18,380.13
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>			
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3.3	10,37,925.35	2,62,881.67
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	3.4	1,264.26	11.44
(d) Long-term provisions	3.5	24,296.93	22,028.97
<b>4 Current liabilities</b>			
(a) Short-term borrowings	3.6	3,189.04	14,041.94
(b) Trade payables		-	-
(c) Other current liabilities	3.7	56,645.25	42,763.24
(d) Short-term provisions	3.8	1,841.74	2,397.45
<b>Total</b>		<b>14,26,464.88</b>	<b>6,01,644.85</b>
<b>II ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	3.9	25,705.52	14,779.94
(ii) Intangible assets	3.9	2,141.19	1,385.26
(iii) Capital work-in-progress	3.9	881.56	937.52
(iv) Intangible assets under development		-	-
(b) Non-current investments	3.10.	800.70	800.70
(c) Deferred tax assets (net)	3.11	7,539.16	6,107.53
(d) Long-term loans and advances- Financing Activity	3.12	1,24,791.82	1,47,632.08
(e) Long-term loans and advances		-	-
(f) Other non-current assets	3.13	10,255.79	5,609.79
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Cash and cash equivalents	3.14	2,68,553.03	17,427.46
(c) Short-term loans and advances - Financing Activity	3.12	9,36,503.00	3,83,255.29
(d) Short-term loans and advances	3.15	10,687.98	4,644.49
(e) Other current assets	3.16	38,605.13	19,064.79
<b>Total</b>		<b>14,26,464.88</b>	<b>6,01,644.85</b>

See accompanying notes to the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
<b>Josekutty Xavier</b> Managing Director (DIN: 02073994)	<b>Babu P. Kuriakose</b> Whole-time Director (DIN: 00762513)	<b>Jaimon Iype</b> (Chief Executive Officer)
Sd/-	Sd/-	
<b>Vinay N. Pisharady FCA</b> Chartered Accountant Membership No. 233743	<b>Eldhose P. T.</b> (Chief Financial Officer)	<b>Anaswara Kodithottathil Rajan</b> (Company Secretary)
Place: Aluva Date: 27.08.2022	Place: Ernakulam Date: 27.08.2022	

**Profit and loss statement for the year ended March 31, 2022**

(In ₹, '000)

Particulars	Note No.	From 01.04.2021 to 31.03.2022	From 01.04.2020 to 31.03.2021
I Revenue from operations	3.17	1,08,168.13	59,836.60
II Other income	3.18	15,499.17	7,532.17
<b>III Total Income(I + II)</b>		<b>1,23,667.30</b>	<b>67,368.77</b>
IV Expenses			
Employee benefits expense	3.19	33,901.10	14,025.99
Finance costs	3.20	51,385.97	25,250.39
Depreciation and amortization expense	3.21	7,032.89	3,122.74
Other expenses	3.22	29,295.05	20,863.10
<b>Total expenses</b>		<b>1,21,615.01</b>	<b>63,262.21</b>
V Profit before exceptional and extraordinary items and tax (III-IV)		2,052.29	4,106.55
VI Exceptional items		-	-
VII Profit before extraordinary items and tax (V - VI)		2,052.29	4,106.55
VIII Extraordinary Items		-	-
<b>IX Profit before tax (VII- VIII)</b>		<b>2,052.29</b>	<b>4,106.55</b>
X Tax expense:			
Current tax		1,841.74	2,397.45
Deferred tax		(1,431.64)	(700.79)
		<b>410.10</b>	<b>1,696.66</b>
XI Profit (Loss) for the period from continuing operations (VII-VIII)		<b>1,642.19</b>	<b>2,409.89</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
<b>XV Profit/ (Loss) (XI + XIV)</b>		<b>1,642.19</b>	<b>2,409.89</b>
XVI Earnings per equity share	3.23		
Basic		119.46	240.84
Diluted		119.46	240.84

See accompanying notes to the financial statements

In terms of our report attached.

**For and on behalf of the Board of Directors**

Sd/-  
  
Sd/-

Sd/-  
**Josekutty Xavier**  
Managing Director  
(DIN: 02073994)

Sd/-  
**Babu P. Kuriakose**  
Whole-time Director  
(DIN: 00762513)

Sd/-  
**Jaimon Iype**  
(Chief Executive Officer)

**Vinay N. Pisharady FCA**  
Chartered Accountant  
Membership No. 233743

Sd/-  
**Eldhose P. T.**  
(Chief Financial Officer)

Sd/-  
**Anaswara Kodithottathil Rajan**  
(Company Secretary)

Place: Aluva  
Date: 27.08.2022

Place: Ernakulam  
Date: 27.08.2022

## Cash Flow Statement for the year ended March 31, 2022

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

PARTICULARS	(In ₹, '000)	
	Figures as at 31st March 2022	Figures as at 31st March 2021
<b>A. Cash Flow From Operating Activities :</b>		
<b>Net profit Before Taxation</b>	2,052.29	4,106.55
<i>Adjustments for:</i>		
Depreciation	7,032.89	3,122.74
Interest on borrowings	51,385.97	25,191.12
Interest income	(2,084.31)	(1,131.55)
Interest on Income Tax & TDS	(42.02)	44.01
Profit on sale of fixed assets	(92.45)	(436.11)
Provision for standard assets	1,347.67	535.41
Provision for NPA	920.28	2,592.65
<b>Operating Profit before Working Capital Changes</b>	<b>60,520.32</b>	<b>34,024.83</b>
(Increase)/Decrease in Loans & Advances - financing activity	(5,30,407.45)	(1,84,658.76)
(Increase)/Decrease in Loans & Advances - others	(4,646.00)	(3,627.27)
(Increase)/Decrease in Current Assets	(20,357.58)	(15,404.75)
Increase/(Decrease) in Sundry Creditors & Other liabilities	15,134.83	5,455.38
<b>Cash from operations</b>	<b>(4,79,755.87)</b>	<b>(1,64,210.57)</b>
Income Tax Paid	(7,581.69)	(3,118)
<b>Net Cash From Operating Activities</b>	<b>(4,87,337.56)</b>	<b>(1,67,328.45)</b>
<b>B. Cash Flow From Investing activities:</b>		
Capital expenditure on fixed assets, including capital advances	(18,865.98)	(15,249)
Proceeds from sale of fixed assets	300.00	733
Interest income	2,084.31	1,131.55
<b>Net Cash From Investing Activities</b>	<b>(16,481.67)</b>	<b>(13,383.96)</b>
<b>C. Cash Flow From Financing Activities:</b>		
Proceeds from issuance of equity shares	42,140.00	1,06,280
Proceeds from/(Repayment of) borrowings	7,64,190.78	98,124.86
Interest on borrowings	(51,385.97)	(25,191.12)
<b>Net Cash From Financing Activities</b>	<b>7,54,944.81</b>	<b>1,79,213.74</b>
<b>NET INCREASE / DECREASE IN CASH AND CASH EQVALENTS</b>	<b>2,51,125.58</b>	<b>(1,498.67)</b>
<b>OPENING CASH AND CASH EQVALENTS</b>	<b>17,427.46</b>	<b>18,926</b>
<b>CLOSING CASH AND CASH EQVALENTS</b>	<b>2,68,553.03</b>	<b>17,427.46</b>

In terms of our report attached.

**For and on behalf of the Board of Directors**

Sd/- <b>Josekutty Xavier</b> Managing Director (DIN: 02073994)	Sd/- <b>Babu P. Kuriakose</b> Whole-time Director (DIN: 00762513)	Sd/- <b>Jaimon Iype</b> (Chief Executive Officer)
Sd/- <b>Vinay N. Pisharady FCA</b> Chartered Accountant Membership No. 233743	Sd/- <b>Eldhose P. T.</b> (Chief Financial Officer)	Sd/- <b>Anaswara Kodithottathil Rajan</b> (Company Secretary)
Place: Aluva Date: 27.08.2022	Place: Ernakulam Date: 27.08.2022	

# Notes to the financial statements for the year ended March 31, 2022

## 1. Company Information

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

The company was incorporated as a private limited company in the year 1989 and was later converted into a public limited company in the year 2002. The company changed its name to the current name Reliant Credits (India) Limited from Reliant Hire Purchase Company Limited with effect from January 18, 2016. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 3rd April, 2002 vide Regn. No. A-16.00151. The Company during the financial year 2018-19 ceased to be a Deposit taking Company and became a Non-Systemically Important Non-deposit taking Company. The Company has obtained a fresh certificate of registration with registration number B-16.00151 dated 3rd August, 2018.

## 2. Significant accounting policies

### 2.1. Basis of preparation

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 realisation 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. Uses of estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

## 2.3. Revenue recognition

**General:** Revenue is recognized as earned and accrued when it is reasonably certain that its ultimate collection will be made and the revenue is measurable.

**Income from loans:** Interest income from loan transactions is accounted for by applying the interest rate implicit in such contracts.

Service charges, documentation charges and other fees on loan transactions are recognized at the commencement of the contract.

Delayed payment charges and fee-based income are recognized when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income on business assets classified as Non-performing Assets, is recognized strictly in accordance with the guidelines issued by The Reserve Bank of India for Non-Banking Financial Companies.

**Other Income:** In respect of the other heads of income, the Company accounts the same on accrual basis.

## 2.4. Property, Plant and Equipments

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment losses if any. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The cost of fixed assets 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.

Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long-Term Loans & Advances.

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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.

## **2.5. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

## **2.6. Depreciation and Amortization**

In respect of fixed assets acquired during the year, depreciation /amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are amortized on a straight-line basis over the estimated useful economic life. Computer Software which is not an integral part of the related hardware is classified as an intangible asset, and amortized over a period of five years, being its estimated useful life.

## **2.7. Impairment**


At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on written down value basis over its remaining useful life.

## **2.8. Investments**

Investments are classified into current and non-current investments. Investments that are



readily realizable and are 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. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. 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. Investment in subsidiary company is stated at cost.

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.

## **2.9. 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)

### **Post-employment benefits:**

**Defined contribution plans:** The employees of the Company are entitled to receive benefits under the Provident Fund and Employee State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the Statement of Profit and Loss in the financial year to which they relate.

## **2.10. 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.

## 2.11. Income taxes

Tax expense comprises of current tax (i.e., amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down, as considered appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

In accordance with the provisions of Section 115BAA of the Income Tax Act 1961, the Company has opted to pay tax at the reduced rate prescribed therein. Consequently, tax expenses for the year comprising current and deferred tax as per accounting have been recognized using the reduced tax rates applicable.

## 2.12. 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.



## **2.13. 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.

## **2.14. Cash and Cash equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

## **2.15. Cash Flow Statement**


Company has prepared cash flow statement using the Indirect Method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

## **2.16. Classification of Debentures**

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

## **2.17. Earnings per share**

The basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other



than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **2.18. Written offs**

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to statement of profit and loss account

## **2.19. Provisions and Contingent liabilities**

- a. A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements
- b. Provision policy for loan portfolios: Company provides for non-performing loans and advances as mentioned in Para 13 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. Provision for standard assets (including interest receivable) is made at 0.25% as mentioned in Para 14 of Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 and shown in the balance sheet as 'Contingent Provisions for standard asset'.

3 Notes to the financial statements for the year ended March 31, 2022

3.1 Share capital	(in ₹ '000, except as stated otherwise)			
	March 31, 2022		March 31, 2021	
	No.	Value	No.	Value
<b>Authorized:</b>				
Equity shares of ₹ 20,000 each	22,500	4,50,000.00	22,500	4,50,000.00
<b>Issued, Subscribed &amp; Fully Paid Up:</b>				
Equity shares of ₹ 20,000 each	14,064	2,81,280.00	11,957	2,39,140.00
<b>TOTAL</b>	<b>14,064</b>	<b>2,81,280.00</b>	<b>11,957</b>	<b>2,39,140.00</b>

3.1.1 Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 20,000/- per share. Each holder of equity shares is entitled to one vote per share.

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.

3.1.2 Reconciliation of shares at the beginning and at the end of the financial year	(in ₹ '000, except as stated otherwise)			
	March 31, 2022		March 31, 2021	
	No. of shares	Value	No. of shares	Value
Equity Shares				
No: of equity shares at the beginning of the year	11,957	2,39,140.00	6,643	1,32,860.00
Add: Fresh issue	2,107	42,140.00	5,314	1,06,280.00
Less: shares bought back	-	-	-	-
Outstanding at the end of the year	<b>14,064</b>	<b>2,81,280.00</b>	<b>11,957</b>	<b>2,39,140.00</b>

3.1.3 Particulars of Shareholders holding more than 5% share in the Company	(in ₹ '000, except as stated otherwise)			
	March 31, 2022		March 31, 2021	
	No. of shares	% of shareholding	No. of shares	% of shareholding
<b>Equity shares of ₹ 20,000/- each, fully paid</b>				
Chittilappilly Jacob Sunny	2,800	19.91%	2,778	23.23%
Reethamma Sunny	2,000	14.22%	1,798	15.04%
Laniya Rajesh	670	4.76%	670	5.60%

3.1.4 Particulars of Shares held by Promoters of the Company	(in ₹ '000, except as stated otherwise)				
	March 31, 2022		March 31, 2021		% of Changes
	No. of shares	% of shareholding	No. of shares	% of shareholding	
<b>Equity shares of ₹ 20,000/- each, fully paid</b>					
Chittilappilly Jacob Sunny	2,800	19.91%	2,778	23.23%	-3.32%
Josekutty Xavier	275	1.96%	98	0.82%	1.14%
Alias Abraham	78	0.55%	78	0.65%	-0.10%
Babu P. Kuriakose	26	0.18%	26	0.22%	-0.03%
Robin Xavier	66	0.47%	66	0.55%	-0.08%
James Joseph	27	0.19%	27	0.23%	-0.03%
Soji Thomas	154	1.09%	154	1.29%	-0.19%
Unni S Kappan	100	0.71%	100	0.84%	-0.13%
Sathiapalan Sivaraman	63	0.45%	10	0.08%	0.36%
Dr.Rajesh Antony	35	0.25%	35	0.29%	-0.04%

3.2 Reserves and surplus	(In ₹, '000)	
	March 31, 2022	March 31, 2021
<b>Particulars</b>		
3.2.1 Statutory Reserve Fund		
As Per last balance sheet	3,951.83	3,469.85
(+) Additions during the year	328.50	481.98
	<b>4,280.33</b>	<b>3,951.83</b>

3 Notes to the financial statements for the year ended March 31, 2022

3.2.2 **Securities premium account**

As Per last balance sheet	6,742.00	6,742.00
Add: Premium on shares issued during the year	-	-
Closing Balance	<b>6,742.00</b>	<b>6,742.00</b>

3.2.3 **Surplus /(Deficit) in Statement of Profit and Loss**

Opening Balance	7,686.31	5,758.39
Net Profit/(Loss) after tax as per Statement of Profit and Loss	1,642.19	2,409.89
(-) Transfer to Statutory Reserve	(328.50)	(481.98)
Closing Balance	<b>9,000.00</b>	<b>7,686.31</b>
<b>Total</b>	<b>20,022.32</b>	<b>18,380.13</b>

3.2.4 **Nature and purpose of Reserves**

**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.

3.3 <b>Long-term borrowings</b>	(In ₹ ,'000)			
	<b>Non-Current</b>		<b>Current</b>	
<b>Particulars</b>	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Secured</b>				
(a) Non-convertible Debentures	1,75,755.00	1,10,700.00	-	8,550.00
(b) Term Loans				
From banks	179.35	417.67	239.04	220.94
<b>Unsecured</b>				
(a) Deposits				
From Directors & Relatives	20,971.00	20,104.00	2,950.00	5,271.00
(b) Subordinated Debt	8,41,020.00	1,31,660.00	-	-
<b>Total</b>	<b>10,37,925.35</b>	<b>2,62,881.67</b>	<b>3,189.04</b>	<b>14,041.94</b>

3.3.1 **Nature of Security**

**Privately Placed Secured Non Convertible Debentures** are secured by way of first charge on the pledged gold ornaments, mortgaged land and current assets of the company.

**Term Loans from banks:**

**Vehicle Loan from Federal Bank** is Secured by hypothecation of Vehicle - Swift Dzire (KL 44 G 5432) vide Sanction Order of Federal Bank Sanction No: CL/2020/10080002203 dated 24.11.2020.

Further, the Term loan from Federal Bank has been guaranteed by the Personal guarantee of Directors Mr. Josekutty Xavier and Mr. Robin Xavier.

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, 2022

**Non Convertible Debentures - Private Placement**

3.3.2 Series wise classification of Non Convertible Debentures (In ₹, '000)

Series name	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Non Convertible Debentures A Series*	-	-	-	500.00
Non Convertible Debentures C Series	-	-	-	8,050.00
Non Convertible Debentures D Series	10,700.00	11,150.00	-	-
Non Convertible Debentures E Series	14,250.00	18,450.00	-	-
Non Convertible Debentures F Series	15,200.00	19,400.00	-	-
Non Convertible Debentures G Series	14,400.00	19,450.00	-	-
Non Convertible Debentures H Series	12,600.00	14,350.00	-	-
Non Convertible Debentures I Series	16,600.00	19,000.00	-	-
Non Convertible Debentures J Series	5,600.00	8,900.00	-	-
Non Convertible Debentures K Series	86,405.00	-	-	-
<b>Total</b>	<b>1,75,755.00</b>	<b>1,10,700.00</b>	<b>-</b>	<b>8,550.00</b>

3.3.3 Coupon Rate wise classification of Non Convertible Debentures (In ₹, '000)

Coupon rate	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Non Convertible Debentures - >13%	5,300.00	-	-	-
Non Convertible Debentures - 13%*	-	-	-	500.00
Non Convertible Debentures - 12.5%	17,800.00	19,200.00	-	-
Non Convertible Debentures - 12.25%	12,200.00	-	-	-
Non Convertible Debentures - 12%	56,800.00	52,400.00	-	-
Non Convertible Debentures - 11.75%	37,505.00	-	-	-
Non Convertible Debentures - 11.5%	40,550.00	30,200.00	-	5,450.00
Non Convertible Debentures - 11%	2,800.00	3,300.00	-	2,600.00
Non Convertible Debentures - 10.5%	2,800.00	5,600.00	-	-
<b>Total</b>	<b>1,75,755.00</b>	<b>1,10,700.00</b>	<b>-</b>	<b>8,550.00</b>

\* represents the matured secured non convertible debenture, not repaid, for complying with the order of the Honourable Judge, Family Court, Ernakulam and kept in an earmarked account.

3.3.4 Maturity wise classification of Non-Convertible Debentures (In ₹, '000)

Particulars	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
NCD - > 60 months maturity	5,300.00	-	-	-
NCD - 60 months maturity	1,10,750.00	1,10,700.00	-	-
NCD - 36 months maturity	59,705.00	-	-	8,550.00
<b>Total</b>	<b>1,75,755.00</b>	<b>1,10,700.00</b>	<b>-</b>	<b>8,550.00</b>

**Unsecured Subordinated Debt - Private Placement**

3.3.5 Series wise classification of Subordinated Debt (In ₹, '000)

Particulars	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Subordinated Debt 2021 - 22 Series	7,09,360.00	-	-	-
Subordinated Debt 2020 - 21 Series	1,25,960.00	1,25,960.00	-	-
Subordinated Debt 2019 - 20 Series	5,700.00	5,700.00	-	-
<b>Total</b>	<b>8,41,020.00</b>	<b>1,31,660.00</b>	<b>-</b>	<b>-</b>

3.3.6 Interest Rate wise classification of Subordinated Debt (In ₹, '000)

Particulars	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured Subordinated Debt - 12.50%	2,85,300.00	51,385.00	-	-
Unsecured Subordinated Debt - 12.25%	16,075.00	1,750.00	-	-
Unsecured Subordinated Debt - 12%	5,24,895.00	72,875.00	-	-
Unsecured Subordinated Debt - <12%	14,750.00	5,650.00	-	-
<b>Total</b>	<b>8,41,020.00</b>	<b>1,31,660.00</b>	<b>-</b>	<b>-</b>

3 Notes to the financial statements for the year ended March 31, 2022

3.3.7 Maturity wise classification of Subordinated Debt (In ₹,'000)

Particulars	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured Subordinated Debt - 5 years maturity	8,41,020.00	1,31,660.00	-	-
<b>Total</b>	<b>8,41,020.00</b>	<b>1,31,660.00</b>	<b>-</b>	<b>-</b>

3.4 Other Long-term liabilities (In ₹,'000)

Particulars	March 31, 2022	March 31, 2021
(a) Trade Payables	-	-
(b) Others		
Interest accrued but not due on borrowings	1,264.26	11.44
<b>Total</b>	<b>1,264.26</b>	<b>11.44</b>

3.5 Long-term provisions (In ₹,'000)

Particulars	March 31, 2022	March 31, 2021
(a) Provision for Employee Benefits		
Provision for gratuity	-	-
(b) Others Provisions		
(i) Contingent Provision on Standard Asset	2,360.70	1,013.03
(ii) Provision for Non Performing Assets	21,936.23	21,015.95
<b>Total</b>	<b>24,296.93</b>	<b>22,028.97</b>

3.6 Short-term borrowings (In ₹,'000)

Particulars	March 31, 2022	March 31, 2021
(a) Loans repayable on demand	-	-
(b) Current maturities of long-term Borrowings	3,189.04	14,041.94
<b>Total</b>	<b>3,189.04</b>	<b>14,041.94</b>

3.7 Other current liabilities (In ₹,'000)

Particulars	March 31, 2022	March 31, 2021
(a) Current maturities of long-term Lease	-	-
(b) Interest accrued but not due on borrowings	15,736.28	6,525.89
(c) Interest accrued and due on borrowings	834.48	417.69
(d) Other Payables		
(i) Loan advances received	33,730.36	33,462
(ii) Payables on purchase of fixed assets	1,860.28	333.26
(iii) Statutory remittances	1,748.91	965.40
(iv) Expenses Payable	2,083.69	894.75
(v) Other advances received	151.25	164.20
(vi) Others*	500.00	-
<b>Total</b>	<b>56,645.25</b>	<b>42,763.24</b>

Note (i) Statutory dues includes provident fund, employees state insurance, withholding taxes and goods and services tax etc.

\* represents the matured secured non convertible debenture, not repaid, for complying with the order of the Honourable Judge, Family Court, Ernakulam and kept in an earmarked account.

3 Notes to the financial statements for the year ended March 31, 2022

3.8 Short-term provisions		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
(a) Provision for Employee Benefit	-	-	
(b) Provision - Others			
Provision for Income Tax	1,841.74	2,397.45	
<b>Total</b>	<b>1,841.74</b>	<b>2,397.45</b>	
3.10 Non-current investments		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
<b>Non-trade investments (valued at cost unless stated otherwise):</b>			
In Government Securities-Quoted and Fully paid up			
Bond - 8.83% GOI (Face Value 5,00,000)	500.00	500.00	
Bond - 8.97% GOI (Face Value 2,00,000)	199.40	199.40	
Bond - 8.16% MP SDL (Face Value 5,00,000)	101.30	101.30	
<b>Total</b>	<b>800.70</b>	<b>800.70</b>	
3.11 Deferred tax assets		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
(a) Deferred Tax Assets			
On difference between book balance and tax balance of PPE	1,416.37	818.23	
Others	6,122.79	5,289.29	
<b>Total</b>	<b>7,539.16</b>	<b>6,107.53</b>	
3.12 Long-term loans and advances - Financing Activities		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
<b>(A)</b>			
<b>Loans and Advances</b>			
Gold Loan	6,12,304.57	1,93,241.80	
Business Loans	4,13,500.95	2,82,393.98	
Personal Loans	10,691.75	10,620.07	
Vehicle Loans	24,797.56	44,631.52	
<b>Total - (A) Gross Amount</b>	<b>10,61,294.82</b>	<b>5,30,887.37</b>	
<b>(B)</b>			
(i) Secured by Securities and Assets	8,79,205.95	3,89,568.28	
(ii) Covered by Bank/Government guarantees	-	-	
(iii) Unsecured	1,82,088.86	1,41,319.09	
<b>Total - (B) Gross Amount</b>	<b>10,61,294.82</b>	<b>5,30,887.37</b>	
<b>(C)</b>			
<b>Loans in India</b>			
(i) Public Sector	-	-	
(ii) Others	10,61,294.82	5,30,887.37	
<b>Total - (C) Gross Amount</b>	<b>10,61,294.82</b>	<b>5,30,887.37</b>	
<b>Total</b>	<b>10,61,294.82</b>	<b>5,30,887.37</b>	

3 Notes to the financial statements for the year ended March 31, 2022

3.12.1 **Loans and advances - Financing Activity Maturity Wise** (In ₹, '000)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>(A)</b>				
<b>Loans</b>				
Gold Loan	12,717.09	896.10	5,99,587.48	1,92,345.70
Business Loans	1,07,917.84	1,35,502.96	3,05,583.11	1,46,891.02
Personal Loans	105.67	161.08	10,586.08	10,458.99
Vehicle Loans	4,051.23	11,071.94	20,746.33	33,559.58
<b>Total (A) - Gross</b>	<b>1,24,791.82</b>	<b>1,47,632.08</b>	<b>9,36,503.00</b>	<b>3,83,255.29</b>
<b>(B)</b>				
(i) Secured by Securities and Assets	1,15,033.42	1,13,936.66	7,64,172.53	2,75,631.62
(ii) Covered by Bank/Government guarantees	-	-	-	-
(ii) Unsecured	9,758.40	33,695.42	1,72,330.46	1,07,623.67
<b>Total (B) - Gross</b>	<b>1,24,791.82</b>	<b>1,47,632.08</b>	<b>9,36,503.00</b>	<b>3,83,255.29</b>
<b>(C)</b>				
<b>Loans in India</b>				
(i) Public Sector	-	-	-	-
(ii) Others	1,24,791.82	1,47,632.08	9,36,503.00	3,83,255.29
<b>Total (C) - Gross</b>	<b>1,24,791.82</b>	<b>1,47,632.08</b>	<b>9,36,503.00</b>	<b>3,83,255.29</b>
<b>Total</b>	<b>1,24,791.82</b>	<b>1,47,632.08</b>	<b>9,36,503.00</b>	<b>3,83,255.29</b>

3.12.2 **Category wise details of Financial Assets** (In ₹, '000)

Particulars	F.Y. 2021-22				Total
	Standard	Sub-Standard	Doubtful	Loss	
Gold Loan	6,03,213.12	9,087.45	-	4.00	6,12,304.57
Business Loans	3,30,625.29	55,650.90	27,224.76	-	4,13,500.95
Personal Loans	8,823.03	1,868.72	-	-	10,691.75
Vehicle Loans	1,617.69	13,955.88	9,193.66	30.33	24,797.56
<b>Total</b>	<b>9,44,279.13</b>	<b>80,562.94</b>	<b>36,418.42</b>	<b>34.33</b>	<b>10,61,294.82</b>

3.13 **Other non-current assets** (In ₹, '000)

Particulars	March 31, 2022	March 31, 2021
(a) Long Term Trade Receivables	-	-
(b) Security Deposits		
Unsecured, considered good	10,255.79	5,609.79
<b>Total</b>	<b>10,255.79</b>	<b>5,609.79</b>

3.14 **Cash and cash equivalents** (In ₹, '000)

Particulars	March 31, 2022	March 31, 2021
(a) Balance with banks		
In Current Accounts	26,036.70	7,560.33
In deposit accounts	1,95,731.31	3,594.00
(b) Cash in Hand	31,285.02	5,773.12
(c) Other bank balances		
Earmarked balances		
Unpaid matured NCD	500.00	500.00
(d) In deposit accounts with Co-operative Society Banks	15,000.00	-
<b>Total</b>	<b>2,68,553.03</b>	<b>17,427.46</b>

3 Notes to the financial statements for the year ended March 31, 2022

3.15 Short-term loans and advances		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
(a) Loans and advances to related parties			
Unsecured, considered good	-	-	
(b) Other Loans and Advance			
(i) Loans and advances to employees	5.95	-	
(ii) Balances with government authorities			
TDS, TCS and Advance Income Tax	8,323.93	3,097.68	
GST Input credit & cash ledger	1,747.55	1,032.86	
(c) Others			
(i) Prepaid expenses	-	247.50	
(ii) Other advances	610.56	266.45	
<b>Total</b>	<b>10,687.98</b>	<b>4,644.49</b>	

3.16 Other Current assets		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
(a) Accruals			
Interest accrued on investments	20.70	20.70	
Interest accrued on bank deposits	356.31	4.60	
Interest accrued on loans	38,153.86	18,950.32	
(b) Others			
HP Suspense *	74.27	74.27	
Other receivables	-	14.91	
<b>Total</b>	<b>38,605.13</b>	<b>19,064.79</b>	

\* HP suspense indicates the cash balance of Kattapana Branch of the company confiscated by Kerala Police Department as part of "Operation Kubera" initiated by the Kerala Government.

3 Notes to the financial statements for the year ended March 31, 2022

3.17 Revenue from operations		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
Income from Financing activity	1,03,906.04	59,132.89	
Documentation & processing charges	4,262.09	703.71	
<b>Total</b>	<b>1,08,168.13</b>	<b>59,836.60</b>	
3.18 Other income		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
(a) Interest Income			
(i) Interest on deposits	2,014.06	1,061.30	
(II) Interest on Investments	70.25	70.25	
(b) Other non-operating income (net of expenses directly attributable to such			
(i) Interest on overdue	11,376.41	3,990.23	
(ii) Bad Debt recovered	1,821.65	1,838.68	
(iii) Other miscellaneous income	31.82	135.60	
(iv) Profits on sale of fixed assets	92.45	436.11	
(v) Sundry credits w/off	50.50	-	
(vi) Interest on income tax refund	42.02	-	
<b>Total</b>	<b>15,499.17</b>	<b>7,532.17</b>	
3.19 Employee benefit expenses		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
Salaries, wages & allowances	29,727.98	12,379.48	
Contributions to provident and other funds	3,465.96	1,318.37	
Staff welfare expenses	707.16	328.14	
<b>Total</b>	<b>33,901.10</b>	<b>14,025.99</b>	
3.20 Finance costs		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
(a) Interest expense on Borrowings	51,383.02	25,191.12	
(b) Others			
Interest on delayed payment of Income Tax and TDS	2.95	59.27	
<b>Total</b>	<b>51,385.97</b>	<b>25,250.39</b>	
3.21 Depreciation and amortization expenses		(In ₹, '000)	
Particulars	March 31, 2022	March 31, 2021	
Depreciation	6,338.19	2,672.60	
Amortization	694.70	450.14	
<b>Total</b>	<b>7,032.89</b>	<b>3,122.74</b>	

3 Notes to the financial statements for the year ended March 31, 2022

3.22 Other Expenses	(In ₹, '000)	
	March 31, 2022	March 31, 2021
<b>Particulars</b>		
Advertisement Expenses	1,458.96	582.87
Audit fee	180.00	150.00
AMC charges	402.65	228.55
Bad debts	469.52	1,046.07
Bank charges	143.78	14.20
Board, AGM & staff meeting expenses	806.24	429.17
Branch opening expenses	154.07	109.26
Business promotion expenses	890.95	677.47
Commission and brokerage	128.30	211.29
Credit bureau expenses	101.99	96.83
Debenture trustee remuneration	70.20	83.91
Directors remuneration	750.00	990.00
Donation	185.09	34.70
Electricity charges	1,156.05	521.90
Filing Charge	13.20	2,265.00
General office expenses	1,086.32	860.30
GST paid/ineligible GST credit	60.20	9.08
Incentive	4,134.65	2,323.89
Insurance	316.59	188.05
Newspaper & Periodicals	27.09	13.52
Postage	126.15	194.95
Printing & Stationery	1,354.03	1,051.83
Professional & legal Charges	707.06	336.95
Professional Tax	48.83	27.53
Recovery Expenses	1,341.32	971.64
Rent	6,805.88	2,830.29
Repairs & Maintenance	207.35	177.43
Stamp paper & Revenue stamps	36.22	35.40
Sweeping charges	491.77	251.51
Subscription charges	390.08	11.80
Telephone charges	722.70	351.25
Travelling expenses	1,966.81	418.19
Vehicle running expenses	293.06	151.95
VPS rental charges	-	88.29
Provision for standard Assets	1,347.67	535.41
Provision for NPA	920.28	2,592.65
<b>Total</b>	<b>29,295.05</b>	<b>20,863.10</b>

3.22.1 Payment to Auditors comprises of :

Particulars	(In ₹, '000)	
	March 31, 2022	March 31, 2021
As auditors - statutory audit	144.00	120.00
For other services	36.00	30.00
<b>Total</b>	<b>180.00</b>	<b>150.00</b>

3 Notes to the financial statements for the year ended March 31, 2022

3.23 Earnings Per Share

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	(in ₹, '000 except equity share and per equity share data)	
	March 31, 2022	March 31, 2021
Net profit for the year attributable to the equity shareholders	1,642.19	2,409.89
Weighted average number of equity shares	13,747	10,006
Par value per share	20,000.00	20,000.00
Earnings per share - Basic and Diluted	119.46	240.84

3.24 Employee benefits

Details of Employee Benefits : Disclosures required under Accounting Standard 15 – Employee Benefits (Revised 2005)

a. Defined contribution plans :

(In ₹, '000)

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

Particulars	March 31, 2022	March 31, 2021
Employers Contribution to Provident Fund	2,831.27	1,054.97
Employers Contribution to Employee's State Insurance	601.13	250.72

3.25.1 Related party transactions

Names of Related Parties

(A) Holding company

-

(B) Key Management Personnel

Designation

Josekutty Xavier	Managing Director
Alias Abraham	Whole-Time Director
Babu Peechakara Kuriakose	Whole-Time Director
Jaimon Iype	Chief Executive Officer
Eldhose P. T.	Chief Financial Officer
Anaswara Kodithottathil Rajan	Company Secretary

(C) Entities in which KMP / Relatives of KMP can exercise significant influence

Astoria Nidhi Limited	Jyothis Nidhi Limited
Marvel Nidhi Limited	Jyothis Finance

(D) Relatives of Key Management Personne Relation

1. Princy Jose	11. Shaly John
2. Xavier Jose	12. Varghese P. Kuriakose
3. Lissy Alias	13. Jacob P. Kuriakose
4. Sunil Yeldo Alias	14. P. K. Roy
5. Arya Chikku Sunil	15. P. K. Rajan
6. Arun Kurian Joseph	16. Lissy Jaimon
7. Sunitha Alias	17. Alen Jaimon
8. Deena John	18. Chinnamma Baby
9. M. A. Mony	19. Sanimol V. Mathew
10. M. A. Paulose	20. Preethymole Yeldo

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



3 Notes to the financial statements for the year ended March 31, 2022

3.25.2 **Related party transactions during the year:** (In ₹, '000)

Particulars	KMP		Relatives of KMP	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Remuneration (including allowances)	3,209.64	2,081.74	300.00	-
Shares issued	3,540.00	1,000.00	3,460.00	2,540.00
Deposits taken	-	-	2,000.00	-
Deposits repaid	-	1,300.00	2,500.00	2,495.00
Interest paid on deposits	211.26	295.00	329.60	1,266.47
Non-convertible Debentures - Repaid	-	-	-	500.00
Interest paid on NCD	-	-	152.49	238.57
Incentive paid	327.99	1,077.15	-	-
Subordinate debt issued	-	-	3,050.00	3,500.00
Interest paid on subordinated debt	-	-	560.54	133.56
Loans accepted	6,000.00	-	-	-
Loans repaid	6,000.00	-	-	-
Professional charges	-	-	225.00	-

Related party transactions during the year: (In ₹, '000)

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Loans accepted	-	-	5,000	-
Loans repaid	-	-	5,000	-
Interest paid on loan	-	-	64	-

3.25.3 **Balance outstanding as at the year end: Asset/ (Liability)** (In ₹, '000)

Particulars	KMP		Relatives of KMP	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Shares	(7,580.00)	(4,040.00)	(14,240.00)	(10,780.00)
Deposits	(1,750.00)	(1,750.00)	(2,589.00)	(3,089.00)
NCD - Private Placed	-	-	(1,300.00)	(1,300.00)
Subordinate debt	-	-	(6,550.00)	(3,500.00)
Interest payable on Deposits	(16.78)	(15.53)	(29.34)	(72.58)
Interest payable on NCD	-	-	(15.37)	(15.64)
Interest payable on Subordinate Debt	-	-	(105.96)	(87.41)

Balance outstanding as at the year end: Asset/ (Liability) (In ₹, '000)

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Nil		Nil	

3 Notes to the financial statements for the year ended March 31, 2022

3.25.4 **Transaction with non executive directors**

(In ₹, '000)

Name	Nature of Transaction	March 31, 2022	March 31, 2021
Robin Xavier	Interest paid on deposit	44.29	44.44
Robin Xavier	Incentive paid	88.33	71.44
Soji Thomas	Subordinate debt issued	200.00	1,000.00
Soji Thomas	Interest paid on sub-debt	120.33	93.62
Soji Thomas	Interest paid on deposit	459.21	437.67
Soji Thomas	Incentive paid	144.74	35.09
Sathiapalan S.	Shares issued	1,060.00	200.00
Sathiapalan S.	Subordinate debt issued	250.00	1,545.00
Sathiapalan S.	Interest paid on sub-debt	159.92	92.71
Sathiapalan S.	Incentive paid	45.33	0.78
James Joseph	Interest paid on deposit	60.10	60.00
James Joseph	Incentive paid	112.81	45.16
Unni S. Kappen	Incentive paid	21.67	9.84

3.26 **Contingent liabilities and capital commitments**

(In ₹, '000)

Particulars	March 31, 2022	March 31, 2021
<b>Contingent Liabilities: -</b>		
Claim not acknowledge as debt by the company	-	-
In respect of tax demands where the Company has filed appeal before various authorities	-	-
Guarantee and Letter of Credit issued by banker on behalf of the company	-	-
<b>Capital commitments :-</b>		
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	-	-

3.27 **Disclosure with regard to dues to Micro Enterprises and Small Enterprises**

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.

3.28 **Additional Regulatory Information**

Particulars	Numerator	Denominator	Current Period	Previous Period	% of variance*
<b>Liquidity Ratio</b>					
Current Ratio (times) <sup>1</sup>	Current assets	Current liabilities	20.34	7.17	183.71%
<b>Solvency Ratio</b>					
Debt-Equity Ratio (times) <sup>2</sup>	Total debt	Shareholder's equity	3.46	1.08	221.33%
Debt Service Coverage Ratio (times) <sup>3</sup>	Earnings available for debt service	Debt service	1.97	1.32	49.00%
<b>Profitability ratio</b>					
Return on Equity Ratio (%) <sup>4</sup>	Net profits after taxes	Average shareholder's equity	0.59%	1.19%	-50.45%
Net Profit Ratio (%) <sup>5</sup>	Net profits	Revenue	1.33%	3.58%	-62.88%
Return on Capital employed (%) <sup>6</sup>	Earning before interest and taxes	Capital employed	4.01%	5.57%	-28.03%

3 Notes to the financial statements for the year ended March 31, 2022

3.28 **Additional Regulatory Information (contd.)**

Particulars	Numerator	Denominator	Current Period	Previous Period	% of variance*
<b>Utilization Ratio#</b>					
Trade Receivables turnover ratio (times)	Revenue	Average trade Receivable	-	-	-
Inventory turnover ratio (times)	Revenue	Average Inventories	-	-	-
Trade payables turnover ratio (times)	Purchases of services and other expenses	Average trade payables	-	-	-
Net capital turnover ratio (times)	Revenue	Working capital	-	-	-

\*Explanation for change in the ratios by more than 25%:

1. The Company's current ratio has improved because of considerable increase in short term advances in the nature of gold loans.
2. The debt equity ratio has increased because of increased borrowings undertaken as part of the rapid expansion plans of the Company.
3. The debt service coverage ratio has improved because of increase in earnings available for debt service and principal repayments of loans during the year. (only principal repayments and interest payments of debentures and term loan have been considered for debt service)
4. Return on equity has declined for the period due to reduction in profit after tax.
5. Lower profitability leading to a lower net profit margin resulted in decrease in net profit ratio.
6. Return on Capital employed has decreased in the current year on the base of lower profits.

# As the Company is operating in the financial service sector utilization ratios are not determinable.

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

The company does not have any joint venture or subsidiary overseas during the year 2021-22 & 2020-21

3.30 **Draw Down from reserves**

No reserves have been draw down during the financial year 2021-22 & 2020-21

3.31 **Percentage of loans granted against collateral of gold jewelry to total assets**

(In ₹, '000)

Particulars	March 31, 2022	March 31, 2021
Gold Loans granted against collateral of gold jewelry	6,12,304.57	1,93,241.80
Total assets of the Company	14,26,464.88	6,01,644.85
Percentage of Gold Loans to Total Assets	42.92%	32.12%

3.32 **Movement of NPAs**

(In ₹, '000)

Particulars	March 31, 2022	March 31, 2021
(i) Net NPAs* to Net Advances (%)	9.15%	20.53%
(ii) Movement of NPAs* (Gross)		
(a) Opening balance	1,25,675.94	1,09,285.01
(b) Net additions during the year	(8,660.25)	16,390.93
(c) Closing balance	1,17,015.69	1,25,675.94
(iii) Movement of Net NPAs*		
(a) Opening balance	1,04,659.99	90,861.71
(b) Net additions during the year	(9,580.53)	13,798.28
(c) Closing balance	95,079.46	1,04,659.99
(iv) Movement of provisions for NPAs* (excluding Provisions on Standard Assets)		
(a) Opening balance	21,015.95	18,423.29
(b) Provisions made during the year	920.28	2,592.65
(c) Write-off/ write-back of excess provisions	-	-
(d) Closing balance	21,936.23	21,015.95

3.33 **Customer complaints**

Particulars	March 31, 2022	March 31, 2021
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 Notes to the financial statements for the year ended March 31, 2022

**3.34 Value of imports calculated on CIF Balance**

The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2021-22 (2020-21 – Nil)

**3.35 Expenditure in Foreign Currency**

The company does not have any expenditure in Foreign Currency during the year 2021-22 (2020-21 – Nil)

**3.36 Earning in Foreign Currency**

The company does not have any earnings in Foreign Currency during the year 2021-22 (2020-21 – Nil)

**Other notes**

3.37 In the opinion of the management, the current assets, loans and advances shall realize the value as shown in the balance sheet, if realized in the normal course of business.

3.38 The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

3.39 There has been no significant impact on the operations and financial position of the company on account of the outbreak of COVID-19 pandemic and consequential lock-down restrictions imposed by the Government.

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

3.41 There are no transactions with struck off companies under section 248 or 560

3.42 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.

3.43 The Company doesn't have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

3.44 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

3.46 No penalties were imposed by the regulator during the year during the financial year ended Mar 31,2022 (Pre Year: Nil)

3.47 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.

3.48 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.

3.49 Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.

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

(in ₹ lakhs)

Sl. No.	Particulars		As at March 31, 2022	
	Liabilities side :		Amount out-standing	Amount overdue
1	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>			
	(a)	Debtures : Secured	1,799.81	0.18
		: Unsecured (other than falling within the meaning of public deposits)	-	Nil
	(b)	Deferred Credits	Nil	Nil
	(c)	Term Loans	4.18	Nil
	(d)	Inter-corporate loans and borrowing	Nil	Nil
	(e)	Commercial Paper	Nil	Nil
	(f)	Public Deposits	Nil	Nil
	(g)	Other Loans –		
		Secured Loans	Nil	Nil
		Deposits from Directors & Relatives	241.15	1.72
		Subordinated debts	8,541.00	6.44
2	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>			
	(a)	In the form of Unsecured debtures	Nil	Nil
	(b)	In the form of partly secured debtures i.e. debtures where there is a shortfall in the value of security	Nil	Nil
	(c)	Other public deposits	Nil	Nil
	<b>Assets side :</b>		<b>Amount out-standing</b>	
3	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>			
	(a)	Secured		9,163.45
	(b)	Unsecured		1,831.04
4	<b>Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>			
	(i)	Lease assets including lease rentals under sundry debtors :		
	(a)	Financial lease	Nil	
	(b)	Operating lease	Nil	
	(ii)	Stock on hire including hire charges under sundry debtors:		
	(a)	Assets on hire	Nil	
	(b)	Repossessed Assets	Nil	
	(iii)	Other loans counting towards asset financing activities		
	(a)	Loans where assets have been repossessed	Nil	
	(b)	Loans other than (a) above	Nil	
5	<b>Break-up of Investments</b>			
	<b>Current Investments :</b>			
	1	<b>Quoted :</b>		
	(i)	Shares		
	(a)	Equity	Nil	
	(b)	Preference	Nil	
	(ii)	Debtures and Bonds	Nil	
	(iii)	Units of mutual funds	Nil	
	(iv)	Government Securities	Nil	
	(v)	Others (please specify)	Nil	
	2	<b>Unquoted :</b>		
	(i)	Shares		
	(a)	Equity	Nil	
	(b)	Preference	Nil	
	(ii)	Debtures and Bonds	Nil	
	(iii)	Units of mutual funds	Nil	
	(iv)	Government Securities	Nil	
	(v)	Others (please specify)	Nil	

3 Notes to the financial statements for the year ended March 31, 2022

Long Term investments :		Amount out-standing		
1	Quoted :			
(i)	Shares			
	(a) Equity		Nil	
	(b) Preference		Nil	
(ii)	Debentures and Bonds		Nil	
(iii)	Units of mutual funds		Nil	
(iv)	Government Securities			8.01
(v)	Others (please specify)		Nil	
2	Unquoted :			
(i)	Shares			
	(a) Equity		Nil	
	(b) Preference		Nil	
(ii)	Debentures and Bonds		Nil	
(iii)	Units of mutual funds		Nil	
(iv)	Government Securities		Nil	
(v)	Others (please specify)		Nil	
6	<b>Borrower group-wise classification of assets financed as in (3) and (4) above :</b>			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2	Other than related parties	9,037.35	1,737.78	10,775.12
7	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)</b>			
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1	Related Parties			
	(a) Subsidiaries	Nil	Nil	
	(b) Companies in the same group	Nil	Nil	
	(c) Other related parties	Nil	Nil	
2	Other than related parties	Nil	Nil	
	<b>Total</b>	-	-	
8	<b>Other information</b>			
	Particulars	Amount		
(i)	Gross Non-Performing Assets*			
	(a) Related parties	Nil		
	(b) Other than related parties			1,170.16
(ii)	Net Non-Performing Assets*			
	(a) Related parties	Nil		
	(b) Other than related parties			950.79
(iii)	Assets acquired in satisfaction of debt	-		

In terms of our report attached.

For and on behalf of the Board of Directors

Sd/-

**Josekutty Xavier**  
Managing Director  
(DIN: 02073994)

Sd/-

**Babu P. Kuriakose**  
Whole-time Director  
(DIN: 00762513)

Sd/-

**Jaimon Iype**  
(Chief Executive Officer)

Sd/-

**Vinay N. Pisharady FCA**  
Chartered Accountant  
Membership No. 233743

Sd/-

**Eldhose P. T.**  
(Chief Financial Officer)

Sd/-

**Anaswara Kodithottathil Rajan**  
(Company Secretary)

Place: Aluva  
Date: 27.08.2022

Place: Ernakulam  
Date: 27.08.2022

3 Notes to the financial statements for the year ended March 31, 2022

3.9 Property Plant and Equipments

(In ₹ ,'000)

Particulars	Building	Electrical Fittings	Furniture and Fittings	Computers	Motor Vehicle	Office Equipments	Total
<b>Cost:</b>							
As at April 1, 2021	274.50	2,711.00	14,915.25	2,844.87	749.66	3,125.38	24,620.66
Additions	-	1,126.93	9,777.15	2,545.79	-	4,021.45	17,471.32
Disposals	274.50	-	-	-	-	-	274.50
<b>As at March 31, 2022</b>	<b>-</b>	<b>3,837.93</b>	<b>24,692.40</b>	<b>5,390.66</b>	<b>749.66</b>	<b>7,146.82</b>	<b>41,817.48</b>
<b>Depreciation and impairment:</b>							
As at April 1, 2021	61.52	826.10	6,248.54	1,405.14	67.04	1,232.38	9,840.72
Additions	5.43	588.36	3,050.47	1,301.69	213.21	1,179.04	6,338.19
Disposals	66.95	-	-	-	-	-	66.95
<b>As at March 31, 2022</b>	<b>-</b>	<b>1,414.46</b>	<b>9,299.01</b>	<b>2,706.83</b>	<b>280.25</b>	<b>2,411.42</b>	<b>16,111.96</b>
<b>Net book value:</b>							
As at April 1, 2021	<b>212.98</b>	<b>1,884.90</b>	<b>8,666.71</b>	<b>1,439.73</b>	<b>682.62</b>	<b>1,893.00</b>	<b>14,779.94</b>
<b>As at March 31, 2022</b>	<b>-</b>	<b>2,423.47</b>	<b>15,393.39</b>	<b>2,683.84</b>	<b>469.41</b>	<b>4,735.41</b>	<b>25,705.52</b>

3.9 Intangible Assets

(In ₹ ,'000)

Particulars	Softwares	Website	Total
<b>Cost:</b>			
As at April 1, 2021	2,386.71	30.00	2,416.71
Additions	1,430.63	20.00	1,450.63
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>3,817.34</b>	<b>50.00</b>	<b>3,867.34</b>
<b>Depreciation and impairment:</b>			
As at April 1, 2021	1,001.45	30.00	1,031.45
Additions	690.70	4.00	694.70
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>1,692.15</b>	<b>34.00</b>	<b>1,726.15</b>
<b>Net book value:</b>			
As at April 1, 2021	<b>1,385.26</b>	<b>-</b>	<b>1,385.26</b>
<b>As at March 31, 2022</b>	<b>2,125.19</b>	<b>16.00</b>	<b>2,141.19</b>

3.9 Capital work-in-progress (CWIP)

Capital work-in-progress ageing schedule

(In ₹ ,'000)

CWIP	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	March 31, 2022
Projects in progress	881.56	-	-	-	881.56
CWIP	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	March 31, 2021
Projects in progress	937.52	-	-	-	937.52

## ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE REGISTERED OFFICE

Name & Address of the Shareholder

FOLIO No. :  
Number of Shares :

I hereby record my presence at the 33<sup>rd</sup> ANNUAL GENERAL MEETING at KMC XVI/I/J, Reliant Junction, Kozhippilly Bypass, Kuthukuzhi P.O, Kothamangalam, 686691 of RELIANT CREDITS (INDIA) LIMITED on Friday, 23<sup>rd</sup> September, 2022 at 05.00 PM.

Signature of the Member  
or Proxy

No. of Shares held

## Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U65921KL1989PLC005568
Name of the company	RELIANT CREDITS (INDIA) LIMITED
Registered office	KMC XVI/I/J, Reliant Junction, Kozhippilly Bypass, Kuthukuzhi P.O, Kothamangalam, Kerala, India, 686691
Name of the member (s)	
Registered address	
E-mail Id	





I/We, being the member (s) holding ..... shares of the above named company, hereby appoint

- |  |  |
|--|--|
| <p>1. Name: _____</p> <p>Address : _____</p><br><p>E-mail Id: _____</p><br><p>Signature: _____,<br/>or failing him/her</p> | <p>2. Name: _____</p> <p>Address : _____</p><br><p>E-mail Id: _____</p><br><p>Signature: _____,<br/>or failing him/her</p> |
|--|--|

- |  |   |
|--|---|
| <p>3. Name: _____</p> <p>Address : _____</p> | <p>E-mail Id: _____</p> <p>Signature: _____</p> |
|--|---|

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Friday, 23rd September, 2022 at 05.00 PM at KMC XVI/I/J, Reliant Junction, Kozhippilly Bypass, Kuthukuzhi P.O, Kothamangalam, 686691 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No	Resolutions	For	Against
1	To receive, consider and adopt the audited Balance Sheet as at March 31, 2022, Profit and Loss Statement and Cash Flow Statement for the year ended on that date and the Directors' Report and Auditors' Report thereon.		
2	To appoint a director in place of Mr. Soji Thomas (DIN - 07279260), who retires by rotation		
3	To appoint a director in place of Mr. Josekutty Xavier (DIN - 02073994), who retires by rotation		
4	To appoint a director in place of Mr. Alias Abraham (DIN - 00688660), who retires by rotation		
5	To appoint Mr. Chittilappilly Jacob Sunny (DIN - 02017081) as Director of the Company		
6	To approve the appointment of Mr. James Arambankudyil Joseph (DIN - 06566906) as Whole-time Director of the Company		
7	To increase the Authorised Share Capital of the Company		
8	To approve Sub-division of Shares of the Company		

Signed this.....day of September, 2022

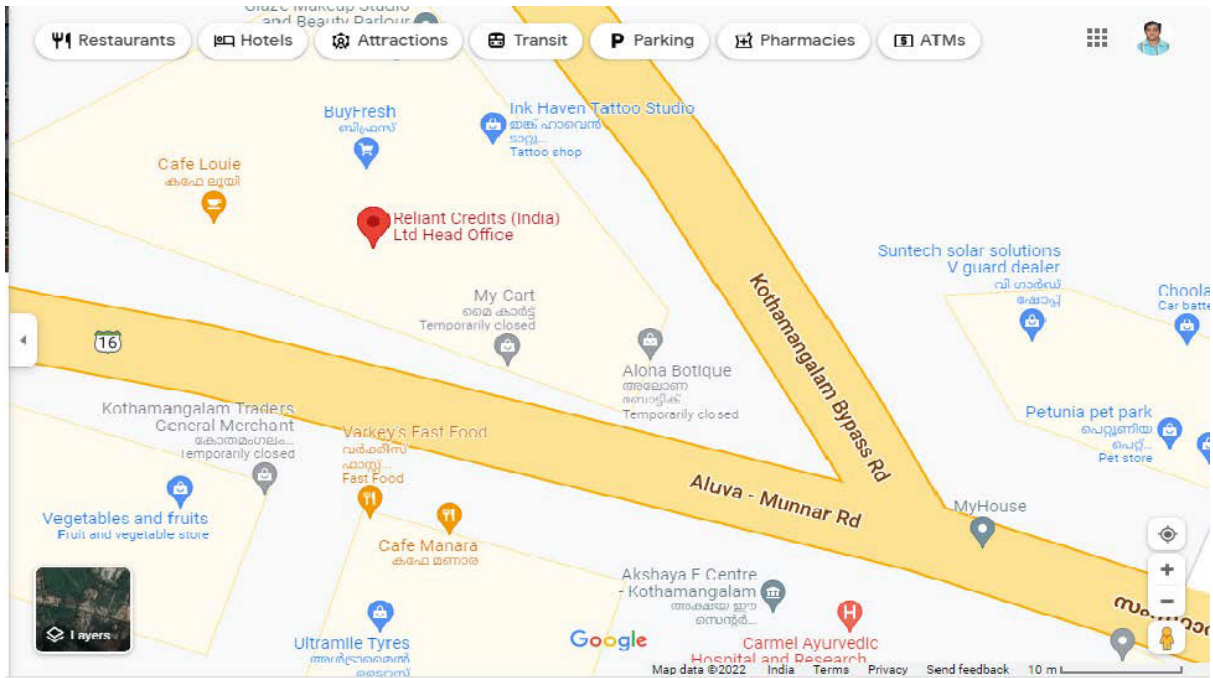
Signature of shareholder:

Signature of Proxy holder(s):



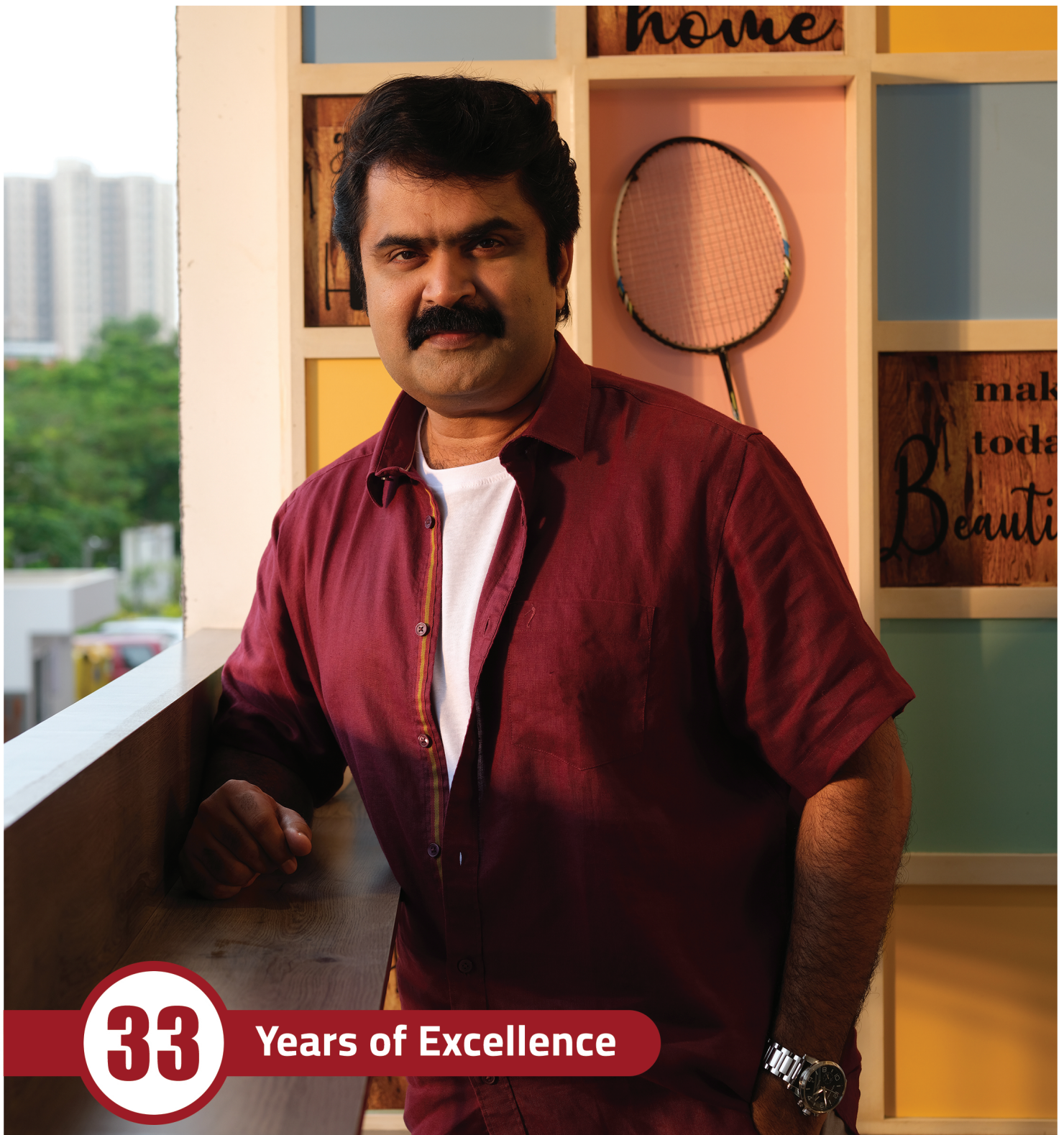
**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**ROUTE MAP SHOWING THE LOCATION OF THE VENUE OF  
33<sup>RD</sup> ANNUAL GENERAL MEETING OF RELIANT CREDITS (INDIA) LIMITED**



# Proposed Plan for Our New Corporate Office





**33**

**Years of Excellence**

*Registered Office : 1<sup>st</sup> floor KMC XVI/I/J, Reliant Junction  
Kozhippilly Bypass, Kuthukuzhi P O, Kothamangalam,  
Ernakulam - 686691*

*Ph : 07594051430 , 0485 3505566*