

**AGM NOTICE**


NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of MUTHALAGU FINANCE PRIVATE LIMITED will be held on Tuesday, 30<sup>th</sup> November 2021, at 11.00 A.M. at the registered office of the Company situated at NO.213, II FLOOR, MAHAVEER COMPLEX ROYAPETTA HIGH ROAD, ROYAPETTAH CHENNAI TN 600014.

To transact the following business:


**ORDINARY BUSINESS:**

To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2021, together with the reports of the Board of Directors and Auditors thereon.

By order of the Board  
For M/s MUTHALAGU FINANCE PRIVATE LIMITED



(Mr. ALAGARSAMY JEGANATH)  
Director  
DIN: 02566708



(Mr. THIRUPATHI DHANARAJA)  
Director  
DIN: 02566702

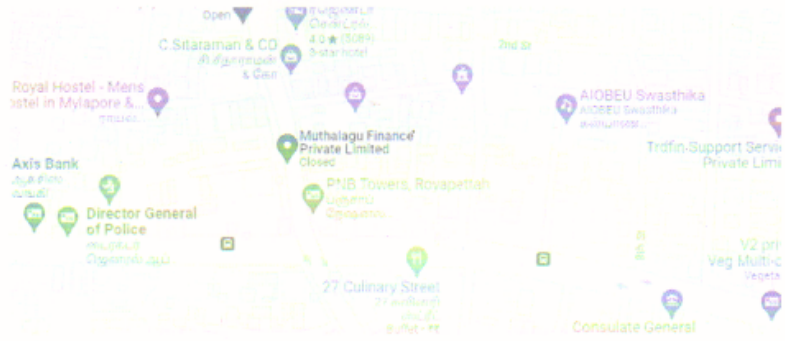
Place: Chennai  
Date: 22-11-2021

**Muthalagu Finance Private Limited**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A FORM OF PROXY IS ENCLOSED, AND IF INTENDED TO BE USED, SHOULD BE RETURNED TO THE COMPANY DULY COMPLETED NOT LESS THAN 48 (FORTYEIGHT) HOURS BEFORE THE AFORESAID MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT 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 A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. All documents referred to in the notice are open for inspection at the registered office of the company during office hours on all working days, except Saturdays and holidays, between 10.00 A.M. and 5.00 P.M up to the date of the Annual general meeting.
3. Shareholders are requested to intimate changes in their address, if any, quoting the folio number to the Company.
4. Members, proxies, and Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed signed and stamped, mentioning therein details along with folio No of the company.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. The route map showing directions to reach the venue of the Meeting is annexed.

**Route Map:**



**AGM Venue:**

NO.213, II FLOOR, MAHAVEER COMPLEX ROYAPETTA HIGH ROAD, ROYAPETTAH  
CHENNAI TN 600014.

## BOARD'S REPORT

Dear Members,

Your directors have great pleasure in presenting the **BOARD'S REPORT** of your Company together with the Audited Balance Sheet of the Company as at 31st March 2021 and the Statement of Profit and Loss for the period ended as on that date and the Auditor's Report thereon.

### 1. Financial Results:

Particulars	2020-2021	2019-2020
Income	7,59,54,855	7,51,35,697
Less: Expenditure	6,82,99,761	6,38,51,297
Gross Profit/(Loss) before taxation	76,55,094	1,12,84,400
Less: Provision for taxation	21,99,811	20,12,450
Deferred Tax	(93,633)	(57,554)
Profit/(Loss) after tax	55,48,916	92,14,396

### 2. Performance review:

During the year under review, the Performance of the Company for the year ended 31st March 2021 was satisfactory as the company has earned a Net Profit/(Loss) of Rs. 55,48,916/-.

The Board of Directors is hopeful and confident of earning higher profits in the future.

### 3. Directors

The Board of Directors of the Company is duly constituted. The Board of Directors as on this report date consists of following Directors:

S. No.	Name of Director	DIN	Designation
1.	THIRUPPATHI DHANARAJA	02566702	Director
2.	ALAGARSAMY JEGANATH	02566708	Director
3	MUTHUSAMY SUNDARAMANICKAM	02948122	Director
4	BOSE PRITHVIRAJ	02948182	Director

During the period under review, there has been no change in the Board of Directors of the company.

**4. Meetings held during the relevant Financial Year:**

The Board of Directors of the Company duly met 4 times. The following is the attendance for the said Board meetings:

S. No.	Date of Meeting	No. of Directors	No. of Directors Present
1.	05-06-2020	4	4
2.	04-09-2020	4	4
3.	06-12-2020	4	4
4.	06-02-2021	4	4

**5. Extract of annual return:**

The extract of the annual return in Form MGT-9 is annexed (as **Annexure – I**) and forms part of this report.

**6. Change in nature of business:**

There was no change in the nature of business of the Company during the financial year.

**7. Auditors:**

M/s. A. JOHN MORIS & Co., Chartered Accountants, Chennai, having **Firm Registration Number 007220S**, is recommended by board to be appointed as the Statutory Auditors in the AGM held in the year 2018 to hold office up to the AGM to be held in the year 2023.

**8. Explanation or comments by the Board on every qualification, reservation, adverse remark or disclaimer made by the auditor:**

No such explanation or comment is required since there are no qualifications, reservations, adverse remarks or disclaimer made by the auditor.

**9. Holding and Subsidiary Company:**

The Company is neither a holding company, nor a subsidiary.

**10. Conservation of Energy, Technology, Absorption & Foreign Exchange Earnings outgo:**

The provisions relating to conservation of energy & technology absorption does not apply to the Company's Business. However, the company is making continuous efforts to conserve energy and optimize energy consumption practicable by economizing the use of power during the year under review, there were no foreign exchange earnings or expenditure.

**11. Risk management policy:**

In the opinion of the Board, there are no elements of risk which may threaten the existence of the Company. Hence the Company has not developed or implemented any risk management policy.

**12. Internal financial controls:**

The Company has adequate internal financial controls with reference to the financial statements.

**13. Particulars of loans, guarantees or investments:**

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013. The Company has not granted any loans, made any investments, given guarantees or extended any security during the financial year.

**14. Particulars of employees:**

No employee is coming under the purview of the provisions of Section 134(3) (e) of the Companies Act, 2013 and the rules framed there under.

**15. Directors' Responsibility statement:**

Your Directors confirm:

- a) that in the preparation of the Annual Accounts the applicable Accounting Standards have been followed along with proper explanation in relation to material departures.
- b) that 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.
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the annual Accounts on a going concern basis.
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. Fraud Reported by Auditor:**

The Auditor has not reported any Fraud under sub 12 of Section 143 for the year under review.

**17. Issue of Shares under Employees Stock Option Scheme, 2006**

The company has not issued ESOPs and therefore does not have an ESOP Policy for its employees.

**18. Related Party Transaction**

The Company has not entered into any related party transaction as covered under section 188 of the Companies Act 2013 during the year under review. Hence Form AOC-2 will not form part of this report.

**19. Corporate Social Responsibility**

The Company is not required to undertake any Corporate Social Responsibilities under the provisions of the Companies Act, 2013 for the financial year ended 31st March 2021.

**20. Acknowledgement:**

Your Directors take this opportunity in placing on record the valuable contribution and continued support received from the Customers, Business associates and the Shareholders. The Directors also whole-heartedly recognize, acknowledge, and commend the dedication and commitment of the Company's stakeholders and partners including its auditors, bankers, lawyers and professional consultants, for their consistent and constant support. The Directors also thank the Government and all other Statutory Authorities for their support.

**By order of the Board**

**For MUTHALAGU FINANCE PRIVATE LIMITED**



**(Mr. ALAGARSAMY JEGANATH)**

**Director**

**DIN: 02566708**



**(Mr. THIRUPATHI DHANARAJA)**

**Director**

**DIN:02566702**

**Place: Chennai**

**Date: 30-11-2021**

**Encl.:**

**Annexure – I - Extract of the annual return in Form MGT-9**

**ANNEXURE - I**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of  
The Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN	U65921TN1997PTC087650
Registration Date	03/01/1997
Name of the Company	MUTHALAGU FINANCE PRIVATE LIMITED
Category/Sub-Category of the Company	Company limited by Shares
Address of the registered office and contact details:	NO.213, II FLOOR, MAHAVEER COMPLEX ROYAPETTA HIGH ROAD, ROYAPETTAH CHENNAI TN 600014 IN
Whether listed company	Unlisted
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Financial Service	6499	100







<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>C. SHARES HELD BY CUSTODIAN FORGDRs &amp; ADRs</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total (A+B+C)</b>	NIL	1,81,50,000	1,81,50,000	100%	NIL	1,81,50,000	1,81,50,000	100%	-

i) Shareholding of Promoters

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	
1								

(iii) Change in Promoters' Shareholding (please specify, if there is no change) :

SL. N	Name			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.							
	Date	Increase/Decrease in Share	Reason	NIL			
	At the end of the year						

## V. INDEBTEDNESS –

(Indebtedness of the Company including interest outstanding/accrued but not due for payment)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<i>Indebtedness at the beginning of the financial year</i>				
i) Principal Amount	18,82,950	-	-	18,82,950
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>18,82,950</b>	<b>-</b>	<b>-</b>	<b>18,82,950</b>
<i>Change in Indebtedness during the financial year</i>				
Addition	1,65,191	66,00,000	-	67,65,191
Reduction	-	-	-	-
<b>Net Change</b>	<b>1,65,191</b>	<b>66,00,000</b>	<b>-</b>	<b>67,65,191</b>
<i>Indebtedness at the end of the financial year</i>				
i) Principal Amount	20,48,141	66,00,000	-	86,48,141
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>20,48,141</b>	<b>66,00,000</b>	<b>-</b>	<b>86,48,141</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	-	-	-
1.	<b>Gross Salary :</b> (a) Salary as per provisions U/s. Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites	-	-
2.	<b>Stock Option</b>	-	-
3.	<b>Sweat Equity</b>	-	-
4.	<b>Commission</b> as % of profit	-	-
5.	<b>Others, please specify</b>	-	-
	<b>Total (A)</b>	-	-
	<b>Ceiling as per the Act</b>	-	-

### B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
1	Directors Remuneration	-	-
	<b>Independent Directors</b> Fee for attending Board		-
	<b>Total (1)</b>		-
	<b>Other Non-Executive Directors</b> Fee for attending Board Fee for committee meetings		-
	<b>Total (2)</b>		-
	<b>Total (B)=(1+2)</b>		-
	<b>Total Managerial Remuneration</b>		-
	<b>Overall Ceiling as per the Act</b>	-	-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/  
MANAGER/ WTD: NA**

SI. no.	Particulars of Remuneration	Key Managerial Personnel	
		Additional Director	Total
1.	<b>Gross salary</b> (a) Salary as per provisions contained in U/s. 17(1) of the Income-tax Act, 1961 (b) Value of perquisites U/s 17(2) Income-tax Act, 1961	-	-
2.	<b>Stock Option</b>	-	-
3.	<b>Sweat Equity</b>	-	-
4.	<b>Commission</b> as % of profit	-	-
5.	<b>Others, please specify</b>	-	-
	<b>Total</b>		

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment	Authority (RD/NCLT/ COURT)	Appeal made, if any, (give details)
<b>A. COMPANY</b>					
Penalty	NA	NIL	NIL	NIL	NIL
Punishment	NA	NIL	NIL	NIL	NIL
Compounding	NA	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NA	NIL	NIL	NIL	NIL
Punishment	NA	NIL	NIL	NIL	NIL
Compounding	NA	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NIL	NIL	NIL	NIL
Punishment	NA	NIL	NIL	NIL	NIL
Compounding	NA	NIL	NIL	NIL	NIL

VIII. REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF  
SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES, INCLUDED IN  
THE CONSOLIDATED IN THE CONSOLIDATED FINANCIAL STATEMENTS

By order of the Board  
For MUTHALAGU FINANCE PRIVATE LIMITED



(Mr. ALAGARSAMY JEGANATH)  
Director  
DIN: 02566708






(Mr. THIRUPPATHI DHANARAJA)  
Director  
DIN: 02566702

Place: Chennai  
Date: 30-11-2021



**MUTHALAGU FINANCE PRIVATE LIMITED**  
NO.213, II FLOOR, MAHAVEER COMPLEX ROYAPETTA HIGH ROAD, ROYAPETTAH CHENNAI Tamil Nadu 600014  
Audited Balance Sheet as at 31st March, 2021

Particulars	Notes	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) SHAREHOLDER'S FUND</b>			
a) Share Capital	3	18,15,00,000	18,15,00,000
b) Reserves and Surplus	4	2,53,27,756	1,97,78,840
c) Money received against share warrants	-		
<b>2) Share application money pending allotment</b>			
<b>3) NON-CURRENT LIABILITIES</b>			
a) Long term borrowings	5	86,48,141	18,82,950
b) Deferred tax liabilities (Net)	6	3,38,778	4,32,411
<b>4) CURRENT LIABILITIES</b>			
a) Short-term borrowings	7	30,96,44,095	35,02,19,778
b) Trade payables	8	1,23,33,954	43,547
c) Other current liabilities	9	30,75,453	10,77,673
d) Short-term provisions	10	32,16,145	31,87,307
<b>Total</b>		<b>54,40,84,322</b>	<b>55,81,22,506</b>
<b>II. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>1) a) Property, Plant and Equipment</b>			
i) Tangible Fixed Assets	10	2,65,42,244	35,82,943
ii) Intangible Fixed Assets	-	-	-
iii) Capital work-in-progress	11	1,01,72,587	2,72,06,500
iv) Intangible assets under development	-	-	-
b) Non-current investments	-	-	-
c) Deferred Tax Asset	-	-	-
d) Long Term Loans and Advances	12	25,18,000	21,18,000
e) Other Non Current Assets	13	1,11,71,438	3,32,850
<b>2) CURRENT ASSETS</b>			
a) Current Investments	-	-	-
b) Inventories	-	-	-
c) Trade Receivables	14	41,81,89,420	48,91,17,872
d) Cash and Cash Equivalents	15	81,38,728	78,30,004
e) Short Term Loans and Advances	16	6,46,58,197	2,18,34,528
f) Other Current Assets	17	26,93,708	60,99,809
<b>Total</b>		<b>54,40,84,322</b>	<b>55,81,22,506</b>
Significant Accounting Policies and Notes to Financial Statements form an integral part of the Balance Sheet	1 & 2		
In Accordance with our Report attached For Ms. A. JOHN MORIS & Co., Chartered Accountants FRN: 007220 S			
		For and on behalf of the Board of Directors	
			
			
S. Murali Kannan Partner M.No.: 211698 UDIN: 22211698AAAACL4625 Place : Chennai Date : 30-11-2021		A. Jeganath Director	Thiruppathi Dhanaraja Director

**MUTHALAGU FINANCE PRIVATE LIMITED**  
**NO.213, II FLOOR, MAHAVEER COMPLEX ROYAPETTA HIGH ROAD, ROYAPETTAH CHENNAI Tamil Nadu 600014**  
**AUDITED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2021**

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
<b>INCOME</b>			
I. Revenue from Operations	18	7,59,54,855	7,51,35,697
II. Other Income	-	-	-
<b>III. TOTAL REVENUE</b>		<b>7,59,54,855</b>	<b>7,51,35,697</b>
<b>IV. EXPENSES</b>			
Cost of materials consumed	-	-	-
Employee benefits expense	19	1,60,51,094	1,80,97,166
Finance costs	20	3,42,19,746	2,82,45,737
Depreciation and amortisation expense	10	18,12,343	7,75,674
Other Expenses	21	1,62,16,579	1,67,32,720
<b>TOTAL EXPENSES</b>		<b>6,82,99,761</b>	<b>6,38,51,297</b>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>76,55,094</b>	<b>1,12,84,400</b>
VI. Exceptional items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>76,55,094</b>	<b>1,12,84,400</b>
VIII. Extraordinary items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>76,55,094</b>	<b>1,12,84,400</b>
X. Tax expense:			
1) Current Tax		21,99,811	20,12,450
2) Deferred Tax Expenses		(93,633)	57,554
<b>Total Tax Expenses</b>		<b>21,06,178</b>	<b>20,70,004</b>
<b>XI. Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>55,48,916</b>	<b>92,14,396</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) for the period (XI + XIV)</b>		<b>55,48,916</b>	<b>92,14,396</b>
XVI. Earnings per equity share:			
1) Basic	22	0.31	0.51
2) Diluted	-	-	-
Significant Accounting Policies and Notes to Financial Statements form an integral part of the Balance Sheet	1 & 2		

In Accordance with our Report attached

For Ms. A. JOHN MORIS & Co.,

Chartered Accountants

FRN: 007220 S

For and on behalf of the Board of Directors

S. Murali Kannan

Partner

M.No.: 211698

UDIN: 22211698AAAACL4625

Place : Chennai

Date : 30-11-2021

A. Jeganath  
Director

Thirupathi Dhanaraja  
Director

**MUTHALAGU FINANCE PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	For the Year Ended 31st March, 2021		For the Year Ended 31st March, 2020	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		76,55,094		1,12,84,400
<u>Adjustments for:</u>				
Depreciation and amortisation	18,12,343		7,75,674	
Finance costs	3,42,19,746		2,82,45,737	
		3,60,32,088		2,90,21,411
Operating profit / (loss) before working capital changes		4,36,87,182		4,03,05,811
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	7,09,28,452		(20,13,55,670)	
Loans and Advances	(4,28,23,669)			
Other current assets	34,06,101		(11,97,752)	
Long term Loans and Advances	(4,00,000)			
Other Non-Current assets	(1,08,38,588)		(9,15,121)	
	2,02,72,296		(20,34,68,542)	
Adjustments for increase / (decrease) in operating liabilities:				
Short Term Borrowings	(4,05,75,683)		19,55,03,442	
Short Term Provisions	28,838		14,01,019	
Other current liabilities	19,97,780		(4,99,016)	
Trade Payables	1,22,90,407			
	(2,62,58,657)		19,64,05,445	
Cash generated from operations		(59,86,361)		(70,63,098)
Net income tax (paid) / refunds		3,77,00,821		3,32,42,713
Net cash flow from / (used in) operating activities (A)	21,99,811	21,99,811	20,12,450	20,12,450
		3,55,01,010		3,12,30,263
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(2,47,71,644)		(3,23,841)	
Capital WIP	1,70,33,913			
Sale of Capital Assets			15,79,500	
Net cash flow from / (used in) investing activities (B)		(77,37,731)		12,55,659
<b>C. Cash flow from financing activities</b>				
Increase in long-term borrowings	67,65,191		12,04,117	
Chit			(3,32,850)	
Rental Advance			(3,00,000)	
Finance cost	(3,42,19,746)		(2,82,45,737)	
Net cash flow from / (used in) financing activities (C)		(2,74,54,555)		(2,76,74,470)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		3,08,724		48,11,453
Cash and cash equivalents at the beginning of the year		78,30,004		30,18,551
Cash and cash equivalents at the end of the year		81,38,728		78,30,004

**Notes:**

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For A. JOHN MORIS & CO.,

Chartered Accountants

FRN. 0072205

  
S. Murali Kannan

Partner

M.No.: 211698

UDIN: 22211698AAAACL4625

Place : Chennai

Date : 30-11-2021

For and on behalf of the Board of Directors



A. Jeganath

Director



Thirupathi Dhanaraja

Director

MUTHALAGU FINANCE PRIVATE LIMITED  
Notes forming part of accounts

No.  
3 SHARE CAPITAL :

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Authorised :				
Equity shares of ₹ 10/- each	1,81,50,000	18,15,00,000	1,81,50,000	18,15,00,000
Issued, subscribed and fully				
Equity Shares of ₹ 10/-, each, fully paid up	1,81,50,000	18,15,00,000	1,81,50,000	18,15,00,000
<b>Total</b>	<b>1,81,50,000</b>	<b>18,15,00,000</b>	<b>1,81,50,000</b>	<b>18,15,00,000</b>

The reconciliation of the number of shares outstanding and the amount of share capital as at 31st March, 2020 is set out below.

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Amount in ₹	No. of Shares	Amount in ₹
Balance at the beginning of the year	1,81,50,000	18,15,00,000	1,81,50,000	18,15,00,000
Add: Shares issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>1,81,50,000</b>	<b>18,15,00,000</b>	<b>1,81,50,000</b>	<b>18,15,00,000</b>

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

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	%	No. of Shares	%	No. of Shares
Jaganath	14%	24,84,000	13%	23,95,000
<b>Total</b>	<b>14%</b>	<b>24,84,000</b>	<b>13%</b>	<b>23,95,000</b>

**RESERVES & SURPLUS**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Amount in ₹		Amount in ₹	
<b>4 STATEMENT OF PROFIT&amp; LOSS</b>				
(a) Statutory reserves (Refer Note (i) below)				
Opening balance		39,52,631		21,09,752
Add: Additions / transfers during the year		11,09,783		18,42,879
Closing balance (A)		50,62,414		39,52,631
(b) Surplus in Statement of Profit and Loss				
Opening balance		1,58,26,209		84,54,692
Add : Profit for the year		55,48,916		92,14,396
Less: Transferred to Statutory Reserves		11,09,783		18,42,879
Less: Adjusted With Fixed Assets				-
Closing balance (B)		2,02,65,342		1,58,26,209
<b>Total (A+B)</b>		<b>2,53,27,756</b>		<b>1,97,78,840</b>

Share Payment Pending Allotment

**TOTAL**

**5 LONG TERM BORROWINGS**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Amount in ₹		Amount in ₹	
<b>I. SECURED</b>				
Car Loan - Sundaram Finance		20,48,141		18,82,950
<b>II. UNSECURED</b>				
Sree Gokulam Chit & Finance Co (P) Ltd		66,00,000		
<b>TOTAL</b>		<b>86,48,141</b>		<b>18,82,950</b>

**6 DEFERRED TAX LIABILITY / (ASSETS) (NET)**

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2020 are as follows:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Amount in ₹		Amount in ₹	
Deferred Tax Liability / (asset) Balance at the Beginning:		4,32,411		3,74,857
Depreciation as per Company Act		18,12,343		7,75,674.00
Depreciation as per Income Act		13,86,736		10,36,492.87
<b>Total Timing Difference</b>		<b>4,25,606</b>		<b>2,21,362</b>
Net deferred tax (income) for the year (P&L)		(93,633)		57,554



**MUTHALAGU FINANCE PRIVATE LIMITED**  
Notes forming part of accounts

No.			
<b>7</b>	<b>SHORT TERM BORROWINGS</b>		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
	(a) Catholic syrian Bank OD	11,39,95,015	10,12,83,942
	(b) Federal Bank Loan	9,15,71,335	11,56,42,374
	(c) South Indian Bank Gold power OD	10,40,77,746	13,32,93,462
	Total	30,96,44,095	35,02,19,778
<b>8</b>	<b>TRADE PAYABLES</b>		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
	Sundry creditors	1,23,33,954	43,547
	Total	1,23,33,954	43,547
<b>9</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
	<b>Statutory Payables -</b>		
	TDS Payable	2,95,627	1,71,529
	EPF Payable	30,770	1,49,148
	ESI Payable	7,580	38,891
	Goods and Service Tax Payable	-	-
	<b>Other Payables:</b>		
	Rent Payable	5,13,860	2,92,625
	Salary Payable	12,68,661	75,480
	Expense Payable	2,10,998	-
	JM Corporate Services	11,207	-
	Audit Fees Payable	7,36,750	3,50,000
	Total	30,75,453	10,77,673
<b>10</b>	<b>SHORT TERM PROVISIONS</b>		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
	Provision for taxation	21,99,811	20,12,450
	Contingent Provision against standard Assets	10,16,334	11,74,857
	Total	32,16,145	31,87,307
<b>11</b>	<b>CAPITAL WORK IN PROGRESS</b>		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
	Land	1,01,72,587	2,72,06,500
	Total	1,01,72,587	2,72,06,500
<b>12</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
	Rental Advance	25,18,000	21,18,000
	Total	25,18,000	21,18,000
<b>13</b>	<b>OTHER NON CURRENT ASSETS</b>		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Amount in ₹	Amount in ₹
	Chit	1,11,71,438	3,32,850
	Total	1,11,71,438	3,32,850



**MUTHALAGU FINANCE PRIVATE LIMITED**  
Notes forming part of accounts

No.

**14 TRADE RECEIVABLES**

Particulars	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
Trade receivables Outstanding more than six months from the date	-	-
Trade receivables Outstanding less than six months from the date:		
Dharshini Traders	94,33,858	3,23,73,356
Gold Loan form Customer Outstanding	22,22,000	20,00,000
<b>Total</b>	<b>40,65,33,562</b>	<b>45,47,44,516</b>
	<b>41,81,89,420</b>	<b>48,91,17,872</b>

**15 CASH AND CASH EQUIVALENTS**

Particulars	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
(a) Cash on hand	65,24,621	53,42,046
(b) Balances with banks		
CSB Current Account	7,105	
FED Current Account	3,29,834	
SIB Current Account	12,77,169	24,87,958
<b>Total</b>	<b>81,38,728</b>	<b>78,30,004</b>

**16 SHORT-TERM LOANS AND ADVANCES**

Particulars	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
Unsecured, considered good	19,18,744	8,08,096
Best Money Gold Jewellery Ltd	4,69,95,003	97,62,314
BMG Jewellers Pvt Ltd	1,57,44,450	1,12,64,118
<b>Total</b>	<b>6,46,58,197</b>	<b>2,18,34,528</b>

**17 OTHER CURRENT ASSETS**

Particulars	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
Accrued Interest	26,72,993	51,60,688
TDS Receivable	20,715	9,39,121
<b>Total</b>	<b>26,93,708</b>	<b>60,99,809</b>

**18 REVENUE FROM OPERATIONS**

Particulars	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
Revenue from operations	7,59,54,855	7,51,35,697
<b>Total</b>	<b>7,59,54,855</b>	<b>7,51,35,697</b>

**19 EMPLOYEE BENEFITS EXPENSE**

Particulars	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
Salaries, wages and Incentives	1,56,81,135	1,74,55,773
EPF/ESI Contribution	1,57,460	1,90,280
Staff welfare expenses	2,12,499	4,51,113
<b>Total</b>	<b>1,60,51,094</b>	<b>1,80,97,166</b>

**20 FINANCE COST**

Particulars	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
Interest on borrowings	3,42,19,746	2,82,45,737
<b>Total</b>	<b>3,42,19,746</b>	<b>2,82,45,737</b>



**MUTHALAGU FINANCE PRIVATE LIMITED**  
Notes forming part of accounts

**No.**  
**21 OTHER EXPENSES**

Particulars	As at 31st March, 2021	As at 31st March, 2020
	Amount in ₹	Amount in ₹
Rent Expenses	58,86,858	44,45,582
Repairs and Maintenance	-	2,30,855
Power and Fuel	5,83,522	5,18,618
Travelling and Conveyance	1,88,530	2,42,513
Communication Charges	7,95,837	10,68,475
Printing and Stationary	4,78,557	10,89,605
Advertisement Charges	11,15,781	11,73,066
Electricity Charges	10,17,294	9,06,881
Office Maintenance	3,26,437	-
Electrical Expenses	1,84,277	2,81,503
Postage Expenses	1,20,745	1,70,518
Bank Charges	12,21,529	11,25,105
Audit Fee	4,13,000	3,50,000
Professional Fees	1,46,349	14,03,364
Food and Tea Expenses	4,08,475	5,24,634
Appraising Charges	79,719	2,08,710
Marketing Expenses	4,09,027	4,22,128
Processing Charges	10,154	3,23,622
Renovation Expenses	44,397	4,37,293
Interest and Late Fee	21,140	1,204
Administration Charges	5,500	-
Auctioners Charges	89,902	3,31,276
Commission paid	7,00,000	-
Liscence Renewal charges	-	20,115
Vehicle Maintenance charges	70,432	1,59,051
Meeting expences	-	1,68,608
News paper expences	1,50,185	89,815
Consulting charges	-	4,647
Pooja expences	1,91,620	1,15,922
Insurance expences	-	1,14,194
Income tax	13,10,181	1,02,604
Miscellaneous expences	1,62,496	1,37,120
Water charges	2,13,706	1,03,458
Insurance Paid	29,452	-
Contingent provisions against standard assets	(1,58,523)	4,62,234
<b>Total</b>	<b>1,62,16,579</b>	<b>1,67,32,720</b>

<b>22 EARNINGS PER SHARE:</b>		
Particulars	As at 31st March, 2021	As at 31st March, 2020
	Amount in ₹	Amount in ₹
Net Profit After Tax	55,48,916	92,14,396
Weighted average No. of Equity Shares for Basic / Diluted EPS (Nos)	1,81,50,000	1,81,50,000
Nominal Value of Equity Per Share (in ₹)	10	10
Basic / Diluted Earning Per Share (in ₹)	0.31	0.51

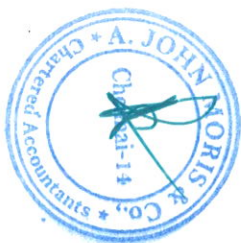


MUTHALAGU FINANCE PRIVATE LIMITED

Note - 10

Statement of Depreciation as per the Companies Act, 2013

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	As at 31st March, 2020 Amount in ₹	Additions Amount in ₹	Deletions Amount in ₹	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹	for the year Amount in ₹	As at 31st March, 2021 Amount in ₹	As at 31st March, 2020 Amount in ₹
(1) TANGIBLE FIXED ASSETS								
ELECTRICAL FITTINGS	7,40,783	1,51,699	-	8,92,482	3,76,286	80,099	4,56,385	3,64,497
VEHICLES - MOTOR CAR	57,60,974	29,30,622	-	86,91,596	48,76,977	9,37,625	58,14,602	8,83,997
COMPUTER AND COMPUTER ACCESSORIES	22,36,774	1,08,260	-	23,45,034	20,01,660	2,48,475	22,50,135	2,35,114
FURNITURE AND FITTINGS	43,28,385	47,150	-	43,75,535	24,17,149	4,14,130	28,31,279	19,11,236
OFFICE EQUIPMENT	6,94,810	-	-	6,94,810	5,06,711	1,32,014	6,38,725	1,88,099
LAND	-	2,15,33,913	-	2,15,33,913	-	-	-	-
Total (A)	1,37,61,726	2,47,71,644	-	3,85,33,370	1,01,78,783	18,12,343	1,19,91,126	35,82,943
PREVIOUS YEAR	1,35,37,885	2,23,841		1,37,61,726	94,03,109	7,75,674	1,01,78,783	35,82,943





MUTHALAGU FINANCE PRIVATE LIMITED

Note - 10.  
Statement of Depreciation as per the Income Tax Act, 1961

PARTICULARS	BLOCK				Depreciation				NET BLOCK	
	As at 31st March, 2020	More than 180 Days	Less than 180 Days	Deletion	As at 31st March, 2021	for the year	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2020
BLOCK - 10 % FURNITURE AND FITTINGS	18,58,171	47,150	-	-	19,05,321	1,90,532	1,90,532	17,14,789	18,58,171	
BLOCK - 15 % PLANT AND MACHINERY	43,99,425	30,82,321	-	-	74,81,746	11,22,262	11,22,262	63,59,485	43,99,425	
BLOCK - 40 % COMPUTER AND ITS ACCESSORIES	1,06,201	49,050	59,210	-	2,14,461	73,942	73,942	1,40,519	1,06,201	
<b>Total</b>	<b>63,63,798</b>	<b>31,78,521</b>	<b>59,210</b>	<b>-</b>	<b>96,01,529</b>	<b>13,86,736</b>	<b>13,86,736</b>	<b>82,14,793</b>	<b>63,63,798</b>	
Previous Year	71,76,450	1,49,436	74,405	-	74,00,291	10,36,493	10,36,493	63,63,798	-	

Amount in ₹



Note. No	Particulars
1	<p><b>Corporate information</b></p> <p>M/s. Muthalagu Finance Private Limited is registered with the Coimbatore Registrar of Companies as a Private Limited Company on 3rd January, 1997 vide Registration no. U65921TN1997PTC087650. The Company is a non-deposit accepting Non-banking financial company or NBFC-ND registered with the Reserve Bank of India (RBI) on 3rd August 2009 vide Registration no. N-07-00778.</p> <p>The registered office of the company is located at No. 213, II nd floor Mahaveer complex, Royapetta high road, Royapetta, Chennai-600 014.</p> <p>The Principal activities of the Company is to engage in providing various loans and advances against security of Gold, Mortgage of properties and other Business assets and also the Company issues Personal Loans and Vehicle Loan. The Operations of the Company is concentrated within the State of Tamilnadu.</p> <p>The Company also provides loans to individuals and JLGs in the form of Micro Credit for a similar period and amounts stated above.</p> <p>The Operations of the Company is mostly concentrated within the State of Tamilnadu</p>
2	<p><b>Significant accounting policies</b></p> <p>The significant accounting policies wherever applicable have been predominantly presented below in the order of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).</p>
2.1	<p><b>Basis of accounting and preparation of financial statements</b></p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financials statements to</p>
2.2	<p><b>Use of estimates</b></p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure</p>
2.3	<p><b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b></p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments</p>
2.4	<p><b>Cash flow statement</b></p> <p>Cash flows are prepared in accordance with the indirect method prescribed in Accounting Standard-3.</p>
2.5	<p>Fixed assets are stated at cost net of depreciation. The cost of an asset comprises its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended</p>
2.6	<p><b>Depreciation and amortisation</b></p> <p>(i) Depreciation has been provided on the Written Down Value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. (ii) Depreciation on additions is charged proportionately from the date of acquisition/installation. (iii) Depreciation is provided on the pro-rata basis from the date the asset is being put to use.</p>
2.7	<p><b>Receivables Under Financing Activity</b></p> <p>Receivables under Financing activity includes Gold Loans, Personal Loans and Vehicle Loans. Loans are classified into 'Performing and Non-Performing' assets in terms of the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India as amended from time to time.</p>
2.8	<p><b>Revenue recognition</b></p> <p><u>Income from services</u></p> <p>Revenues from Interest on loans financed by the company is recognized on accrual basis, considering the directions issued by the Reserve Bank of India from time to time in terms of the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998. Loans are classified into 'Performing and Non-Performing' assets in terms of the said Directions.</p> <p>Revenues from loan documentation and meeting charges are recognised as income on cash basis.</p> <p>Revenue from interest income on Fixed Deposits with Banks is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.</p> <p>Revenues from loan documentation and meeting charges are recognised as income on cash basis.</p> <p>Interest Income on securitisation is recognized on accrual basis.</p> <p>Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.</p> <p>(i) Interest income on loans given is recognized under the internal rate of return method. Income including interest or discount or became non-performing and remaining unrealized shall be reversed.</p> <p>(ii) Interest income on deposits with banks is recognized on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.</p> <p>(iv) All other income is recognized on an accrual basis.</p>
2.9	<p><b>Other Income</b></p> <p>Bank Deposit Interest income is accounted on accrual basis.</p> <p>Dividend income is accounted for when the right to receive it is established.</p>
2.10	<p><b>Employee benefits</b></p> <p>a. Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits for current employees are estimated and measured on an undiscounted basis.</p> <p><u>b. Defined contribution plans</u></p> <p>Company's contributions paid/payable during the year to Provident Fund and Pension fund are recognised in the Profit and Loss Account.</p> <p><u>c. Defined benefit plans</u></p> <p>Liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, are determined by Actuarial Valuation on Projected Unit Credit Method made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the Balance Sheet.</p> <p>d. Liability for compensated absences is provided based on actuarial valuation carried out at the end of each financial year using Projected Unit Credit Method and is not funded.</p> <p>Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds.</p> <p>Employee benefits include salaries, wages, provident fund and Staff welfare expenses.</p> <p>Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p> <p><u>Defined contribution plans</u></p> <p>The Company's contribution to provident fund are considered as defined contribution plans and are recognised in Profit &amp; Loss statement.</p> <p><u>Defined benefit plans</u></p> <p>For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.</p>



**2.11 Borrowing costs**  
Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings, if applicable, to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

**2.12 Segment reporting**  
The Company provides only Financial Services and does not have any other segment of business. So the Segmental reporting regulations are not applicable to the company.

**2.13 Earnings per share**  
Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate. Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

**2.14 Taxes on income**  
Current tax is the amount of tax payable on the taxable income for the year after taking into consideration the benefits /disallowances admissible under the provisions of the Income Tax Act, 1961. Accordingly Minimum Alternate Tax which is in excess of Current Year Tax Liability is being carried forward as a Current Asset in the Balance Sheet.  
Minimum Alternate Tax paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

**2.15 Provisions and contingencies**  
A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. A disclosure of contingent liability is made, when there is a possible obligation or a present obligation that will probably not require outflow of resources or where reliable estimate of the obligation cannot be made.

**Provisioning Norms**

Asset Classification	Period of overdues	Provision Policy of the Company	Provision as per RBI Prudential Norms
Standard Assets	Less than 6 months	0.25	0.25
Sub Standard Assets	Over 6 - 24 months past due	10	10
Doubtful Assets	Over 24 months past due	100	100
Loss Assets	As estimated	100	100

**Write-Off Policy:**

Loans are written off when the management has exhausted all options for recovery of Principal and interest on the loan which are overdue for a period of more than 3 years. There are no loans written off during the year under consideration.

**2.16 Preliminary Expenses**  
Preliminary Expenses are written off in five years from the commencement of commercial operations.



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**A. JOHN MORIS & CO.,**

CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF **MUTHALAGU FINANCE PRIVATE LIMITED**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **MUTHALAGU FINANCE PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss, the 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 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 31<sup>st</sup> March 2021, its Profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 and Management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

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

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



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## **Responsibility 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 and presentation 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

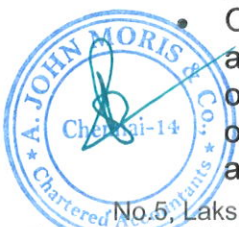
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 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 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.

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





**A. JOHN MORIS & CO.,**  
CHARTERED ACCOUNTANTS

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';and

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

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**For A John Moris & Co.,**

Chartered Accountants

FRN: 007220 S

**CA S. Murali Kannan**

Partner

M.No: 211698

UDIN:22211698AAAACL4625

Date: 30-11-2021

Place: Chennai





**Annexure 'A' to the Independent Auditors' Report**

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2021, we report that:

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

(b) The Company's fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, 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) The title deeds of all immovable properties which are freehold, are held in the name of the company as at the balance sheet date.

(ii)(a) As explained to us, the inventories of Finished Goods, Stores & Consumables, Green leaf were physically verified at regular intervals by the Management.

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.

(iii) The Company has not granted unsecured loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Therefore paragraph 3 (iii) of the order is not applicable

(iv) In respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the companies act have been complied with.

(v) The company has not received any public deposits during the year.

(vi) As per books of records, produced before us and explanation offered thereon, we are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 have been made and maintained.

(vii)

(a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Tax deducted at sources, Professional Tax, value added tax (VAT) and other material statutory dues applicable to it, with the appropriate authorities.

(b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, GST and other material statutory dues in





# A. JOHN MORIS & CO.,

CHARTERED ACCOUNTANTS

arrears were outstanding as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.

(ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments)

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

(xii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiii) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xv). The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

Date: 30-11-2021

Place: Chennai

For A John Moris & Co.,

Chartered Accountants

FRN: 007220 S

CA S. Murali Kannan

Partner

M.No: 211698

UDIN:22211698AAAACL4625

