



Yogakshemam Loans Ltd.



Ensuring
Growth
Enriching
Lives...



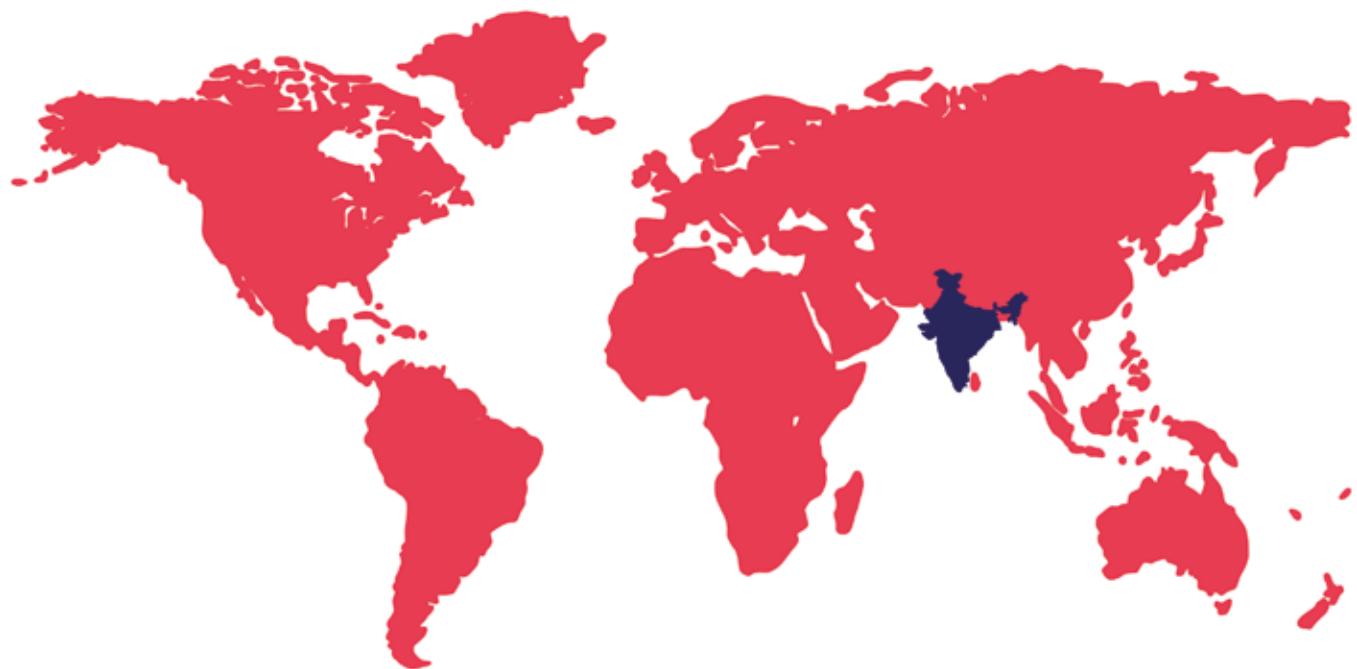
CORPORATE INFORMATION

Board of Directors	Our Bankers	Registered office
Mr. Narayanan.N.D. Chairman	Axis Bank Limited	Yogakshemam Loans Limited , Yogakshemam Apartment , Kallingal Lane, Thiruvambadi, Thrissur-680022 , Kerala, India Phone : 0487 2338984 Website : www.yogloans.com Email ID : cs@yogloans.com
Mr. Unnikrishnan.I. Managing Director& CEO	Canara Bank	
Mr. Vijayan.N.D. Executive Director	Catholic Syrian Bank Limited	
Mr. Ramachandran Ottapathu Non Executive Director	Central Bank of India	
Dr. Pushpangadan Mangari Independent Director	Dhanlaxmi Bank Limited	
Mr. Anoop Ganapathi Independent Director	Federal Bank Limited	
Senior Management		
Mr. Rajeshkumar. K. Pillai EVP & Company Secretary	HDFC Bank Limited	
Mr.Krishnamurthy. K.A. Chief General Manager	ICICI Limited	
Mr. Prasad. P. Chief Financial Officer	Indian Bank	
	Punjab National Bank	
	South Indian Bank Limited	
	State Bank of India	
	Union Bank of India	
Debenture Trustees		
	1)Adv. K.K. Vijayakumar Karimpanakkal House, "Poornendhu", Eravimangalam Thrissur Phone--+91 9846350709	
	2) CS N.R.Bahuleyan Nalupurakkal, Block No.54 Muruga Nagar, Punkunnam,Thrissur-02	
Investors Contact		
		Mr. Rajeshkumar.K.Pillai EVP & Company Secretary Phone: 0487-2338984 Email ID: hod.invest@yogloans.com , cs@yogloans.com
Registrar and Transfer Agent		
		SKDC Consultants Limited, Kanapathy Towers, Sathy Road, Ganapathy, Coimbatore-641006 Phone: +91 422 6549995, 2539835-836 Fax: +91 422 2539837 Email: info@skdc-consultants.com www.skdc-consultants.com

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Our Vision



“To be one of the most trusted financial solution providers in India, with special focus on emerging segments of our society, through a nationwide and efficient network.”

BLUEPRINT FOR “ENSURING GROWTH AND ENRICHING LIVES”

There is an umbilical link between the success of an organisation and that of its stakeholders. Once that link is severed no organisation can hope to remain stay afloat. **Yogakshemam Loans Ltd (YLL)** is well and truly aware of it. In fact, that is the foundational principle on which our success has been built all along. **In the illustrious history of the organisation spanning over two decades, we have therefore always strived towards making our stakeholders direct beneficiaries of our growth.** As we present yet another annual report, a year studded with improved revenues and innovative plans, we want to once again reaffirm our partners in growth that the organisation remains committed to that sacrosanct principle of growing and succeeding together.

How about availing of gold loan from the comfort of one's home?

It's no longer improbable. For, we, **Yogakshemam Loans Ltd (YLL)**, a Non Banking Financial Company (NBFC) registered with the Reserve Bank of India, are all set to launch our mobile application in Kerala and Tamil Nadu it will become a reality within a couple of days. While we have been offering this facility at Bangalore through an online partner.

It helps our potential clients to place their enquiries for gold loan over the app and our executives will drop in at their door steps for gold assessment, valuation and documentation. The gold will be safely transferred to the branch and the money will be promptly wired to the customer's account online.

We are confident of building a sizable loan portfolio, especially big ticket loans at Bangalore branches through this exclusive facility. It is expected to achieve optimum traction once we open more in Bangalore city.

This is but one such innovative facilities we propose in our annual report for 2017, which has been conceived as a blue print to achieve our vision of “**Ensuring Growth. Enriching Lives,**” even as we don't want our stakeholders to loss sight of some very impressive facts and figures reflecting our growth trajectory. **It is in sync with our larger vision of offering the best financial solutions to customers with unsurpassable degree of professionalism while retaining the core values of ethical, transparent**

and trustworthy cond confidence.

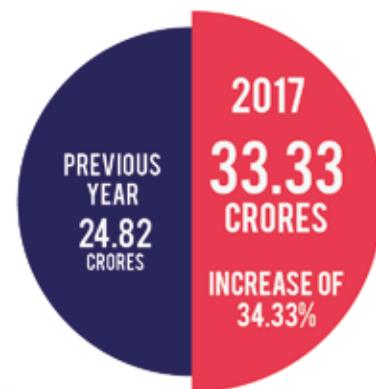
GROWING IT FOOTPRINT

Further enhancing the technological capabilities, the company is gearing up to completely migrate to our own software within the next 6 months. Central Server is installed at the corporate office capacity left to further scale up and data processing not to mention the cloud service for storing backups as a DR measure

OPERATIONAL EFFICIENCY AND PRODUCTIVITY

The 2017 FY is fast turning out to be a landmark in our glittering history both in terms of operational efficiency and productivity.

The Average monthly disbursement of loans during 2017 has soared to Rs. 33.33 crores from Rs. 24.82 crores in the previous year, an increase of 34.33%. The branch productivity during the same period has improved by about 32%.



GOLD LOAN

That the gold loan segment accounts for 15,000 out of the our live customer database of 18,000 as on March 2017 vouches for its significance. The gold loan book of the company has registered a growth of 76 per cent soaring from Rs. 59 crore in March 2016 to Rs. 108 crores this March.

Simple formalities, instant credit and transparent process makes our gold loan most sought after by thousands of customers in meeting their short term financial requirements. Plans are afoot to add 10 more branches during the current fiscal by virtue of which the gold loan book is expected to grow further by the end of March 2018.

BUSINESS SUPPORT MICRO LOANS

Targeted at a category including small traders, street vendors, fish merchants and the like, this segment

loan book of this segment stood at Rs. 9.15 crores as on March 2017, accounting for 6.53% of our overall loan book.

MORTGAGE BACKED SME LOANS

Given away to businessmen against the security of immovable properties, these loans are in the range Rs. 2 lakhs to Rs. 25 lakhs. The company targets to build a low ticket loan book so as to maintain the quality of the asset. Hence, the average size of the loan has dropped from Rs. 18 lakhs to Rs. 8.85 lakhs between March 2016 and 2017. This segment accounts for loan worth Rs.13.26 crore, accounting for 9.47% of the overall loan book.

VEHICLE LOANS

We entered this segment as recently as March 2015 with the aim of maintaining a diversified loan book. The portfolio focuses on a combination of financing both used and new vehicles with the former accounting for the bigger pie. We have progressively moved away from loans above Rs. 5 lakhs. As at the close of FY 2017, the outstanding loan under this segment is Rs. 9.34 crore.

KEY STATISTICS

The loan book of the company has grown to Rs. 140 crores as on March 31, 2017, from Rs. 102 crore during the same period last year. Similarly, our equity and net worth has risen from Rs. 45.31 crore to Rs. 55.31 crore and total revenue from Rs. 23.28 crore to Rs. 27.44 crore during the same period.

INFRASTRUCTURE

We are proud to employ 400 people to meet the scaled up growth of the company spread over larger geographical expanse and a more diverse portfolios. As of now have an impressive network of 92 branches out of which 79 branches are located in Kerala. Ten branches are in Tamil Nadu and 3 at Bangalore while 2 more branches are being opened in Bangalore.

Our branches are ideally located, adequately staffed, computerized and provide either a strong room or standard locker safes to keep the gold jewellery collaterals and other valuables. We also offer standard electronic security and surveillance system to facilitate offsite monitoring at headquarters.

ABOUT US

The company set out its motto right from its name Yogakshemam, which wasn't chosen randomly. Adopted from the mantra Yogakshemo NahKalpataam in Yajur Veda, the company has all along strived to live up to the lofty principles of Yogam, which means to achieve what one desires and Kshemam, meaning to keep safe and secure what one has already achieved. Thrissur is known as the cultural capital of Kerala and it was this growing town that a group of enterprising youngsters led by N.D. Narayanan chose for the launch of their entrepreneurial journey way back in 1991. Thus was born the company Yogakshemam Kuries and Loans Ltd. After a successful run of over two decades, the company was renamed as Yogakshemam Loans Ltd., (YLL) on March 7 2012. Initially, the company dealt in the business of Kuries and loans before making the step up to be registered as a Non Banking Financial Company (NBFC) with the Reserve Bank of India as a loan company on August 3, 2000.



Message from MD&CEO



I Unnikrishnan

Dear Share holders,

I am very glad to address you through this communication when we are publishing our 26th Annual Report for the year 2016 - 2017. Here, I will be trying to give you a snapshot of over all position of the Company, it's business strategy, the industry and the economic environment in which we are functioning.

The year gone by was very significant for our country and the economy. In a bold movement the Central Government has withdrawn Rs.500 and Rs.1000 notes as legal tender. This has brought in both excitement as well as concerns as the financial transactions in our country are predominantly in hard currencies and the withdrawal was close to 86% of the value of currency in circulation in India

Like other players in the market, this gave us opportunities and challenges alike reflecting in collection efficiencies and disbursements of loans. However, we have recovered quickly. Amidst this concerns, I believe, our Company had performed reasonably well during the year 2016-17. Our operations has resulted in a net profit of Rs. 4 million against a net loss of Rs. 18.1 million in the previous year.

We were able to grow our loan book to Rs.1400 million as at 31st March 2017, an increase of 37.3%

from the previous year figure of Rs.1020 million. On the number of branches, we have added two more branches at Bangalore during this year taking the total branch count as at the year end to 92 and later we have added two more branches in Tamil Nadu. As on the date of this report we have a total of 94 branches and two more branches will be operational in Bangalore shortly.

As regards our loan book, we have adopted a more calibrated approach on risk aversion while continuing our focus to grow a diversified loan book. During the year under review, we have limited the proportion of high risk loan portfolios to 22.75% of the overall loan book and the balance 77.25% constitutes Gold loans, which is relatively less risky. As a measure of taking the advantage of demand for gold loan, we shall continue to grow the company as a diversified NBFC on the strength of gold. This will help the company to capitalize the competencies and knowledge base in gold loan business to experiment and stabilize other loan products to exploit their full potential in the long run. We have been trying to adopt innovative methods for market penetration and business growth for all our loan products and especially in Gold Loan by taking advantage of the advancement in technology, especially the potential of internet to broaden our customer base and tide over the limitations of distance. During the year under review, we have entered into an arrangement with a fintech company namely, Rupee Fintech Pvt. Ltd at Bangalore to facilitate offering of gold loans online and at the doorstep of customers. This arrangement has helped the company to build up reasonable volume of gold loan in Bangalore. Under this arrangement, the company is able to offer its services even outside the local limits of branches and at the convenience of the customer either at his residence or work place. I believe this arrangement will continue to help the company in building up the gold loan portfolio during the current year more aggressively with the increase in number of branches in Bangalore. Further we will be launching our own mobile applications in Kerala and Tamil Nadu within a couple of days which will add further strengths to our capacity to deliver.

As I explained earlier, we were able to capitalize the demand for gold loan during the year. We are putting continuous efforts in reviewing and promoting our other

loan products with a conscious approach on limiting the risk. Our Mortgage backed SME loans constitute the second larger loan portfolio with an outstanding of Rs.132.6 million and in this segment we continue to focus on small ticket loans to business community in the MSME sector. Our Business support Micro loans continue to be a vital source of working capital for micro enterprises in the periphery of our branches and at the year end the outstanding portfolio is Rs.91.50 million. Our objective is to have a healthy loan portfolio by lending to the lower strata of the economic pyramid. We had a 360 degree review on the vehicle loan portfolio during the year, the sourcing and loan sanctioning processes have been streamlined to ensure the healthy growth of the portfolio. As at the year end this loan portfolio was at Rs.93.40 million.

Considering the macro economic factors and the positive sentiments for a growth oriented economy our GDP is expected to grow by 7.8% during the year 2017-18. With the softening of inflation and the liquidity position of the banks post demonetization, there is justifiable expectation for a softening interest rate scenario fueling further credit demand. In addition to this, the major tax overhauling, migration to GST, is under way. This is likely to build enthusiasm and confidence among the trade and industry community further boosting investments in manufacturing, service and support sectors. It is likely to boost credit demand in MSME sector where NBFCs share is significant. Though the banking system in India has adequate liquidity especially post demonetization, rising credit quality and challenges on capital adequacy are still hanging in the environment leaving further room for NBFCs to strengthen their footprints. I believe the opportunities for our Company too remain in abundance.

We have fixed priorities for ourselves. One shall be to broaden our funding sources. Until last year we have been financing from capital and retail borrowings. During this year we have succeeded in arranging credit lines from 2 banks. In line with the increase in business volume we shall also find suitable funding sources at optimum cost. We shall work towards a better and accepted credit rating which will support the resource mobilization in a big way. Penetration of the existing market for better productivity of the

branches, expanding the branch networks to more potential markets are on the list for the speedy growth of the Company. While a calibrated credit assessment, continuous portfolio monitoring and efficient collection and recovery mechanism ensures the credit quality. I feel proud to mention here that the vibrant human capital pool is the most important asset of the Company. Their enthusiasm, willingness and commitments are the strength and confidence of achieving any heights. Our employee counts are close to 400. The visionary leaders occupying senior positions in our company are capable of facing any challenge. Their experience, expertise and strong leadership capabilities are giving me the strength and courage to lead the organization to its next phase. Training and development programs for the employees are done on a continuous basis.

As I have mentioned in this column in the last year, (as a financial institution, our motto continues to be to build up an organization founded on ethical values and strong in Governance.) I am sure our continued efforts will create value to the share holders in the long run and to add values to the life of all who are coming across the Company, be it the borrowers, lenders, employees or other stake holders.

I take this opportunity to acknowledge and thank each members of the Board for their whole hearted support and timely guidance. I also put on record my sincere gratitude to each and every share owners of this Company for having contributed to its capital, helped in building it and for the continuing patronage to take it to newer heights. I seek your continuing support in the coming days as well and I wish you all the very best.

With warm regards

**I Unnikrishnan
Managing Director & CEO**

15th July, 2017

BOARD OF DIRECTORS

The company has a strong board and management structure. The Board is ideally constituted with a combination of independent and non independent directors. The board has a total strength of 6 directors of which 2 are independent directors, 2 are executive directors and the rest are non executive directors. The board also supervises different functions of the company through its sub committees, namely, Audit committee, Nomination Committee and stake holders grievances committee. The Brief particulars of the directors are given below.



Mr. N D Narayanan
Chairman

Mr. N D Narayanan is a Graduate in Economics from Calicut University. Started his career with a pharmaceutical company based out of Bombay in 1978. He has worked in different capacities within the organization. Having worked for a span of more than 30 years with the company, he took VRS in 2009 from the post of Zonal Head for Southern region. He is a promoter Director of Yogakshemam Loans Limited and has been in the post of Chairman of the company since its inception. He held the post of Chairman & Managing Director from the year 2005 till the end of 2014. Under his effective leadership & full time involvement, the organization flourished with more branches and staff members, keeping the core values of the organization flamboyant. He is penetrated to the roots of the ideology that 'customer is the King' and that credibility and transparency are our core values'. was manifested with expansion of our products accompanied by introduction of new systems.



Mr. Unnikrishnan I
Managing Director & CEO

A fellow member of The Institute of Chartered Accountants of India (ICAI) Mr. Unnikrishnan has served on the board of Manappuram Finance Limited since 1997 and was one of the core team members who built that organization. He exited from the company in November 2014 as the Dy.CEO and joined Yogakshemam. With more than 25 years of industry experience in advising and managing NBFCs, he is credited with bringing the highest amount of FDI into the State of Kerala in a single tranche to the extent of Rs. 1000 crores. He has also raised not less than Rs 30000 cores on a cumulative basis as working capital limits from various banks and financial institutions. He has written articles and presented papers on NBFC's, financial inclusions, etc. on various forums. He has served on the Executive committee of the 'Finance Companies Association'. He is also one of the founding members of Association of Gold Loan Companies India.



Mr. N.D. Vijayan
Executive Director

Mr. N D Vijayan is a Graduate in commerce with Diploma in Computer Application. Started his career in the year 1979 with Bank of Baroda, Abu Dhabi. Having served in various posts, ended the services with the organization as Current Account Manager in 1982 and joined with Arab Bank for Investment and Foreign Trade in 1983. He was worked in the supervisory roles of almost all the internal departments during the course of service. With more than 30 odd years of service, took VRS in 2011 as Operations-in-charge of IT department with an option to rejoin but decided against.



**Mr. Ramachandran
Ottapathu
Director**

Mr. Ramachandran Ottapathu is a Chartered Accountant and a fellow member of ICAI. Associate member of Botswana Institute of Accountants and certified SAP consultant. He has got 20 years of vast experience in retail industry; handling both finance and operations. He is expert in other areas as well- Manufacturing, Packaging, Milling and Medical distribution. He is presently the Chief Executive Officer of Choppies Enterprises Ltd., a retail chain head quartered at Gaborone, Botswana and having 173 stores spread across Botswana, South Africa and Zimbabwe Choppies Enterprises Ltd. is listed on the Botswana Stock Exchange and has done a secondary listing on the Johannesburg Stock Exchange, Africa's biggest Stock Exchange. Mr. Festus Mogae, the former president of Botswana is heading the Board of Choppies as the Chairman. This company has bagged a turnover of about \$600 Million. Choppies is the single largest retailer in the continent. There are more than 100 business enterprises under his stewardship in Botswana. Forbes Magazine (Forbes – Africa edition) has featured Mr. Ramachandran in the Cover page of its March 2016 Edition with the tag "FROM \$20 TO \$300 MILLION", a recognition which rarely comes. His other activities include a Guest Faculty position in the University of Botswana.



**Dr. Pushpangadan
Mangari
Director**

Dr. Pushpangadan Mangari has a Doctorate in Management from Rajasthan University, Jaipur and MBA Finance from one of the top grade management institutions. He completed advance courses in Mergers & Acquisitions from USA, Financial Derivatives and Mathematics respectively from prestigious institutions in Europe (INSEAD) and CAIIB from Indian Institute of Bankers. He was on the boards of many companies as Non-Executive and Executive Director since 1992. Currently he is working as the Managing Director of 'Consult Win Solutions Pvt. Ltd'. He retired as the CEO of L&T Capital Co. Ltd, a 100% subsidiary of Larsen & Toubro (L&T Ltd) and also worked as CIO of L&T General Insurance Company Ltd., post retirement. Prior to these assignments, he worked as the MD of UTI Securities Exchange Ltd (UTISEL), a wholly owned subsidiary of UTI, and as the MD of Over the Counter Exchange of India (OTCEI),

owned by Indian Public Sector Institutions. On Special assignments, he worked as Member of various committees of Ministry of Finance, SEBI, FICCI, BSE and BCCI (Bombay Chamber of Commerce and Industry). He has presented various capital market related papers in India and abroad



**Mr. Anoop Ganapathi
Director**

He is a Chartered Accountant with an additional qualification of DISA from ICAI. He is having 20 years of vast experience in banking & Non-banking Finance companies. He is the Director of Hampshire Corporate Solutions (P) Ltd, Thrissur since 2008. He is the partner of Mohandas & Associates, Chartered Accountants, Thrissur since 2003. He has earlier worked with Nedungadi Bank Ltd, Manappuram General Finance & Leasing Ltd and Dhanalakshmi Bank.

SENIOR MANAGEMENT



Mr. Rajeshkumar. K
EVP & Company Secretary

He is a graduate in commerce and a rank holder in Company Secretary examination. He also holds a diploma in mediation from Indian Institute of Arbitration and Mediation and is a member of the Chartered Institute of Arbitrators, London. He has industrial experience of more than 20 years in the fields of corporate laws, strategic management and policy matters. He has acquired Diversified industrial exposures in the fields of automobile sales & service, manufacturing of service machine, jewellery retail & wholesale, construction and real estate development and financial service sector over the career span. He had worked with major business houses in Kerala such as, Kuttukaran Group, Popular Motors group, Malabar Gold group and Manappuram Group in different capacities. Prior to joining with YLL he was the General Manager & Company Secretary of Manappuram Finance Ltd., A ,BSE and NSE listed NBFC with pan India presence. He has contributed articles of professional importance in Chartered Secretary and other professional publications. In addition to the secretarial functions he also oversees the general Management functions of the Company such as, HR, Administration, Risk & Compliances etc.



Mr. K.A Krishnamurthy
CGM

Mr Krishnamurthy joined State Bank of India as Probationary Officer in 1978 and is a CAIB from the Indian Institute of Bankers. He has vast and rich experience in banking having handled a variety of posts both operational and administrative. The range of assignments include credit, foreign exchange, treasury and gold banking. He opted for VRS in 2008 while in the grade of Deputy General Manager. Subsequently he has also held a senior position in one of the leading NBFCs heading risk management functions for more than 4 years. Mr Krishnamurthy is heading the Operations,asset quality and related functions in the Company.



Mr. Prasad. P
Chief Financial Officer

He is a graduate in Commerce and a Chartered Accountant by qualification. He has having nearly 12 years of experience in Accounts, finance and taxation in various sectors. He has served as the Chief Financial Officer in one of the leading Public Limited Companies in Kerala. A major portion of his post qualification experience in NBFC (Manappuram Finance Ltd.) and in Jewellery Retail Sector with Manapuram Jewellers Ltd., Kalyan Jewellers India (Pvt.)Ltd. He is overseeing the Finance, accounts and taxation functions in the company.

Directors report 2016-17

To,

Members of Yogakshemam Loans Limited

Dear Members,

The Directors are pleased to present the 26th Annual Report of the company with the audited financial statements for the Year ended March 31, 2017 ("Year").

1. FINANCIAL HIGHLIGHTS

The financial performance of the company for the year ending 31st March 2017 is given below,

	31.03.2017 (Rs.In lakhs)	31.03.2016 (Rs.In lakhs)
Loan book of the Company	14004.73	10200.25
Total Income	2744.73	2328.00
Total operating Expenditure	1338.50	1219.38
Finance cost	1223.32	1155.56
Profit/(Loss) before depreciation	182.91	(46.94)
Depreciation	143.22	134.48
Profit/ (Loss) before Tax	39.69	(181.42)
Tax Expenses	-	-
Net profit/ (Loss) after tax	39.69	(181.42)

2. STATE OF AFFAIRS OF THE COMPANY

Non Banking Financial Companies ("NBFC") are an integral part of the Indian financial system, enhancing competition and diversification in the financial sector and complementing to India's growth story. NBFCs play a vital role in furthering the objective of financial inclusion by serving the credit demand of the Micro Small and Medium Enterprises (MSME) and retail sectors. The Company's Loan products such as Gold loans, specialized financing of small businesses and retail asset are predominantly in under-served areas and among the people in the lower strata of the society. Indian economy continuing its growth momentum and retaining its position among the fast growing economies in the world with GDP growth rate of 7.1% during the fiscal 2016-17, the GDP growth is estimated to be at 7.8% for the year 2017-18 and as such the company could further gain from the overall positive

sentiments visible in the economy.

During the Year under review the performance of the company was rather encouraging. It has registered a loan growth of 37.3% over the corresponding previous year ended 31st March 2016 and the loan book as at the balance sheet date is Rs.1400 Million as against Rs. 1020 million as on 31st March 2016, the total Income for the Year grew by 18.04 percent to Rs.274.4 million as against the gross income of Rs.232.8 million of the previous year ended on 31st March 2016. During the year your company has generated a cash profit of Rs.18.2million and a net profit of Rs.3.9 million as against the net loss of Rs.18.1million of the previous year. Strikingly, during the year 2016-17, the company was able to grow its gold loan portfolio, which is relatively less riskier than other portfolios, to Rs.1082.5million and it constitutes 77.29% of the overall loan book of the company.

3.PROSPECTS

Business

During the year under review the Company was able to grow its gold loan portfolio substantially so that it constitutes about 77.29% of the total loan book. The year also witnessed more of a stabilizing with respect to the other loan portfolios like, Business loan, Vehicle loan and Term loan. As a conscious steps to build a less risky diversified loan portfolio, we have decided to grow other segments on the strength of gold loan portfolio. Our objective is to become a diversified Non Banking Financial Company on the strength of gold loan and to add value to the equity share holders. Your board is of the view that the steps taken by the company from a strategic point to strengthen the organization such as product diversification, management strengthening, right sizing of branches, opening of new branches in more potential markets like Tamil Nadu and Karnataka started to yield results as is evident from the performance of the company during the year under review. As on the date of this report your company has 94 branches with a spread of 79 Branches in Kerala, 12 branches in Tamil Nadu and 3 branches in Bangalore. It is also worth mentioning here that we have taken steps for opening 2 more branches in Bangalore and with this we will have a net work of 96 branches. Depending on the market conditions and support of resources a few more branches would be opened towards the second half of the current financial year. During the year under review, the company has entered into an arrangement with Rupeek, a Fintech Company to facilitate the sourcing of gold loan online and

at the door step of the borrowers. An increased presence through more branches will help the company to unlock the potential of the above arrangement and to grow the gold loan book at a faster rate. Your board expects that robust GDP growth and the positive macro economic conditions prevailing in the country, the company would be able to achieve higher growth and profitability in the coming years as well.

Resource mobilization

As a financial institution it is equally important to have necessary financial resources to support its onward lending and the growth of loan book. Your company has been financing its loan growth primarily out of its equity and also from retail borrowings by the issue of Non Convertible Debentures (NCDs) and by raising subordinated debt till the previous year. During the year under review, it was able to obtain credit lines from Banks amounting to Rs. 90 million. Ideally the company shall have multiple sources of funding and efforts are on to broad base its resource mobilization capabilities. Your board is confident that going forward the company will be able to raise adequate resources from multiple sources in line with the improvements in profitability and credit rating.

4. DIVIDEND

As the profit for the year is nominal considering the capital of the company, no dividend is considered for the year.

5. CAPITAL

The Company has allotted 100,00,000. equity shares under preferential allotment basis in November 2016 pursuant to the approval of the share holders at the AGM held on 17.09.2016. Post allotment of the above equity shares the issued, subscribed and paid-up share capital of your Company stands increased to `Rs.55,31,39,200/- comprising of 5,53,13,920 equity shares of 10 each as on March 31, 2017.

6. EMPLOYEE STOCK OPTION SCHEME

The company has framed an Employee Stock Option Scheme aimed at attracting and retaining leadership talent in the company. The share holders approved the scheme at the 24th AGM held on 18th August 2015. The scheme enables the company to grant 11,00,000, options for eligible employees to apply for 11,00,000 equity shares of

the company. Under this Scheme, 6,20,000 options granted to eligible employees in leadership positions are outstanding as on 31st March 2017.

7. CAPITAL ADEQUACY

Your Company is well capitalized considering the current level of operations and loans and advances. As per the provisions of "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" Notified by the RBI on 3rd June 2015, the company needs to maintain a leverage ratio of 7 times and we are well within the norms.

8. ANNUAL RETURN, PARTICULARS OF LOANS AND CONTRACTS WITH RELATED PARTY

The extract of the Annual Return in the form MGT - 9 as required under Section 92 (3) and 134 (3) of the Act is attached to this Report as Annexure - 2

9. LOANS AND ADVANCES

The company has not given any loans or advances other than those in the ordinary course of its business as an NBFC. Particulars of transactions in which directors are interested are given in note No.23 of the financial statements.

10. RELATED PARTY TRANSACTIONS

All transactions or arrangements with related parties referred to in Section 188 (1) of the Act, entered into during the Year were on arm's length basis or were in ordinary course of business. Wherever required, the company has obtained the approval of the share holders. The particulars of contracts or arrangements with related parties as referred in section 188(1) of the Act are attached to this Report in prescribed Form AOC - 2 as Annexure 3.

11. HUMAN RESOURCE

The total employee strength of the Company as on March 31, 2017 stood at 376. Company is taking consistent efforts in developing the skill sets of its employees at all levels by imparting training on a continuous basis.

None of the employees is in receipt of remuneration attracting the disclosure under Rule – 5 (1) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no report is attached.

12. NUMBER OF MEETINGS OF THE BOARD

Board has met 5 times during the year. A summary of the Meetings and attendance of Board, the Audit Committee and the Nomination, Compensation and Corporate Governance Committee are given below.

Directors	Attendance		
	Board	Audit Committee	Nomination Committee
Total Meetings during the year	5	3	1
Mr. Narayanan N D	5	N / A	1
Mr. Unnikrishnan I	5	N / A	N / A
Mr. Vijayan N D	5	N / A	N / A
Mr. Pasupathy P N	5	N / A	N / A
Mr. Anoop G	5	3	1
Dr. M Pushpangadan	5	3	1
Mr. O Ramachandran	3	3	0

13. RESERVE BANK OF INDIA ("RBI") GUIDELINES

The Company continues to comply with all applicable regulations of RBI.

14. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The company is not required to frame a CSR policy under section 135 of Companies Act,2013, considering the net worth, turnover and profits are below the threshold limits and hence no such committee is set up.

15. DIRECTORS

The tenure of independent Director Mr. Pasupathy. P. N is expiring the ensuring Annual General Meeting. The Board place on records its appreciations for his contributions and long association with the company. The office of Mr. Ramachandran. O, Director is liable to retire at the ensuring Annual General Meeting and he is eligible for re - appointment, offers himself for re - appointment.

16. DECLARATION OF DIRECTORS INDEPENDENCE

Based on the declarations received from the independent directors, we state that the independent directors of the company continue to be independent directors and there are no circumstances suggesting the loss of their independence with reference to the company.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Sections 134 (3) (c) and 134 (5) of the Act with respect to Directors' responsibility statement, the Directors of the Company hereby confirm, in the preparation of annual accounts for the Year that:

- (i) the applicable accounting standards have been followed and proper explanations have been made in notes to accounts for material departures, if any;
- (ii) the accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and statement of the profit and loss of the Company for the Year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a going concern basis. (v) internal financial controls to be followed were laid down, which were adequate and were operating effectively during the Year.

(vi) proper systems had been devised to ensure compliance with provisions of applicable laws, which were adequate and were operating effectively during the Year.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO

The Company is carrying on business of lending. As an NBFC the conservation of energy and technology absorption have limited applications only. To the extend possible at our end , the company is using energy efficient equipments and electronic items which will reduce the consumption of energy . There was no earnings or out go in foreign exchange during the year.

19. COMMITTEES

Audit Committee – In line with the provisions of Section 177 of the Companies Act,2013 and of the guidelines issued by Reserve Bank of India the Board has constituted an Audit Committee Consisting the following members.

Mr. Anoop.G - Chairman

Dr. Pushpangadan. M - Member

Mr. Ramachandran. O - Member

During the year under review there were no situations where the board has not accepted recommendation of the Audit Committee

Nomination, Remuneration and corporate governance Committee – The company has constituted Nomination, Remuneration and Corporate Governance Committee considering the statutory provisions under Section 178 of the Companies Act,2013 and the guidelines issued by Reserve Bank of India.The composition of the committee is as follows,

Dr. M.Pushpangadan	-	Chairman
Mr. N.D.Narayanan	-	Member
Mr. G.Anoop	-	Member
Mr. O.Ramachandran	-	Member

20. POLICIES

- Vigil Mechanism / Whistle Blower Policy -The Company, as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been approved by the Board and has been placed on the website of the Company. This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimization of employees and directors who avail of the vigil mechanism and also provide direct access to the Chairperson of the Audit Committee in exceptional circumstances.

- Policy on Directors Appointment- In respect of independent directors , the remuneration committee of the board shall evaluate the independence of directors based on the criteria set out under section 149(6)of the Companies Act,2013, and the rules made there under .The underlying principles of the company is that the independent directors shall not have any pecuniary relationships beyond the permissible limits with the company and that they are not connected with the promoters or KMPs of the company.

- Risk Management Policy-The company is regularly evaluating the elements of risks in the various operational aspects of the company and will be reviewed periodically including presentations to the Audit Committee. Based on such reviews and assessments remedial measures are being taken.

- Policy on Fair Practice Code and Customer Grievance Redressal- The Company has framed the policy on Fair Practice code and Customer Grievance Redressal and the policy is dealing with the fair practices which the company wishes to adopt in the conduct of its business and the matters relating to dealing with the redressal of customer grievances.

- Investment Policy -The Company has framed an Investment Policy to serve as the guiding principle in matters relating to investments by the company either for parking surplus liquidity temporarily or making strategic investments in other business opportunities.

- Interest Rate policy -The Company has framed interest rate policy and the policy will act as the guiding principles for determination of interest and other charges to be levied by it while transacting its business.

• Policy on Resource mobilization – The Board has put up a policy on resource mobilization, which shall serve as the guiding principles in matters relating to mobilisation of resources for the company to meet its long term and short term objectives and also to fund for its fixed and working capital requirements.

21. DEPOSITS

The company being a non deposit taking Company has not accepted any public deposit during the year and no amount is outstanding as unpaid/unclaimed deposit.

22. AUDITORS

Company has appointed M/s. S.R.Batilboi & Associates LLP, Chartered Accountants , Chennai, as the statutory auditors of the company for a period of five financial years and that they shall hold office from the conclusion of the 24th AGM to the conclusion of the 29th AGM . Their appointment may be ratified by the share holders at the ensuing Annual General Meeting.

23. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act ,2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule,2014 the Board has appointed Mr. V.Sathish, Practicing Company Secretary, Kochi as the Secretarial Auditor of the Company and this report is annexed to this report. There is no reservation or qualification requiring clarifications from the board.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURT

There are no material order passed by Regulators/ Courts, which would impact the going concern status of the Company and future operations.

ACKNOWLEDGEMENT

The Board expresses its deepest appreciation and gratitude for the guidance and cooperation extended to the Company by RBI, statutory authorities and regulators. The Board also thanks the bankers for their support and co-operation for facilitating the company's transactions and financial assistance.

The Board thanks the auditors of the Company for their guidance. Special thanks are due to the employees of the Company who contributed their skills, enthusiasm, commitment and dedication which have over the years helped the Company to earn prominence. The Board is grateful to the shareholders, debenture holders and other lenders of the Company for their continuing patronage.

By order of Board of Directors

For Yogakshemam Loans Limited,

sd/-

sd/-

N.D.NARAYANAN

Chairman

I.UNNIKRISHNAN

Managing Director and CEO

Thrissur

15th July 2017

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. GLOBAL ECONOMY

¹ The World Bank forecasts that the global economic growth will strengthen during the year 2017 at an estimated rate of 2.7% as against 2.4% of 2016 owing to the stabilizing commodity prices, increased confidence and pick up in manufacture and trade. It is also estimated that the global economic growth for the year 2018 will be 2.9%. The year had contrary trends with advanced economies having a modest recovery, and declining growth in emerging market and developing economies in the year 2016. The global scenario is likely to remain in the same trend considering the policy changes in the key larger economies, domestic violence and internal disturbances faced by many countries in the world affecting exports and employment opportunities together with the possible impacts on trade and finances arising out of the exit of UK from the European Union.

However, the stable crude prices and the positive movements in demands for minerals, metals and other commodities are indications of favorable macro economic factors for real economic growth in the short to medium term , which will boost investments across sectors.

¹Source world bank ;global economic prospects ,June 2017

B. INDIAN ECONOMY

India's GDP grew by 7.1% in 2016-17, making it one of the fastest growing major economies in the world. It is estimated to grow at 7.8% during the current financial year. During the year 2016-17, the economy has gone through major changes and challenges when the Government has withdrawn the higher denomination notes of Rs.500 and Rs.1000 on 8th November, 2016, which resulted in the withdrawal of 86% of the value of currency in circulation and the slowdown across the sectors for a short period. However, the economy reclaimed its growth momentum soon. This exercise will gradually help the country to expand the formal economy and to address the social evils of black money, corruption etc. With this initiative, the liquidity position of the banking system has improved leading to a moderation in interest rates. However, the shortage of currency has led to hardships in rural economy where transactions in hard currency used to dominate and affected collection efficiencies of NBFCs primarily operating in the rural economy among the unorganized and un banked areas. In spite of these challenges India could register a robust economic growth in terms of its GDP. The economic outlook for the year 2017-18 remains positive considering the macro economic factors within the country.² The Central Government was able to control fiscal deficit at 3.5% of the GDP during the year 2016-17 and it is targeted at 3.2% for the year 2017-18 paving the way for further structural reforms at its instance. The comfortable foreign currency reserves, the near to stable prices of crude oil and gold in the international market has lent more strength to the Indian rupee adding optimism to more capital inflows and resulting in rally in the Indian stock market. Domestic financial institutions are net buyers in the stock market most often. With the passage of the Insolvency and Bankruptcy Code and the constitution of National Company Law Tribunal and National Company Law Appellate Tribunal, the banks and financial Institutions would be in a better position to initiate recovery proceedings of corporate debts and can benefit from a faster resolution process. All these developments and positive attributes are indicatives of dominance of Indian economic growth among the emerging markets at the estimated level.

C. INDIAN NON-BANKING FINANCIAL COMPANY (NBFC) SECTOR

The active players in the Indian Financial System are Scheduled Commercial Banks, Non-banking Financial Companies (NBFCs), Mutual Funds, Insurance companies, specialized Financial Institutions and pension funds. The retail credit is dominated by scheduled commercial banks followed by NBFCs. Over the years this sector has gained its own space and recognized as ensuring credit availability to the productive sectors of the economy and further promoting financial inclusion particularly among the weaker sections of the society and in the unbanked markets.

In India we have about 220 NBFCs with asset size of more than Rs.500.crores.³ Aggregated balance sheet of the NBFC sector expanded by 14.5 per cent on a y-o-y basis in March 2017 as compared to 15.5 per cent in the previous year. Loans and advances increased by 16.4 per cent. While retail credits of NBFCs are closely connected with the growth and development of Micro Small and Medium Enterprises (MSME) as NBFCs are mainly catering to the credit requirements of those enterprises in the rural and semi urban markets.⁴ MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country. The Sector consisting of 36 million units, as of today, provides employment to over 80 million persons. The Sector through more than 6,000 products contributes about 8% to GDP besides 45% to the total manufacturing output and 40% to the exports from the country.

The main growth drivers for NBFC loan portfolios are

- Stress on public sector banks
- Latent credit demand
- Increased consumption
- Distribution reach and sectors where traditional bank do not lend.
- Government initiatives for manufacturing in India

²Financial stability report of RBI June 2017

³ Financial Satbility of RBI-June 2016
⁴Source- Status of MSME 2015-16- (ministry's e book)

D. SEGMENT WISE OR PRODUCT – WISE PERFORMANCE

The loan Portfolio of the company consist of Gold loan, Business support Micro loan, Mortgage backed SME loans and Vehicle loans. Outstanding loan portfolios of different products as on 31st March 2017 with its corresponding figures of the previous year is given below:

	(Rs. In crores) 31.03.2017	(Rs. In crores) 31.03.2016
Gold loan	108.25	58.76
Mortgage backed SME loan	13.26	21.72
Business Support Micro loans	9.15	11.31
Vehicle loan	9.34	10.21
Total	140.00	102.00

E. Gold loans

As explained earlier, the company was able to grow the gold loan portfolio by about 84% over the corresponding previous year. The objective of the company shall be to grow as a diversified NBFC on the strength of gold. Gold loan is gaining acceptance and popularity over the last one decade with the emergence and expansion of specialized NBFCs in the sector. The specialized institutions are helping in monetization of an otherwise idle asset and to channelise those resources for productive purposes. Considering the fact that Indian households accounts for approximately 22000 tons of gold and is importing 700-800 tons annually and that a substantial portion of this remain idle still, the demand for gold loan is likely to improve further in the coming years. The upward movement in the gold price has brought back the demand for gold loans after two years of slowing growth. As a unique advantage, the company has entered into sourcing arrangements with Rupeek, a fintech company, at Bangalore for facilitating online gold loans at the customer's door step. The above Company is more of a startup entity promoted by IIT graduates. The arrangements proved to be fruitful having regard to the volume of gold loan the company could achieve at its Bangalore branches during the year under review. This arrangement will continue to yield in good volumes in the current year too in line with the Company's plans to expand its branch net work in Bangalore.

The main factors affecting demand for gold loans are;

- Prevalence of high level of rural indebtedness
- Easy availability of gold loans on extremely flexible terms
- Relative scarcity of personal and retail loans from the banks
- Expected normal monsoon and the need for working capital in the farming sector.
- Improved optimism in the MSME sector
- Migration to the Goods and Services Tax regime and the resultant expansion of formal economy could lead to a spurt in working capital demands of a large number of MSMEs

F. OUTLOOK

The macro economic situation in the country is conducive to the growth and stability of our economy. The roll out of GST from 1st July 2017 has been an economic reform to be remembered for ever. This will integrate multiple taxes existing in different states to one tax rate across the country. This is much needed and awaited taxation reform to further facilitate the movement of goods and services from state to state seamlessly and attract major investments into the country. Increased industrial and commercial activities will improve the credit demand. Financial services industry is highly interrelated to the overall economic growth and has been a large driver of growth. The improving GDP growth path is therefore expected to further drive the financial services industry. Improved rural economy, higher job creation together with a normal monsoon across the country would also form the base for increased consumption demand and thus spur the retail credit growth.

Going forward, institutions like us with a diversified asset model and a consistent strategy are most likely to gain from the improving prospects of the industry. The Company will be able to make substantial gains by deepening its existing markets and expanding its geographical reach to the potential markets in the short to medium term.

G. SCOT ANALYSIS**Strengths**

- Building on relationship
- Established leadership
- Diversified product offering
- Robust in-house capabilities
- Expanding customer base.

Challenges

Given the scale of operations, profitability and credit rating the Company may, in the short run face challenges in raising of resources from conventional sources.

The macro-economic situation has to further improve the business sentiments at the grass route level for growth to accelerate at the Company level. Growing competition from larger market peers indulging in mass media advertisements raises further challenges.

Opportunities

The Company can expand its geographical reach by opening more number of branches in growing markets. It is also in a position to consider deepening product segments because of the experience gained and the growing number of satisfied customers associated with the Company. Sourcing partnerships and the capacity to leverage on technologies through mobile applications and web solutions will be an added advantage to be closer to the customers and to penetrate its market more effectively.

Threats

Any changes in the regulatory environment could affect the performance of the Company. The entry of Small Finance Banks, expanding presence of large players and the entry of regional players in the gold loan market further leads to higher level of competition. Volatility in the gold prices in the international and domestic markets will have an impact on the gold loan growth as well as collections. Unexpected policy changes of Governments/ regulators, adverse political developments either at regional or national levels may also pose threats to the growth and development plans of the Company.

H. RISK MANAGEMENT

The Company's business model has comprehensive and integrated risk management framework that comprises a clear understanding of strategy, policy initiatives, prudential norms, proactive mitigation and structured reporting. Company is keeping constant vigil in identifying and mitigating risk whether it is arising from internal factors or external.

Credit Risk Management:

The Company possesses a well defined loan policy and other operating instructions regarding each product to manage risks associated with underwriting and customer defaults. Customer selection is of paramount importance, and in this the Company's Business Development and Credit teams have the necessary expertise to ensure asset quality. Underwriting decisions are based on knowledge about the prospective customers business, credit history available with credit information companies as well as assessment of his cash flows and ensuring adequacy of collateral or guarantees in applicable cases. The underwriting also ensures a well calibrated approach in fixing loan to value ratio for all secured lending. Similarly, the company has strong internal guidance on unsecured lending based on past experiences.

I. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company possesses adequate internal controls to ensure that all assets are protected against loss from unauthorised use or disposition and that all transactions are authorised, recorded and reported correctly. An efficient Internal Audit department monitors adherence to these controls. Statutory auditors also present their suggestions to the appropriate committees of directors for improvements in control and compliance.

J. HUMAN RESOURCES

The Company considers its workforce to be its greatest asset. The employee compensation structure consists of fixed salaries, variable components and stock options at appropriate levels. The company has been investing in long-term development programs for its employees. During the year under review, the Company has conducted programs aimed at upgrading the work-specific skills of its workforce, it consists of on the job training and class room coaching depending on the levels at which they join the company. Additional programs were undertaken towards motivational and behavioral training.

K. CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.

By order of Board of Directors

For Yogakshemam Loans Limited,

sd/-

sd/-

N.D.NARAYANAN

Chairman

I.UNNIKRISHNAN

Managing Director and CEO

Thrissur

15th July 2017

Annexure - 2
FORM MGT-9
EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2017

[Pursuant to section92(3) of the Companies Act, 2013 and rule12(1) of the Companies
 (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U65992KL1991PLC005965
2	Registration Date	13-02-1991
3	Name of the Company	YOGAKSHEMAM LOANS LIMITED
4	Category/Sub-Category of the Company	NBFC
5	Address of the Registered office and contact details	YOGAKSHEMAM LOANS LIMITED, YOGAKSHEMAM APARTMENT, KALLINGAL LANE, THIRUVAMBADY, THRISSUR-680022, KERALA, INDIA
6	Whether listed company	NO
7	Name, Address and Contact details of Registrar and Transfer Agent ,if any	SKDC CONSULTANTS LIMITED, KANAPATHY TOWERS, 3rd FLOOR, 1391/A1,SATHY ROAD, GANAPATHY, COIMBATORE-641006

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:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/Services	% to total turnover of the company
1	Lending of money on the security of gold , silver, real estate , automobile vehicles , machinery, land and building , furniture , equipments & household articles on the personal guarantee of solvent individual as per the object clause of Memorandum of Association	6492	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name And Address Of The Company	CIN/GLN	Holding / Subsidiary/ Associate	%of shares held	Applicable Section
1.	NIL	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No.of Shares held at the beginning of the year				No.of Shares held at the end of the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total
(A) Promoters							
(1) Indian							
a) Individuals/Hindu Undivided Family	0	1108100	1108100	2.45	0	931700	931700 1.68 (0.77)
b) Central Government/State Government(s)	0	0	0	0.00	0	0	0 0.00
c) Bodies Corporate	0	2975500	2975500	6.57	0	141500	141500 0.25 (6.32)
d) Financial Institutions/Banks	0	0	0	0.00	0	0	0 0.00
e) Any Others(Specify)	0	0	0	0.00	0	0	0 0.00
Trusts	0	0	0	0.00	0	0	0 0.00
Sub Total (A) (1)	0	4083600	4083600	9.01	0	1073200	1073200 1.93 (7.08)
(2) Foreign	0	-	-	-	0	-	- - -
a) Individuals (Non-Residents Individuals/Foreign Individuals)	0	0	0	0.00	0	0	0 0.00
b) Bodies Corporate	0	0	0	0.00	0	0	0 0.00
c) Institutions	0	0	0	0.00	0	0	0 0.00
d) Qualified Foreign Investor	0	0	0	0.00	0	0	0 0.00
e) Any Others(Specify)	0	0	0	0.00	0	0	0 0.00
Sub Total (A) (2)	0	0	0	0.00	0	0	0 0.00
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	0	4083600	4083600	9.01	1073200	1073200 1.93 (7.08)	

(B) Public shareholding									
(1) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Inv (Corp.Cat)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non-institutions									
a) Bodies Corporate									
i) Indian	0	2000	2000	0.01	0	2000	2000	0.00	(0.00)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs 2 lakh	0	6313882	6313882	13.93	0	7291466	7291466	13.2	(0.73)
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	0	11262289	11262289	24.86	0	9580955	9580955	17.32	(7.54)
c) Others (specify)									
Directors & their relatives	0	10101149	10101149	22.29	0	15815299	15815299	28.6	6.31
NRI Director	0	6100500	6100500	13.46	0	6100500	6100500	11.02	(2.44)
NRI Director's Relatives	0	7450500	7450500	16.44	0	15450500	15450500	27.93	11.49
Sub-Total (B)(2)	0	41230320	41230320	90.99	0	54240720	54240720	98.07	7.08
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	41230320	41230320	90.99	0	54240720	54240720	98.07	7.08
C.Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	0	45313920	45313920	100.00	0	55313920	55313920	100.00	0

ii. Shareholding of Promoters & Promoter groups

Sl.No.	Shareholders Name	No.of Shares held at the beginning of the year			No.of Shares held at the end of the year			% of change 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	PERINGOTTUKARA CHITS LIMITED	2975500	6.57	-	141500	0.25	-	
2	NARAYANAN N.D.	883100	1.95	-	706700	1.28	-	
3	UMA NARAYANAN	75000	0.16	-	75000	0.13	-	
4	NEETA NARAYANAN	75000	0.16	-	75000	0.13	-	
5	SWETA HARI	75000	0.16	-	75000	0.13	-	
	TOTAL	4083600	9.00	-	1073200	1.92	-	

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

Date	Name	Opening Balance	Bought	Sold	Closing Balance	% of total shares of the company	
01/04/2016	NARAYANAN ND	883100	-	-	883100	1.95	
30/06/2016		883100	-	181400	701700	1.55	
01/03/2017		701700	5000	-	706700	1.28	
31/03/2017		706700	-	-	706700	1.28	
01/04/2016	PERINGOTTUKARA CHITS LIMITED	2975500	-	-	2975500	6.57	
30/06/2016		2975500	166000	-	3141500	6.93	
01/11/2016		3141500	-	2500000	641500	1.23	
23/03/2017		641500	-	500000	141500	0.26	
31/03/2017		141500	-	-	141500	0.26	
01/04/2016	UMA NARAYANAN	75000	-	-	75000	0.16	
31/03/2017		75000	-	-	75000	0.13	
01/04/2016	NEETA NARAYANAN	75000	-	-	75000	0.16	
31/03/2017		75000	-	-	75000	0.13	
01/04/2016	SWETA HARI	75000	-	-	75000	0.16	
31/03/2017		75000	-	-	75000	0.13	

iv. Top ten shareholders (other than Directors, Promotors and holders of GDRs & ADRs)

Sl. No.	For Each of top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No.of shares	%	No.of Shares	%
1	JALAJAKUMARI RAMACHANDRAN	7450500	16.44	15450500	27.93
2	CHANDRAN O.	1697040	3.75	1697040	3.07
3	SATHIA NARAYANAN M	1050000	2.32	1050000	1.90
4	SATHIALAKSHMI M	1000000	2.21	5800000	10.48
5	NARAYANAN O.	828505	1.83	828505	1.50
6	ABHIJITH UNNIKRISHNAN	578039	1.28	628039	1.13
7	SHANTI CHANDRAN	250000	0.55	250000	0.45
8	K P RADHAKRISHNAN	250000	0.55	250000	0.45
9	THOMMIL MAMA BALAN	200000	0.44	200000	0.36
10	ARUN KAIPPILLY	200000	0.44	200000	0.36

v. Shareholding of Directors and Key Managerial Personnel

Sl.No.	NAME	Shareholding at the beginning of the year		Shareholding at the end of the year		% of change during the year
		No.of shares	%	No.of Shares	%	
1	NARAYANAN N.D.	883100	1.95	706700	1.28	(0.67)
2	UNNIKRISHNAN I	7845500	17.31	8699650	15.73	(1.58)
3	VIJAYAN NAMBOOTHIRI N	237730	0.53	247730	0.45	(0.08)
4	ANOOP.G.	250000	0.55	250000	0.45	(0.1)
5	PUSHPANGADAN MANGARI	100000	0.22	100000	0.18	(0.04)
6	PASUPATHY .P.N	67380	0.15	67380	0.12	(0.03)
7	RAMACHANDRAN OTTAPATH	6100500	13.46	6100500	11.02	(2.44)
Key Managerial Personnel- Company Secretary						
8	RAJESH KUMAR .K. PILLAI	31000	0.07	31500	0.06	(0.01)

vi. Transactions of directors of the company during the FY 2016-17

Date	Name	Opening Balance	Bought	Sold	Closing Balance	% of total shares of the company	
01/04/2016	UNNIKRISHNAN I	7845500	-	-	7845500	17.31	-
07/05/2016		7845500	119700	-	7965200	17.58	Transfer
30/06/2016		7965200	181400	-	8146600	17.98	Transfer
01/09/2016		8146600	131300	-	8277900	18.27	Transfer
18/11/2016		8277900	200000	-	8477900	15.33	Allotment
01/12/2016		8477900	106750	-	8584650	15.52	Transfer
23/03/2017		8584650	115000	-	8699650	15.73	Transfer
31/03/2017		8699650	-	-	8699650	15.73	-
01/04/2016	NARAYANAN ND	883100	-	-	883100	1.95	-
30/06/2016		883100	-	181400	701700	1.55	Transfer
01/03/2017		701700	5000	-	706700	1.28	Transfer
31/03/2017		706700	-	-	706700	1.27	-
01/04/2016	VIJAYAN ND	237730	-	-	237730	0.52	-
01/03/2017		237730	10000	-	247730	0.45	Transfer
31/03/2017		247730	-	-	247730	0.45	-

V. INDEBTEDNESS

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

Particulars of Indebtedness	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	696078000	148866000	0	844944000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	87772319	26076022	0	113848341
Total(i+ii+iii)	783850319	174942022	0	958792341
Change in Indebtedness during the financial year				
- Addition	208789165	152927000	0	361716165
- Reduction	(182233000)	0	0	(182233000)
Net Change	26556165	152927000	0	179483165
Indebtedness at the end of the financial year				
i) Principal Amount	722634165	301793000	0	1024427165
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	86001368	46530159	0	132531527
Total(i+ii+iii)	808635533	348323159	0	1156958692

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
		Mr.I.Unnikrishnan Managing Director& CEO	Mr.N.D.Vijayan Executive director	
1	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act 1961 (b)Value of perquisites u/s 17(2) Income-tax Act,1961 (c)Profits in lieu of salary under section 17(3) Income- taxAct,1961	2400000	1800000	4200000
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
5	Others ,please specify	-	-	-
	Total(A)	2400000	1800000	4200000
	Ceiling as per the Act	Overall ceiling on Managerial Remuneration applicable is 11% of the Net Profit. However, since the profit is inadequate for the FY 2016-17, remuneration payable is as per Section 2 of Part II of Schedule V of the Companies Act,2013.		

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Independent Directors			Total Amount
		Dr.M.Pushpangadan	Mr.Anoop.G.	Mr.P.N.Pasupathy	
1	·Fee for attending board meetings ·Fee for Attending committee meetings ·Others, please specify · Travelling Allowance	105000 50000 - 155000	100000 40000 - 140000	100000 10000 - 110000	305000 100000 - 405000
2	·Fee for attending board Meeting · Fee for Attending committee meetings ·Others, please specify	100000 20000 -	- - -	- - -	100000 20000 -
	Total (2)	120000	-	-	120000
	Total (B)=(1+2)	525000			
	Total Managerial Remuneration	4725000			
	Overall Ceiling as per the Act	Overall ceiling on Managerial Remuneration applicable is 11% of the Net Profit. However, since the profit is inadequate for the FY 2016-17, remuneration payable is as per Section 2 of Part II of Schedule V of the Companies Act,2013.			

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl.No.	Particulars Of Remuneration	Key Managerial Personnel			Total
		CEO	EVP & Company Secretary	CFO	
1	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act,1961 c)Profits in lieu of salary under section17(3)Income- taxAct,1961	Refer: Part VI.(A)	1881200	1280129	3161329
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as% of profit	-	-	-	-
5	Others ,please specify	-	-	-	-
	Total(A)	-	1881200	1280129	3161329

VII. PENALTIES/PUNISHMENT/COMPOUNDINGOFOFFENCES:

Type	Section of the Companies Act,2013	Brief description	Details of penalty/ punishment, compounding fee imposed	Authority RD/ NCLT/Court	Appeal if any
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

By the Order of Board of Directors
For Yogakshemam Loans Limited,

Sd/-
N.D.NARAYANAN
Chairman

Sd/-
I.UNNIKRISHNAN
Managing Director and CEO

Thrissur
15th July, 2017

Annexure -3
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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

- | | |
|---|-----|
| (a) Name(s) of the related party and nature of relationship | NIL |
| (b) Nature of contracts/arrangements/transactions | NIL |
| (c) Duration of the contracts / arrangements/transactions | NIL |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any | NIL |
| (e) Justification for entering into such contracts or arrangements or transactions | NIL |
| (f) Date(s) of approval by the Board | NIL |
| (g) Amount paid as advances, if any | NIL |
| (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | NIL |

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/Board committee, if any	Amount paid as advances, if any
Mr. N D Narayanan (Chairman)	1.Sitting fee paid 2.Purchase of land	Till tenure of directorship -	Sitting fee paid Rs.120000 for attending board meeting and committee meeting Agreement for sale was executed on 14-02-2017 for the purchase of 4.05 acres of land and the transaction to be completed within 6 months The total consideration is Rs.2.50 crores	06-12-2014 16-01-2017	NIL 1600000
Mr. I.Unnikrishnan (Managing Director & CEO)	1.Issue of shares 2.Remuneration paid	- Till the tenure of directorship	Issue of 200000 equity shares on preferential basis Rs.2000000/- Remuneration paid Rs.2400000/-	08-11-2016 06-12-2014	NIL NIL

Mr.N.D.Vijayan (Executive Director)	1.Payment of interest on debentures	Till maturity	Rs.8189 paid as interest on debentures	-	NIL
	2.Remuneration paid	Till the tenure of directorship	Remuneration paid Rs.1800000/-	06-12-2014	NIL
	3.Redemption of debenture	-	Rs.200000/-	-	NIL
Dr.M.Pushpangadan (Independent Director)	Sitting fee paid	Till the tenure of directorship	Sitting fee paid Rs.155000/-	08-11-2014	NIL
Mr. Anoop .G. (independent Director)	Sitting fee paid	Till the tenure of directorship	Sitting fee paid Rs.140000/-	08-11-2014	NIL
Mr. P.N.Pasupathy (Independent Director)	Sitting fee paid	Till the tenure of directorship	Sitting fee paid Rs.110000/-	08-11-2014	NIL
Mr.Rajeshkumar.K. Pillai (EVP & Company Secretary)	Remuneration paid	Till the tenure of employment	Remuneration Paid Rs.1881200/-	25-03-2015	NIL
Mr.Prasad.P (Chief Financial Officer)	Remuneration paid	Till the tenure of employment	Remuneration paid Rs.1280129/-	25-03-2015	NIL
Meenakshy Amma (Mother of Managing Director Mr. I.Unnikrishnan)	1.Issue of debentures	-	Issue of debentures Rs.500000/-	28-09-2016	NIL
	2.Raising of sub-debts	-	Sub-debts raised Rs.120000/-	01-04-2016	NIL
	3.Payment of Interest on debentures and sub-debts	-	Sub-debts raised Rs.100000/-	01-08-2016	NIL
		-	Interest paid Rs.394641/-		NIL
Mrs.Sathialakshmi Unnikrishnan (Spouse of Managing Director Mr. I.Unnikrishnan)	1.Issue of shares	-	Issue of 2000000 equity shares on preferential basis Rs.2000000/-	01-11-2016	NIL
		-	Issue of 2800000 equity shares on preferential basis Rs.2800000/-	08-11-2016	NIL
	2.Issue of debentures	-	Issue of debentures Rs.1000000/-	31-01-2017	NIL
		-	Issue of debentures Rs.850000/-	27-03-2017	NIL
	3. Raising of sub-debts	-	Sub-debts raised Rs.500000/-	01-06-2016	NIL
		-	Sub-debts raised Rs.700000/-	01-06-2016	NIL
		-	Sub-debts raised Rs.250000/-	01-07-2016	NIL
	4.Payment of Interest on debentures and Sub-debts	-	Sub-debts raised Rs.300000/-	01-07-2016	NIL
		-	Sub-debts raised Rs.375000/-	01-07-2016	NIL
		-	Interest paid Rs.406369/-	-	NIL

Mrs.Jalajakumari Ramachandran (Spouse of Director Mr. O. Ramachnadran)	Issue of shares	-	Issue of 5000000 equity shares on preferential basis Rs.50000000/-	01-11-2016	NIL
Mrs.Prasanna Pasupathy (Spouse of Director Mr. P.N.Pasupathy)	Payment of interest on debentures	-	Interest paid Rs.7524/-	-	NIL
M/s Perigottukara Chits Limited (Promoter group company)	1.Purchase of land	-	Agreement for sale was executed on 14-02-2017 for the purchase of 10.52 acres of land and the transaction to be completed within 6 months. The total consideration is Rs.6.50crore	16-01-2017	Rs.50300000
	2.Service charges receivable	-	Rs.39500	25-03-2015	NIL
M/s Yogakshemam Management & Insurance Services Ltd (Promoter group company)	Service charges receivable	-	Rs.39500/-	25-03-2015	NIL
M/s Yogadhan Nidhi Limited(Promoter group company)	Sale of fixed assets		Rs.560010/-	15-07-2017	NIL
Rema Vijayan (Spouse of Executive Director Mr.N.D Vijayan)	1.Issue of sub-debts		Sub-debts raised Rs.200000/-	01-07-2016	NIL
	2.Payment of Interest on debenture and sub-debt		Interest paid Rs.135709/-	-	NIL
Geeta (Spouse of Director Mr. Pushpagandan.M)	1.Issue of debentures	-	Issue of debentures Rs.100000/-	27-03-2017	NIL
	2.Payment of debenture Interes	-	Interest paid Rs.4821/-	-	NIL
Neetha Narayanan (D/O Mr.ND Narayanan, Chairman)	Debenture redemption	-	Debenture redeemed Rs.150000/-	-	NIL

**By the order of Board of Directors
For Yogakshemam Loans Limited,**

Sd/-

N.D.NARAYANAN
Chairman

Sd/-

I.UNNIKRISHNAN
Managing Director and CEO

Thrissur
15th July 2017

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
M/s Yogakshemam Loans Limited
Regd Office: Yogakshemam Apartment
Kallingal Lane, Thiruvambady
Thrissur - 680022

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **YOGAKSHEMAM LOANS LIMITED** (hereinafter referred as the Company) with Corporate Identity No U65992KL1991PLC005965. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **YOGAKSHEMAM LOANS LIMITED** for the financial year ended on 31st March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iv) The following laws, regulations, directions, orders applicable specifically to the Company:
 - (a) The Reserve Bank of India Act 1934;
 - (b) Non – Banking Financial Companies (Non-Deposit Accepting or Holding) Prudential Norms (Reserve Bank) Directions 2007.
 - c) Non – Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 ;
 - (d) Online Returns to be submitted by NBFC's – RBI Guidelines.

I have also examined compliance with the applicable clauses of Secretarial Standards I and II issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc referred above.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of the Register of Members / Debenture holders;
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 25th Annual General Meeting held on 17th September, 2016;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) payment of remuneration to Directors, including the Managing Director
- k) appointment and remuneration of Statutory Auditors and Internal Auditors;
- l) transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
- m) borrowings and registration, modification and satisfaction of charges wherever applicable;
- n) investment of the Company's funds including inter-corporate loans and investments and loans to others;
- o) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- p) preparation of Directors Report;
- q) execution of contracts, affixing of common seal, registered office and publication of name of the company; and
- r) generally, all other applicable provisions of the Act and the Rules made under the Act.

3. I further report that:-

- a) the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/ directorships in other companies and interests in other entities.
- c) adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

d) majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

e) the company has obtained all necessary approvals under the various provisions of the Act.

4. The Company has not :-

a) declared any dividends

b) transferred any amounts to the Investor Education and Protection Fund, as there was no unclaimed/ unpaid dividend/ application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years or more for transferring to Investor Education and Protection Fund.

c) given any guarantee

5. I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and that during the audit period, there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines etc having a major bearing on the Company's affairs.

Place : Cochin

Date : 15.07.2017

SATHISH V

Practicing Company Secretary

FCS 8005; CP 8343

INDEPENDENT AUDITOR'S REPORT

To the Members of Yogakshemam Loans Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Yogakshemam Loans Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2017, its profit, and its cash flows for the year ended on that date.

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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 book;
 - (c) The Balance Sheet, 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 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 2" to this report;
 - (g) 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, 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 derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - iv. The Company has provided requisite disclosures in Note 29 to these financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Further, as stated in note 29 in the financial statements and based on information and explanation provided to us, we report that there have been non-permitted transactions aggregating Rs.0.47 million.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Bharath N S

Partner

Membership Number: 210934

Place of Signature: Chennai

Date: July 17, 2017

Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Yogakshemam Loans Limited (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for few assets in computer equipment, electrical fittings, office equipment and furniture & fixtures where the records are maintained for group of similar assets and not for each individual asset.
- (b) Fixed assets have been physically verified by the management during the year and discrepancies identified on such verification. These have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, fixed assets are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of service tax and tax deducted at source. The provisions relating to customs duty and excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to debenture holders and banks. The Company did not have any outstanding dues to financial institution and government during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment of shares. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Bharath N S

Partner

Membership Number: 210934

Chennai

Date: July 17, 2017

ANNEXURE 2**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF YOGAKSHEMAM LOANS 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 Yogakshemam Loans Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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 the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
Place of Signature: Chennai
Date: July 17, 2017

Yogakshemam Loans Limited
Balance Sheet as at March 31, 2017
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
Equity and liabilities			
Shareholders funds			
Share capital	3	55,31,39,200	45,31,39,200
Reserves and surplus	4	(7,31,22,948)	(7,70,92,625)
		48,00,16,252	37,60,46,575
Non-current liabilities			
Long-term borrowings	5	67,01,47,000	65,22,18,000
Other Long Term Liabilities	6	7,14,27,434	7,22,78,907
		74,15,74,434	72,44,96,907
Current liabilities			
Short-term borrowings	7	7,26,78,165	-
Other current liabilities	8	34,94,87,721	23,94,40,532
Short-term provisions	9	2,14,12,029	1,49,12,616
		44,35,77,915	25,43,53,148
Total		1,66,51,68,601	1,35,48,96,630
Assets			
Non Current assets			
Fixed assets			
Property, Plant and Equipment	10A	3,63,12,400	3,33,78,695
Intangible assets	10B	12,26,261	14,14,553
Capital work-in-progress		1,25,000	63,86,804
Non-current assets			
Long-term loans and advances	11	21,10,46,729	23,61,33,278
Other Non current assets	12	2,77,200	6,88,249
		24,89,87,590	27,80,01,579
Current assets			
Current investments	13	-	14,75,00,000
Cash and bank balances	14	4,82,77,449	5,66,06,252
Short-term loans and advances	11	1,28,57,91,933	83,20,73,241
Other current assets	12	8,21,11,629	4,07,15,558
		1,41,61,81,011	1,07,68,95,051
Total		1,66,51,68,601	1,35,48,96,630

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

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number : 101049W/E300004

per Bharath N S

Partner

Membership no: 210934

Place : Chennai

Date : 17th July 2017

For and on behalf of the board of directors

I Unnikrishnan
MD and CEO

N D Narayanan
Chairman

N D Vijayan
Executive Director

Prasad P
Chief Financial
Officer

K. Rajesh Kumar
company secretary

Place: Thrissur
Date : 15th July 2017

Yogakshemam Loans Limited**Statement of profit and loss for the year ended March 31, 2017**

(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Income			
Revenue from operations	15	27,41,31,783	23,24,01,761
Other income	16	3,41,540	3,95,763
Total revenue (I)		27,44,73,323	23,27,97,524
Expenses			
Finance costs	17	12,23,22,400	11,55,56,713
Employee benefits expense	18	7,78,20,993	7,71,51,240
Other expenses	19	4,11,83,371	4,09,98,801
Provisions & Write off	20	1,48,54,416	37,84,820
Depreciation and amortization expense	21	1,43,22,466	1,34,48,411
Total Expenses (II)		27,05,03,646	25,09,39,985
Profit before tax (I - II)		39,69,677	(1,81,42,461)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Net Profit for the year		39,69,677	(1,81,42,461)
Earnings per equity share			
[nominal value of share Rs.10/-]			
Basic EPS (Loss/Share) in Rupees	22	0.08	(0.40)
Diluted EPS (Loss/Share) in Rupees		0.08	(0.39)
Summary of significant accounting policies			
The accompanying notes are an integral part of the financial statements.	2.1		

As per our report of even date

For S.R. BATLIBOI ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number : 101049W/E300004

For and on behalf of the board of directors**per Bharath N S**

Partner

Membership no: 210934

Place: Chennai

Date : 17th July 2017**I Unnikrishnan**

MD and CEO

N D Narayanan

Chairman

N D Vijayan

Executive Director

Prasad P

Chief Financial Officer

K. Rajesh Kumar

Company Secretary

Place: Thrissur

Date : 15th July 2017

Yogakshemam Loans Limited
Cash flow Statement for the year ended March 31, 2017
 (All amounts are in Indian rupees unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
A. Cash flow from operating activities		
Net profit (loss) before taxation	39,69,677	(1,81,42,461)
Depreciation and amortization	1,43,22,466	1,34,48,411
(Profit)/loss on sale of Property Plant and Equipment	(57,216)	18,46,688
Net gain on sale of current investments	(65,90,155)	(1,59,49,174)
Interest Income- other than operating income	(18,59,351)	(41,24,506)
Operating profit before working capital changes	97,85,421	(2,29,21,042)
Movements in working capital :		
Increase/ (decrease) in other current liabilities	11,00,47,189	17,83,97,132
Increase/ (decrease) in provisions	64,99,413	27,15,650
Decrease / (increase) in long-term loans and advances	2,50,86,549	(3,32,98,661)
Decrease / (increase) in short-term loans and advances	(45,37,18,692)	(7,94,64,164)
Decrease / (increase) in other current assets	(4,10,47,520)	1,39,06,542
Increase/ (decrease) in cumulative interest payable	(8,51,473)	(1,81,10,778)
Decrease/ (Increase) in other non current assets	4,11,049	5,49,38,058
Cash generated from /(used in) operations	(34,37,88,064)	9,61,62,737
Less: Direct taxes paid	(3,48,551)	(7,81,837)
Net cash flow from/ (used in) operating activities (A)	(34,41,36,615)	9,53,80,900
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(1,14,28,883)	(2,09,54,553)
Proceeds from disposal of fixed assets	6,80,024	1,59,529
Profit from mutual funds	65,90,155	1,59,49,174
(Purchase) Sale of Investments	14,75,00,000	(14,75,00,000)
Interest received - other than operating	18,59,351	41,24,506
Net cash flow from/ (used in) investing activities (B)	14,52,00,647	(14,82,21,344)
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital	10,00,00,000	8,29,36,615
Net increase/ (Decrease) in NCD (private placement)	(13,49,98,000)	(23,61,26,000)
Net (repayment)/increase of Inter Corporate Deposits	-	(5,32,28,350)
Net Increase in Bank Overdraft	7,26,78,165	-
Net Increase in Subordinated Debt	15,29,27,000	4,99,32,000
Net cash flow from/ (used in) in financing activities (C)	19,06,07,165	(15,64,85,735)

Net increase/(decrease) in cash and cash equivalents (A + B + C)	(83,28,803)	(20,93,26,179)
Cash and cash equivalents at the beginning of the year	5,66,06,252	26,59,32,431
Cash and cash equivalents at the end of the year	4,82,77,449	5,66,06,252
Components of cash and cash equivalents		
Cash on hand	1,50,74,338	1,96,60,298
With banks		
- in current account	1,01,04,384	1,54,00,036
- in deposit account	2,30,98,727	2,15,45,918
Total cash and cash equivalents (note 14)	4,82,77,449	5,66,06,252

Previous year figures are regrouped or rearranged wherever necessary

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number : 101049W/E300004

per Bharath N S

Partner

Membership no: 210934

For and on behalf of the board of directors

I Unnikrishnan
MD and CEO

N D Narayanan
Chairman

N D Vijayan
Executive Director

Prasad P
Chief Financial
Officer

Place : Chennai

Date : 17th July 2017

K. Rajesh Kumar
company secretary

Place: Thrissur
Date : 15th July 2017

Yogakshemam Loans Limited

Notes to the financial statements for the year ended March 31, 2017

(All amounts are in Indian Rupees, unless otherwise stated)

1) Nature of operations

M/s Yogakshemam Loans Limited ('the Company') was incorporated on 13.02.1991 in Thrissur, Kerala. The Company is a Non-Banking Finance Company ('NBFC') which provides a wide range of fund based and fee based services including gold, term, vehicle, and business loans and Money Transfer facilities, etc. The company operates through 92 branches spread across Kerala, Tamil Nadu and Karnataka as at 31 March 2017. The Company is a Non-Systemically Important Non-D deposit taking NBFC, as per the revised guidelines issued by the RBI in this regard.

2) Basis of preparation

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 financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016 and the guidelines issued by the Reserve Bank of India as applicable to a non-systemically important non-deposit accepting NBFC. The financial statements have been prepared under the historical cost convention and on an accrual basis except for interest and discounts on non-performing assets which are recognized on realization basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1) Statement of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

c) Depreciation

Depreciation is provided using written down value method and as per the 'useful life' concept as prescribed in the Part C of Schedule II of the Companies Act 2013

Nature of asset	Useful life followed as per Companies Act 2013
Safe & Furniture	10 Yrs
Office Equipments	5 Yrs
Electrical Fittings	10 Yrs
Computer Equipments	3 Yrs
Motor Car	8 Yrs
Motor Cycle	10 Yrs

d) Intangible assets – Computer software & licenses

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 of 4 years. The amortization period and the amortization method are reviewed at least at each financial year end.

e) Impairment of Property, Plant and Equipment and intangible assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is recovered if there has been a change in the estimate of recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments in respect of non-cancellable leases are recognized as an expense in the statement of Profit and Loss on a straight-line basis over the lease term.

g) Revenue Recognition

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. In a situation where management believes that the recovery of interest is uncertain due to change in the price of the gold or the account becoming overdue, or otherwise, the Company recognizes income on such loans only to the extent it is confident of recovering interest from its customers through sale of underlying security or otherwise.

Interest income on other loans given is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Such interests, where installments are overdue in respect of nonperforming assets are recognized on realization basis. Any such income recognized and remaining unrealized after the installments become overdue with respect to non-performing assets is reversed.

The Company charges penal interest on the gold loans which are outstanding for over 365 days, which is primarily based on negotiations with the customer. The accrual of interest happens on the closure of the loan account by the customer.

Revenues from fee-based activities are recognized as and when services are rendered.

h) Employee benefits

- i. Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for the service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as the liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

- ii. Gratuity liability under the Payment of Gratuity Act which is a defined benefit scheme is accrued and provided for on the basis of an actuarial valuation as per projected unit credit method made at the end of each financial year.

- iii. Actuarial gains / losses are immediately taken to statement of profit and loss and are not deferred.
- iv. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, considering the absence of unconditional right to defer its settlement

i) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings if any, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs 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 are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

j) Income Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In case, there is unabsorbed depreciation or losses, deferred tax asset is recognized only if there is virtual certainty that sufficient future taxable income will be available to realize the same

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that, it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

I) Provisions

(i) A provision is recognized when an enterprise 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 a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

(ii) Provision policy for gold loans and other loan portfolios

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking Financial (Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 as and when amended.

Provision on standard assets is made as per management estimates, subject to the minimum provision required as per the notification DNBS.PD.CC.No.207/ 03.02.002 /2010-11 issued by Reserve Bank of India.

m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements as there is no indication of the uncertainties relating to any outflow.

n) Segment reporting

The Company operates in the business of Lending and its operations are in India. Accordingly, no segment reporting is applicable.

o) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments / deposits with banks.

p) Ancillary borrowing costs

Ancillary borrowings costs incurred for the issue of debentures and other long term borrowings are expensed in the same financial year.

q) Employee Stock Option Cost

Measurement and disclosure of the employee share-based payments plans is done in accordance with the Guidance Note on Accounting for Share-based payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation costs relating to employee stock options using the fair value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

Yogakshemam Loans Limited
Notes to the Financial statements for the year ended March 31, 2017
(All amounts are in Indian Rupees, unless otherwise stated)

NOTE: 3 Share Capital	As at March 31, 2017	As at March 31, 2016
Authorized shares 6,00,00,000 Equity Shares of Rs 10 Each	60,00,00,000	60,00,00,000
Issued, subscribed and fully paid-up shares 5,53,13,920 Nos Equity Shares @ Rs 10/ Share (PY, 4,53,13,920 Nos @ Rs 10/ Share)	55,31,39,200	45,31,39,200
Total issued, subscribed and fully paid-up share capital	55,31,39,200	45,31,39,200

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2017		As at March 31, 2016	
	No of Shares	Amount (in Rupees)	No of Shares	Amount (in Rupees)
At the beginning of the year	4,53,13,920	45,31,39,200	2,15,78,057	21,57,80,570
Issued during the period at face value	1,00,00,000	10,00,00,000	2,37,35,863	23,73,58,630
Outstanding at the end of the period	5,53,13,920	55,31,39,200	4,53,13,920	45,31,39,200

b. The Company has only one class of equity shares having a par value of Rs.10/- 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Aggregate number of bonus shares issued, and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date: NIL

d. Details of shareholders holding more than 5% shares in the Company

	31- Mar- 2017		31- Mar- 2016	
Name of shareholder	No of Shares	% holding	No of Shares	% holding
Mr. Unnikrishnan I	86,99,650	15.73	78,45,500	17.31
Mrs. Sathyalakshmy.M.	58,00,000	10.49	10,00,000	2.21
Mrs. Jalajakumari Ramachandran	1,54,50,500	27.93	74,50,500	16.44
Mr. Ramachandran Ottappath	61,00,500	11.03	61,00,500	13.46
Ms. Peringottukara Chits Ltd	1,41,500	0.26	29,75,500	6.57

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

NOTE: 4
Reserves and Surplus

	As at March 31, 2017	As at March 31, 2016
Statutory reserve		
Balance as per the last financial statements	52,02,717	52,02,717
Add: Transfer to Reserve fund as per RBI Act, 1934	7,93,935	-
Closing Balance	59,96,652	52,02,717
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(8,22,95,342)	(6,41,52,881)
Profit (Loss) for the year	39,69,677	(1,81,42,461)
Less: Appropriations		
Transfer to statutory reserve	7,93,935	-
Transfer to general reserve	-	-
Total appropriations	7,93,935	-
Net surplus (Deficit) in the statement of profit and loss	(7,91,19,600)	(8,22,95,342)
Total reserves and surplus (Deficit)	(7,31,22,948)	(7,70,92,625)

Notes:

- a. As per the Companies (Share Capital & Debenture) Rules 2014, Non banking financial companies (NBFC) and other financial institutions covered by section 2(72) of the Companies Act, 2013 are not required to maintain debenture redemption reserve for privately placed Debentures.

NOTE: 5**Long-term borrowings**

	Non-current portion		Current maturities	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Sub-ordinated debt (Unsecured)				
Subordinated debts from others	30,17,93,000	14,88,66,000	-	-
Debentures (Secured)				
Non-convertible Debentures -Private placement	36,83,54,000	50,33,52,000	27,17,81,000	18,69,59,000
	67,01,47,000	65,22,18,000	27,17,81,000	18,69,59,000
The above amount includes				
Secured borrowings	36,83,54,000	50,33,52,000	27,17,81,000	18,69,59,000
Unsecured borrowings	30,17,93,000	14,88,66,000	-	-
Amount disclosed under the head "other current liabilities" (refer note 8)	-	-	(27,17,81,000)	(18,69,59,000)
Net amount	67,01,47,000	65,22,18,000	-	-

Note 5 (contd.)**Subordinated debts from others:**

Subordinated debts have a face value of Rs 1,000/- each. Details of rate of interest and maturity pattern from the date of the balance sheet is as under:

As at March 31, 2017

Redeemable at par within	Rate of interest							
	< =12%		>12% < 13%		13.00%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due above 5 years	194	3,40,28,000			48	13,44,000	242	3,53,72,000
Due within 4-5 years	717	13,64,18,000	62	97,30,000	147	41,16,000	926	15,02,64,000
Due within 3-4 years	288	4,44,29,000	441	5,33,74,000	427	1,19,56,000	1,156	10,97,59,000
Due within 2-3years	62	63,98,000		-			62	63,98,000
Due within 1 year							-	-
Grand Total	1,261	22,12,73,000	503	6,31,04,000	622	1,74,16,000	2,386	30,17,93,000

Non-current portion	30,17,93,000
Current maturities	-
Total	30,17,93,000

As at March 31, 2016

Redeemable at par within	Rate of interest							
	< =12%		>12% < 13%		13.00%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due above 5 years	70	1,32,54,000	58	90,30,000	206	57,68,000	334	2,80,52,000
Due within 4-5 years	306	4,86,94,000	445	5,40,74,000	404	1,13,12,000	1,155	11,40,80,000
Due within 3-4 years	62	63,98,000	-	-	12	3,36,000	74	67,34,000
Due within 1 year	-	-	-	-	-	-	-	-
Grand Total	438	6,83,46,000	503	6,31,04,000	622	1,74,16,000	1,563	14,88,66,000

Non-current portion	14,88,66,000
Current maturities	-
Total	14,88,66,000

Note:

Subordinated Debts are unsecured and are subordinated to the claims of all other creditors. It is issued for a maximum maturity period of 75 months from the date of allotment and no premature closure is allowed but are transferable

Note 5 (contd...)
Debentures (Secured)

i) Private placement retail - Redeemable Non Convertible Debentures of Rs. 1,000/- each.

As at March 31, 2017
Terms of repayment

Redeemable at par within	<= 11.50%			>11.50% <= 12.50%			13.00%-13.50%			Total		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount		
Above 6 years	7	35,50,000	17	1,41,87,000			7		102	35,50,000		
Due within 5-6 years	85	4,95,31,000	134	8,49,01,000					285	6,37,18,000		
Due within 4-5 years	151	10,16,53,000								18,65,54,000		
Due within 3-4 years									-	-		
Due within 2-3 years	32	1,03,55,000	37	82,60,000	11	48,50,000			80	2,34,65,000		
Due within 1-2 years		-	167	1,08,04,000	939	8,02,63,000			1,106	9,10,67,000		
Due within 1 year	1,445	10,02,07,000	1,227	9,17,09,000	1,051	7,98,65,000			3,723	27,17,81,000		
Grand Total	1,720	26,52,96,000	1,582	20,98,61,000	2,001	16,49,78,000			5,303	64,01,35,000		
Non-current portion										36,83,54,000		
Current maturities										27,17,81,000		
Redeemed but not claimed										98,21,000		
Total										64,01,35,000		

Non-current portion
 Current maturities
 Redeemed but not claimed
Total

Note 5 (contd...)
Debentures (Secured)

i) Private placement retail - Redeemable Non Convertible Debentures of Rs. 1,000/- each.

As at March 31, 2016
Terms of repayment

Redeemable at par within	<= 11.50%		>11.50% <= 12.50%		13%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Above 5 years	39	2,46,10,000	146	9,31,01,000	11	48,50,000	185	11,77,11,000
Due within 3-4 years	33	1,05,55,000	45	1,00,10,000			89	2,54,15,000
Due within 2-3 years			3	2,00,000	955	8,22,56,000	958	8,24,56,000
Due within 1-2 years	1,554	10,72,24,000	1,258	9,04,96,000	1,053	8,00,50,000	3,865	27,77,70,000
Due within 1 year	859	5,28,16,000	1,213	9,88,54,000	569	3,52,89,000	2,641	18,69,59,000
Grand Total	2,485	19,52,05,000	2,665	29,26,61,000	2,588	20,24,45,000	7,738	69,03,11,000

Non-current portion	50,33,52,000
Current maturities	18,69,59,000
Redeemed but not claimed	57,67,000
Total	69,03,11,000

Nature of Security

Non Convertible Debentures shall rank pari passu and the amount including its principal and interest amount , remuneration of the trustees, all fees & costs and other charges are fully secured by hypothecation of all moveable assets, book debts and receivables created by the company on the hire purchase, lease and loans, both present and future. No debenture redemption reserve is created, being a private placement.

	As at March 31, 2017	As at March 31, 2016
NOTE: 6		
Other Long Term Liabilities		
Interest accrued on long term borrowings	7,14,27,434	7,22,78,907
	7,14,27,434	7,22,78,907
NOTE: 7		
Short-term borrowings		
Overdraft Facility from Banks *		
South Indian Bank Ltd @ interest rate of 11.75% p.a	2,81,15,360	-
Dhanlaxmi Bank Ltd @ Interest rate of 11.75 % p.a	4,45,09,546	-
Dhanlaxmi Bank Ltd @ Interest rate of 8.35 % p.a	53,259	
	7,26,78,165	-
The above amount includes		
Secured borrowings	7,26,78,165	-
Unsecured borrowings	-	-
Total	7,26,78,165	-

* Overdraft facility from banks are secured by paripasu charge on hypothecation of all movable assets, current assets, book debts, and receivables (both present & future) in the name of the company along with debenture holders

	As at March 31, 2017	As at March 31, 2016
NOTE: 8		
Other current liabilities		
Current maturities of long-term borrowings (Note 5)	27,17,81,000	18,69,59,000
Interest payable on subordinated debts	15,84,732	6,12,377
Interest Payable on debentures	5,95,19,361	4,09,57,057
Statutory dues payable	20,99,838	20,17,402
Expenses payable	36,27,035	31,27,696
Security deposit placed by Vendor	10,00,000	-
Unclaimed matured Non convertible debentures	98,21,000	57,67,000
Others	54,755	-
Total	34,94,87,721	23,94,40,532

NOTE: 9**Short term provisions**

	As at March 31, 2017	As at March 31, 2016
Provision for employee benefits		
- Gratuity (refer note 24)	36,09,916	31,21,000
- Leave encashment	9,43,000	10,04,000
- Bonus	27,48,618	25,57,605
Total (A)	73,01,534	66,82,605
Other provisions		
- Provision for non performing loan portfolio	1,00,46,696	52,27,603
- Provision for standard assets	40,63,799	30,02,408
Total (B)	1,41,10,495	82,30,011
Total (A+B)	2,14,12,029	1,49,12,616

NOTE: 10A
Property, Plant and Equipment

Particulars	Freehold Land	Building	Books	Office equipment	Computer equipment	Furniture and Fittings	Motor car	Motor cycle	Electrical Fittings	Total
Cost										
At March 31, 2015	5,88,335	34,90,850	2,300	1,05,40,019	1,49,80,237	3,44,26,613	25,33,184	6,42,551	40,95,566	7,12,99,655
Additions	11,15,885	4,360	60,33,219	17,44,197	93,04,394	-	-	-	6,62,564	1,88,64,619
Deletions/adjustment	4,97,625	68,750	3,32,920	80,202	47,51,461	-	-	-	3,58,574	60,89,532
At March 31, 2016	12,06,595	34,22,100	6,660	1,62,40,318	1,66,44,232	3,89,79,546	25,33,184	6,42,551	43,99,556	8,40,74,742
Additions	69,70,080			8,19,339	62,17,538	26,52,617			47,270	1,67,06,844
Deletions/adjustment				2,48,619	92,780	8,45,107			76,036	12,62,542
At March 31, 2017	81,76,675	34,22,100	6,660	1,68,11,038	2,27,68,990	4,07,87,056	25,33,184	6,42,551	43,70,790	9,95,19,044
Accumulated Depreciation										
At March 31, 2015	-	1,33,233	2,300	84,72,417	1,19,20,417	1,73,91,036	12,55,649	4,98,785	17,78,450	4,14,52,287
Charge for the year 2015-16		3,11,733	4,360	21,64,510	26,63,775	63,29,740	4,34,996	54,123	7,97,463	1,27,60,700
Disposal/Adjustment		-		2,53,987	74,748	29,85,832			2,02,373	35,16,940
At March 31, 2016	-	4,44,966	6,660	1,03,82,940	1,45,09,444	2,07,34,944	16,90,645	5,52,908	23,73,540	5,06,96,047
Charge for the year 2016-17		2,82,828	-	28,67,886	36,94,435	54,08,322	2,80,160	32,601	5,84,099	1,31,50,331
Disposal/Adjustment				1,38,187	53,871	4,03,165			44,511	6,39,734
At March 31, 2017	7,27,794	6,660	1,31,12,639	1,81,50,008	2,57,40,101	19,70,805	5,85,509	29,13,128	6,32,06,644	
Net block										
At March 31, 2016	12,06,595	29,77,134	-	58,57,378	21,34,788	1,82,44,602	8,42,539	89,643	20,26,016	3,33,78,695
At March 31, 2017	81,76,675	26,94,306	-	36,98,399	46,18,982	1,50,46,955	5,62,379	57,042	14,57,662	3,63,12,400

1) Deprecation of Property, Plant and Equipment are provided based on useful life of the assets, as per Part C of schedule II of the Companies Act, 2013.

NOTE: 10 B
Intangible assets

Particulars	Computer Software
Cost	
At March 31, 2015	27,50,843
Purchase	-
Deletions	-
At March 31, 2016	27,50,843
Purchase	9,83,843
Deletions	-
At March 31, 2017	37,34,686
Amortization	
At March 31, 2015	6,48,579
Charge for the year 2015-16	6,87,711
Deletions	-
At March 31, 2016	13,36,290
Charge for the year 2016-17	11,72,135
Deletions	-
At March 31, 2017	25,08,425
Net block	
At March 31, 2016	14,14,553
At March 31, 2017	12,26,261

NOTE: 11
Loans and advances

Particulars	Non-current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Portfolio Loan				
Secured, considered good				
- Gold Loan	-	-	1,08,24,07,761	58,76,03,801
- Term Loan (including interest on instalments due)	7,80,34,050	9,54,10,518	4,27,40,095	9,32,20,609
- Business Loan (including interest on instalments due)	-	-	-	-
- Vehicle Loan (including interest on instalments due)	3,17,30,607	7,09,32,766	3,37,34,110	3,07,84,168
- Other loans	-	-	-	-
	10,97,64,657	16,63,43,284	1,15,88,81,966	71,16,08,578
Secured, considered doubtful				
- Gold Loan	-	-	1,02,000	-
- Term Loan (including interest on instalments due)	87,640	46,60,961	1,81,96,343	53,62,291
- Business Loan (including interest on instalments due)	-	-	11,93,834	13,86,525
- Vehicle Loan (including interest on instalments due)	23,62,966	71,509	1,91,17,930	3,41,113
- Other loans	-	-	44,39,333	
	24,50,606	47,32,470	3,86,10,107	1,15,29,262
Portfolio Loan				
Unsecured, considered good				
- Term Loan (including interest on instalments due)	-	-	-	-
- Business Loan (including interest on instalments due)	25,05,146	1,16,68,353	8,26,06,797	9,84,78,739
- Micro Loans			8,12,075	-
- Other loans		52,15,200		74,86,034
	25,05,146	1,68,83,553	8,34,18,872	10,59,64,773
Unsecured, considered doubtful				
- Term Loan (including interest on instalments due)	-	-	-	-
- Business Loan (including interest on instalments due)	-	16,828	48,42,138	29,25,131
- Micro Loans			-	-
- Other loans	-	-		21,497
	-	16,828	48,42,138	29,46,628
Loan and advances to related parties				
Advance towards Purchase of Capital asset -Land	5,19,00,000	-	-	-

NOTE: 11(Cont...)
Loans and advances

Particulars	Non-current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Unsecured, considered good				
Advances recoverable in cash or kind				
Unsecured, considered good (Staff Loan)	12,22,614	39,30,437	-	-
Unsecured, considered doubtful	-	-	-	-
Less: Provision for doubtful advances	-	-	-	-
	12,22,614	39,30,437	-	-
Deposits (Unsecured, considered good)				
Rental deposits	4,06,28,200	4,16,51,200	-	-
Security Deposit under KML Act	24,90,000	24,90,000	-	-
Other security deposits	85,506	85,506	38,850	24,000
	4,32,03,706	4,42,26,706	38,850	24,000
Total	21,10,46,729	23,61,33,278	1,28,57,91,933	83,20,73,241

NOTE: 12 Other assets	Non-current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Interest accrued on loans	-	-	7,41,06,197	3,34,60,353
Interest accrued on fixed deposits and others	2,77,200	6,88,249	10,13,143	6,02,265
Advance tax and tax deducted at source	-	-	61,04,407	57,55,856
Others	-	-	8,87,882	8,97,084
Non Current Bank Balances (Refer Note 14)	-	-	-	-
Total	2,77,200	6,88,249	8,21,11,629	4,07,15,558

NOTE: 13 Current Investments	As at March 31, 2017	As at March 31, 2016
Unquoted mutual funds Nil (PY 27,707 units of Rs 2,436.21 each of Reliance mutual fund)	-	6,75,00,000
Nil (PY 37,020 units of Rs 2161 each of DSP Black Rock Mutual Fund)	-	8,00,00,000
Total	-	14,75,00,000

NOTE: 14 Cash and bank balances	Non-current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
cash and cash equivalents				
Balances with banks:				
On current accounts	-	-	1,01,04,384	1,54,00,036
Cash on hand	-	-	1,50,74,338	1,96,60,298
Total	-	-	2,51,78,722	3,50,60,334
Other bank balances				
Deposits with original maturity of less than 3 months Other balance				
Deposits with original maturity for more than 3 months but less than 12 months*			2,30,98,727	2,15,45,918
Total			2,30,98,727	2,15,45,918
Amount disclosed under non-current assets (note 12)	-		-	-
			4,82,77,449	5,66,06,252
* Represents the Fixed Deposits with Banks				

NOTE: 15	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from operations		
- Interest Received on Gold Loans	17,39,26,737	11,92,95,742
- Interest Received on Term Loans	3,20,91,376	3,51,20,069
- Interest Received on vehicle loans	1,91,34,801	1,28,48,092
- Interest Received on business loans	2,63,09,495	2,26,45,304
- Interest Received on Micro Loans	2,100	-
- Other Loans	84,924	36,77,751
Total Interest income (A)	25,15,49,433	19,35,86,958
Other operating revenue		
Money transfer	2,82,125	4,83,569
Interest on Bank and other deposits	18,59,351	41,24,506
(Loss)/Gain on mutual funds	65,90,155	1,59,49,174
Collection commission	32,73,562	28,69,050
Service charges Received	79,000	94,083
Documentation fee	47,60,097	66,42,416
Bad debts recovered	26,24,960	74,60,253
Others	31,13,100	11,91,752
Total other operating revenue (B)	2,25,82,350	3,88,14,803
Revenue from operations (A+B)	27,41,31,783	23,24,01,761
NOTE: 16		
Other Income		
Miscellaneous receipts	3,41,540	3,95,763
Total	3,41,540	3,95,763
NOTE: 17		
Finance Cost		
Interest		
- on Debentures	8,88,56,498	9,46,64,448
- on Inter Corporate Deposits (M/s Peringottukara Chits Ltd)	-	14,86,470
- on Subordinated debts	3,18,80,911	1,93,85,472
- on Bank Overdrafts	15,84,991	-
- Others	-	20,323
Total	12,23,22,400	11,55,56,713

NOTE: 18 Employee benefit expense	Year ended March 31, 2017	Year ended March 31, 2016
Salaries, wages and bonus	6,87,87,812	6,80,40,187
Contribution to provident and other funds	68,09,521	63,14,004
Gratuity Expense (Note 24*)	10,13,000	10,72,000
Staff welfare expenses	12,10,660	17,25,049
Total	7,78,20,993	7,71,51,240
NOTE: 19 Other expenses		
Office expenses	35,15,493	34,94,369
Rent	1,24,55,258	1,22,09,686
Rates and taxes	37,87,451	19,31,855
Insurance	4,27,622	5,02,584
Repairs and maintenance	15,27,096	14,66,906
Advertising and sales promotion	4,44,317	14,57,585
Travelling and conveyance	67,36,059	52,61,678
Communication costs	29,16,561	28,56,743
Printing and stationery	19,18,619	22,90,416
IT Support costs	8,35,916	11,26,972
Legal and professional fees	44,93,723	34,71,142
Brokerage expenses	8,22,481	13,52,950
Loss (Gain) on sale of Property, Plant and Equipment	(57,216)	18,46,688
Miscellaneous expenses	13,59,991	17,29,227
Total	4,11,83,371	4,09,98,801
Legal and professional fees includes payment to auditor		
- For statutory audit	9,00,000	7,00,000
- For other certification	1,00,000	1,00,000
	10,00,000	8,00,000
NOTE: 20 Provisions & Write off		
Bad debts/advances written off	89,73,933	24,88,775
Provision for non performing assets,	48,19,093	6,22,927
Provision for standard assets	10,61,390	6,73,118
Total	1,48,54,416	37,84,820
NOTE: 21 Depreciation and amortization expense		
Depreciation (Note 10A)	1,31,50,331	1,27,60,700
Amortization of intangible assets (Note 10B)	11,72,135	6,87,711
Total	1,43,22,466	1,34,48,411

Note: 22**Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2017	Year ended March 31, 2016
Net profit (Loss) after transfer to statutory reserve, for calculation of basic EPS	39,69,677	(1,81,42,461)
Weighted average number of equity shares in calculating basic EPS (Nos.)	4,94,80,587	4,53,13,920
Effect of dilution Stock option granted under ESOP (No)	6,20,000	6,30,000
Basic EPS (Loss/Share) in Rupees	0.08	(0.40)
Diluted EPS (Loss/Share) in Rupees	0.08	(0.39)

Note 23 : Related parties with whom transactions have taken place during the year

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel or their relatives		Directors & Key Management Personnel		Relatives of key management personnel	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Debentures and Subordinated Debt issued during the year						
- Sathyalakshmi Unnikrishnan					39,75,000	15,25,000
- Meenakshy Amma					7,20,000	17,50,000
- Rema Vijayan					2,00,000	-
- Geetha Pushpangadhan					10,00,000	-
Debentures and Subordinated Debt redeemed during the year						
- Neetha Narayanan			2,00,000	-	1,50,000	-
- N D Vijayan						
Interest paid on Debentures & Subordinated debts						
- N D Vijayan		8,189	26,082		7,524	6,925
- Prasanna Pasupathy					4,06,369	1,33,344
- Sathyalakshmi Unnikrishnan					3,94,641	1,87,688
- Meenakshy Amma						18,363
- Neetha Narayanan					1,35,709	-
- Rema Vijayan					4,821	-
- Geetha Pushpangadhan						
Equity Shares Alloted						
- Unnikrishnan I		20,00,000	7,50,00,000			
- Ramachandran Ottappath			3,00,00,000			
- Pasupathy P N					30,2000	
- N D Vijayan					10,00,000	
- Sathyalakshmi Unnikrishnan					-	
- Jalajakumari Ramachandran					-	
- Prasanna Pasupathy						4,95,00,000
- Rajesh Kumar K						
- Abhijith Unnikrishnan						
- Peringottukara Chit Ltd		5,00,00,000				
Sale of Fixed Assets						
- M/s Yogadhan Nidhi Limited	5,60,010	-				
Advance for purchase of Land						

Note 23 : Related parties with whom transactions have taken place during the year

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel or their relatives		Directors & Key Management Personnel		Relatives of key management personnel	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
- M/s Peringottukara Chits Ltd - Mr N D Narayanan	5,03,00,000 16,00,000	-				
Loan repaid to M/s Peringottukara Chits Ltd	-	5,26,54,110				
Loan given to M/s Peringottukara Chits Ltd	-	17,70,189				
Interest expense- to M/s Peringottukara Chits Ltd	-	14,86,470				
Interest income- from M/s Peringottukara Chits Ltd	-	13,341				
Sitting fee paid to directors - N D Narayanan - P N Pasupathy - Anoop G - Pushpangadan M			1,20,000 1,10,000 1,40,000 1,55,000	1,00,000 80,000 1,60,000 1,66,000		
Remuneration to Directors & Key Management Personnel a) I Unnikrishnan b) N D Vijayan c) Rajesh Kumar K d) Prasad P			24,00,000 18,00,000 18,81,200 12,80,129	24,00,000 18,00,000 17,80,200 11,68,073		
Service charges from Peringottukara Chits Ltd	39,500	53,863				
Service charges from Yogakshemam Management & Insurance Services Ltd	39,500	53,863				
Balance outstanding as at the year end:						
Service charges receivable from M/s Yogakshemam Management & Insurance Services Ltd	39,500	53,863				
Service charges receivable from M/s Perigottukara chits Ltd	39,500	53,863				
Advance paid for purchase of land from Peringottukara Chits Ltd	5,03,00,000	-				
Advance paid for purchase of land from Mr. N D Narayanan	16,00,000	-				

Note:

Related parties have been identified on the basis of the declaration received by the management and other records available.

Relationship	Name of the party
Subsidiary company	NIL
Associates / Enterprises owned or significantly influenced by key management personnel or their relatives	M/s Peringottukara Chits Ltd M/s Yogakshemam Management & Insurance services Ltd M/s Yogakshemam Kuries (Kerala) Pvt Ltd M/s Yogadhan Nidhi Limited
Key Management Personnel	N D Narayanan (Chairman)* I Unnikrishnan (Joined w-e-f 08.11.2014 , MD & CEO w-e-f 06.12.2014) N D Vijayan (Executive Director)** Rajesh Kumar K Pillai (EVP & CS w-e-f 01.04.2015) Prasad P (VP & CFO w-e-f 01.04.2015)
Other Directors	Mr P N Pasupathy Dr. Pushpangadan M (Joined w-e-f 08.11.2014) Mr Anoop G (Joined w-e-f 08.11.2014) Mr Ramachandran Ottappath (Joined w-e-f 08.11.2014)
Relatives of Directors & key management personnel	Prasanna Pasupathy (Wife of Mr P N Pasupathy) Uma Narayanan (Wife of Mr N D Narayanan) Neetha Narayanan (Daughter of Mr N D Narayanan) Swetha Narayanan (Daughter of Mr N D Narayanan) Sathyalakshmi Unnikrishnan (Wife of Mr I Unnikrishnan) Jalajakumari Ramachandran (Wife of Mr Ramachandran Ottappath) Meenakshy Amma (Mother of I Unnikrishnan) Abhijith Unnikrishnan (Son of I Unnikrishnan) Rema Vijayan (Wife of Mr N D Vijayan) Geetha Pushpangadan (Wife of Mr Pushpangadan M)

* Mr N D Nayaranan held the position as Chairman & Managing director of the company, till 06th Dec 2014 and thereafter continues in the board, as Non Executive Director & Chairman

** Mr N D Vijayan held the position as a Non Executive Director in the company till 06th Dec 2014 and thereafter continues in the board as an Executive Director.

Note 24 : Employment benefits disclosures:

The amounts of Provident fund contribution charged to the statement of Profit and loss during the year aggregates to Rs 53.54 Lakhs for March 31, 2017 (March 31, 2016 Rs. 50.13 Lakhs)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India and Kotak Mahindra Old Mutual Life Insurance Limited.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan

Statement of Profit and Loss**Net employee benefit expense recognised in the employee cost**

	March 31, 2017	March 31, 2016
Current service cost	11,15,000	8,37,000
Interest cost on benefit obligation	4,32,000	3,96,000
Expected return on plan assets	(1,60,000)	(1,91,000)
Net actuarial (gain)/loss recognized in the year	(3,74,000)	30,000
Net (benefit) / expense	10,13,000	10,72,000

Actual return on plan assets (% pa)	7.70	7.80
-------------------------------------	------	------

Balance sheet**Reconciliation of present value of the obligation and the fair value of plan assets:**

	March 31, 2017	March 31, 2016
Defined benefit obligation	56,35,000	56,06,000
Fair value of plan assets	(20,25,000)	(24,85,000)
Asset/(liability) recognized in the balance sheet	36,10,000	31,21,000
Experience adjustments on plan liabilities (Gain) / Loss	(6,10,000)	(41,000)
Experience adjustments on plan assets Gain / (Loss)	(8,000)	(48,000)

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2017	March 31, 2016
Opening defined benefit obligation	56,06,000	50,73,000
Interest cost	4,32,000	3,96,000
Current service cost	11,15,000	8,37,000
Benefits paid	(11,38,000)	(6,99,000)
Actuarial loss / (gain) on obligation	(3,80,000)	(1,000)
Closing defined benefit obligation	56,35,000	56,06,000

Changes in the fair value of plan assets are as follows:

	March 31, 2017	March 31, 2016
Opening fair value of plan assets	24,85,000	10,24,000
Expected return	1,60,000	1,91,000
Contributions by employer	5,24,000	20,00,000
Benefits paid	(11,38,000)	(6,99,000)
Actuarial gains / (losses)	(6,000)	(31,000)
Closing fair value of plan assets	20,25,000	24,85,000
Expected contribution to fund to be made in the next year	30,00,000	30,00,000

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2017 %	March 31, 2016 %
Discount rate	7.20	7.70
Attrition rate	5.00	5.00
Salary growth rate	5.00	5.00

The fund is administered by Life Insurance Corporation of India ("LIC") and Kotak Mahindra Old Mutual Life Insurance Limited . The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note 25 :**Lease Disclosures****Operating Lease :**

Office premises are obtained on operating lease which are cancellable in nature. Operating lease payments are recognized as an expense in the statement of profit and loss.

Finance Leases:

The company has no assets taken on finance lease, as on March 31, 2017

Note 26 A:**Disclosure required under MSMED Act 2006**

There is no amount payable to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the current year. The list of Micro and Small Enterprises was determined based on the information available with the company.

Note 26 B:

Additional disclosures as required by circular no DNBS.CC.PD.No.356/03.10.01/2013-2014 dated September 16, 2013 issued by the Reserve Bank of India:

S.No	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A)	Interest Amount outstanding at the dates of auctions (B)	Total (A+B)	Value fetched
1	331	65,40,234	20,06,523	85,46,757	87,29,852

Note:

No sister concerns participated in the auctions during the period ended March 31st, 2017.

Quarter Wise Breakup

Q1	72	15,32,850	4,60,523	19,93,373	20,62,389
Q2	59	10,74,434	3,57,340	14,31,774	15,62,977
Q3	110	25,36,700	7,45,035	32,81,735	33,48,285
Q4	90	13,96,250	4,43,625	18,39,875	17,56,201
Total	331	65,40,234	20,06,523	85,46,757	87,29,852

Note 27 : Gold and other loan portfolio classification and provision for non performing assets (As per RBI Prudential Norms)

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	
Secured Loans					
A) Gold Loan					
Standard Asset	1,08,24,07,761	58,76,03,801	32,47,249	17,62,811	1,07,91,60,512
Sub Standard Asset	1,02,000	-	10,200	-	91,800
Total - A	1,08,25,09,761	58,76,03,801	32,57,449	17,62,811	1,07,92,52,312
B) Business Loan					
Standard Asset	-	-	-	-	-
Doubtful Asset	11,93,834	13,86,525	4,89,321	3,60,005	7,04,513
Total - B	11,93,834	13,86,525	4,89,321	3,60,005	7,04,513
C) Term Loan					
Standard Asset	12,07,74,145	18,86,31,127	3,62,322	5,65,893	12,04,11,823
Sub Standard Asset	1,64,94,552	1,00,23,252	16,49,456	10,02,326	1,48,45,096
Doubtful Asset	17,66,357	-	7,39,923	-	10,26,434
Loss Asset	23,074	-	23,074	-	-
Total - C	13,90,58,128	19,86,54,379	27,74,775	15,68,219	13,62,83,353
D) Vehicle loans					
Standard Asset	6,54,64,717	10,17,16,934	1,96,411	3,05,151	6,52,68,306
Sub Standard Asset	2,13,20,969	4,12,622	21,32,657	41,262	1,91,88,312
Loss Asset	1,59,927	-	1,59,927	-	-
Total - D	8,69,45,613	10,21,29,556	24,88,995	3,46,413	8,44,56,618
E) Other Loans					
Standard Asset	-	-	-	-	-
Sub Standard Asset	-	20,74,987	-	2,05,381	-
Doubtful Asset	-	23,41,272	-	6,51,447	-
Loss Asset	-	23,074	-	23,074	-
Total - E	-	44,39,333	-	8,79,902	-
					35,59,431

Note 27 : Gold and other loan portfolio classification and provision for non performing assets (As per RBI Prudential Norms)

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	
Secured Total					31-Mar-16
Standard Asset	1,26,86,46,623	87,79,51,862	38,05,982	26,33,855	1,26,48,40,641
Sub Standard Asset	3,79,17,521	1,25,10,861	37,92,313	12,48,969	3,41,25,208
Doubtful Asset	29,60,191	37,27,797	12,29,244	10,11,452	17,30,947
Loss Asset	1,83,001	23,074	1,83,001	23,074	-
Total Secured (A+B+C+D+E)	1,30,97,07,336	89,42,13,594	90,10,540	49,17,350	1,30,06,96,796
Unsecured Loans					
A) Business Loan					
Standard Asset	8,51,11,943	11,01,47,092	2,55,381	3,30,449	8,48,56,562
Sub Standard Asset	48,42,138	29,41,959	48,42,138	29,41,959	-
Doubtful Asset	-	-	-	-	-
Total - A	8,99,54,081	11,30,89,051	50,97,519	32,72,408	8,48,56,562
B) Micro Loans					
Standard Asset	8,12,075	-	2,436	-	8,09,639
Sub Standard Asset	-	-	-	-	-
Total - B	8,12,075		2,436		8,09,639
C) Other Loans					
Standard Asset	-	1,27,01,234	-	38,104	-
Sub Standard Asset	-	21,497	-	2,150	-
Total - C	-	1,27,22,731	-	40,254	-
Unsecured Total					
Standard Asset	8,59,24,018	12,28,48,326	2,57,817	3,68,553	8,56,66,201
Sub Standard Asset	48,42,138	29,63,456	48,42,138	29,44,109	-
Doubtful Asset	-	-	-	-	-
Total Unsecured (A+B+C)	9,07,66,156	12,58,11,782	50,99,955	33,12,662	8,56,66,201
Grand Total	1,40,04,73,492	1,02,00,25,376	1,41,10,495	82,30,012	1,38,63,62,997
					1,01,17,95,364

Note 28 : Employee Stock option plans

The Company has provided share-based payment schemes to its employees. During the year ended March 31, 2017, the Yog Loans ESOP 2015 scheme was in operation. The relevant details of the scheme and the grant are as below

Date of grant	19-Aug-15
Date of board approval	19-Aug-15
Number of options granted*	11,00,000
Method of settlement (Cash/Equity)	Equity
Exercise price	Rs 10 per share
Vesting period	Grant vesting over a 5 year period in the following manner • Year 1 (On 19th August 2016)-20% of granted options • Year 2 (On 19th August 2017)-20% of granted options • Year 3 (On 19th August 2018)-20% of granted options • Year 4 (On 19th August 2019)-20% of granted options • Year 5 (On 19th August 2020)-20% of granted options
Vesting conditions	Performance of the employees and/ or such other criteria as it may deem fit
Exercise period	Within a period 36 months from the date of each vesting

*The company has granted 690,000 options during the year 2015- 16 identified employees and has deferred the grant of 410,000 potions for future

The details of activity under the scheme is summarised below :

	April 1, 2016 - March 31, 2017	
	Number of shares	Exercise price
Outstanding at the beginning of the year	6,30,000	10
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	(10,000)	-
Outstanding at the end of the year	6,20,000	10
Exercisable at the end of the year	1,24,000	10

Note 29 : Specified Bank Note Disclosure

Details of Specified Bank Notes (SBN) held as on November 8, 2016 and December 30, 2016 and transacted during the period from November 9, 2016 to December 30, 2016 ('the Period').

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	2,26,26,500	22,97,783	2,49,24,283
SBNs exchanged for other denominations (Refer Note 29.2)	61,000	(61,000)	-
(+) Withdrawal from Bank accounts	-	3,49,66,442	3,49,66,442
(+) Permitted receipts (Refer Note 29.3)	-	29,71,73,704	29,71,73,704
(+) Non Permitted receipts (Refer Note 29.4)	2,44,500	-	2,44,500
(-) Non Permitted payments (Refer Note 29.4)	1,64,500	-	1,64,500
(-) Permitted payments	-	32,58,74,186	32,58,74,186
(-) Amount deposited in Banks	2,27,67,500	7,14,883	2,34,82,383
Closing cash in hand as on December 30, 2016	-	77,87,860	77,87,860

Note:

29.1 The Company implemented the directions and issued circulars to all its branches on November 9, 2016 in order to strictly comply with the directions issued by the Reserve Bank of India via circular DCM (Plg)No.1226/10.27.00/2016-17 dated November 8, 2016 with regard to demonetization of SBNs. In a majority of cases the Company and its branches have complied with the directions except in some cases. All disclosures made are in accordance with the books of accounts and other records.

29.2 The Company has noted that certain SBNs have been exchanged for other denominations after November 8, 2017 in certain branches by employees/customers during the initial days of demonetization.

29.3 Permitted receipt includes only net amount of cash receipt at the time of repledge of the loan in excess of Rs.1 lakh.

29.4 Non-permitted receipts/payments presented in the table above represents cash collection/payments made from/to customers at the Company's branches by employees against settlement/disbursement of Gold loan principal and interest during the initial days of demonetization. All these receipts/payments have been deposited by the Company in the bank accounts as per normal operating policies and procedures.

Note 30 : Additional disclosures as required by circular no DNBS.CC.PD.No.265/03.10.01/2011-2012 dated March 21, 2012 issued by the Reserve Bank of India:

	March 31, 2017	March 31, 2016
Total Gold loan portfolio	1,08,25,09,761	58,76,03,801
Total Assets	1,66,51,68,601	1,35,48,96,630
Gold loan portfolio as a percentage age of total assets	65.01%	43.37%

Note 31 : Expenditure in foreign currency - NIL

Note 32 : Value of imports on C.I.F basis - NIL

Note 33 : Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform current year's classification.

As per my report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number : 101049W/E300004

For and on behalf of the Board of Directors

per Bharath N S

Partner

Membership no: 210934

I Unnikrishnan

MD & CEO

N D Narayanan

Chairman

N D Vijayan

Executive Director

Place: Chennai

Date : 17th July 2017

Prasad P

Chief Financial Officer

K. Rajesh Kumar

Company Secretary

Place: Thrissur

Date : 15th July 2017

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
 (as required in terms of paragraph 13 of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

SI No Particulars**Liabilities side**

		Amount Outstanding	Amount Overdue
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a)	Debentures : Secured : Unsecured (other than falling within the meaning of public deposits*)	70,94,75,361	1,96,83,012
(b)	Deferred Credits	-	-
(c)	Term Loans	-	-
(d)	Inter-corporate loans and borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Other Loans: Subordinated debts Bank Others	30,34,87,242	15,84,732

* Please see Note 1 below

Assets side :**Amount outstanding**

(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
(a)	Secured	1,30,97,07,336
(b)	Unsecured	9,07,66,156
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i)	Lease assets including lease rentals under sundry debtors :	-
(a)	(a) Financial lease	-
(b)	(b) Operating lease	-
(ii)	Stock on hire including hire charges under sundry debtors:	-
(a)	Assets on hire	-
(b)	Repossessed Assets	-
(iii)	Other loans counting towards AFC activities	-
(a)	Loans where assets have been repossessed	-
(b)	Loans other than (a) above	-

(4) Break-up of Investments :**Current Investments:**

1	Quoted :	
(i)	Shares : (a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others	-
2	Unquoted :	
(i)	Shares : (a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others	-

Long Term investments:

1	Quoted :	
	Shares : (a) Equity	-
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others	-
2	Unquoted :	
	Shares : (a) Equity	-
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others	-

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :**Please see Note 2 below**

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
Subsidiaries	-	-	-
Companies in the same group	-	-	-
Other related parties	-	-	-
2. Other than related parties	1,30,97,07,336	9,07,66,156	1,40,04,73,492
Total	1,30,97,07,336	9,07,66,156	1,40,04,73,492

**** As per Accounting Standard of ICAI (please see Note 3)**

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	-	-
Total	-	-

(7) Other Information :

	Amount outstanding
(i) Gross Non-Performing Assets	
(a) Related parties	
(b) Other than related parties	45902851
(ii) Net Non-Performing Assets	
(a) Related parties	
(b) Other than related parties	35856155
Assets acquired in satisfaction of debt	

Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

For and on behalf of the Board of Directors

I Unnikrishnan MD & CEO	N D Narayanan Chairman	N D Vijayan Executive Director
Prasad P Chief Financial Officer	K. Rajesh Kumar Company Secretary	

Place: Thrissur
Date : 15 July 2017



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